



Agenda: 25 August 1998

Board of Supervisors  
County of Santa Cruz  
701 Ocean St.  
Santa Cruz CA 95060

Dear Chair Beautz and Members of the Board:

The Commission on Disabilities was directed by your Board to complete its investigation into the complaints it has received regarding SCCHO's delivery of durable medical equipment, referrals to specialists, and lack of advocate/ombudsperson.

Unfortunately, our interim coordinator, Becky Matthews, has been called away to respond to a family medical emergency. Since it is she who has the primary responsibility for this report, it is incumbent upon me to inform your Board that delivery of our report will be delayed beyond 25 August. If the timing was more favorable we would ask that the second reading of the ordinance be delayed.

Since it is not, we will deliver our report in as timely a manner as possible, and will be pleased to communicate with your Board as we are able. As the issues are of grave concern to us, we trust that our interests will be dealt with as this merger process goes forward. We apologize to your Board for any inconvenience that this delay may engender.

Sincerely

A handwritten signature in black ink, appearing to read "Michael E Bush".

Michael E Bush  
Chair, Commission on Disabilities

MB/mb

ORDINANCE NO. \_\_\_\_

**ORDINANCE ADDING CHAPTER 7.59 TO THE SANTA CRUZ COUNTY CODE  
RELATING TO THE ESTABLISHMENT OF THE SANTA CRUZ-MONTEREY  
MANAGED MEDICAL CARE COMMISSION AND REPEALING CHAPTER 7.58  
RELATING TO THE MANAGED MEDICAL CARE COMMISSION**

The Board of Supervisors of the County of Santa Cruz ordains as follows:

**SECTION I**

The Santa Cruz County Code is hereby amended by adding new Chapter 7.59 to read as follows:

**SANTA CRUZ-MONTEREY  
MANAGED MEDICAL CARE COMMISSION**

**Sections:**

- 7.59.010 Established.
- 7.59.020 Purpose.
- 7.59.030 Membership.
- 7.59.035 Membership composition.
- 7.59.040 Bylaws.
- 7.59.050 Quorum.
- 7.59.060 Status and power of commission.
- 7.59.070 Minutes.
- 7.59.080 Reports.
- 7.59.090 Vacancies.
- 7.59.100 Severability.

**7.59.010 Established.**

Pursuant to California Welfare and Institutions Code Section 14087.54, there is created the Santa Cruz-Monterey Managed Medical Care Commission. This commission is a bi-county commission representing both Santa Cruz and Monterey Counties. The Santa Cruz-Monterey Managed Medical Care Commission shall be established effective on that date that both counties have in effect substantially similar ordinances creating the commission and a quorum of said commission's members have met to conduct its initial public meeting. Upon the establishment of the commission, all of the rights, duties, privileges, and immunities vested in Santa Cruz County by Welfare and Institutions Code Sections 14087.5 et seq. (Division 9, Part 3, Chapter 7, Article 2.8) are instead transferred to and vested in the commission, and shall continue to be so vested until Santa Cruz County formally terminates its participation in the commission. Any action to terminate participation must be proceeded by a ninety (90) day notice to the other member county and notice to the State Department of Health Services as set forth in Welfare and

Institutions Code Sections 14087.54(g).

7.59.020 Purpose.

A. The purpose of the commission is to negotiate exclusive contracts with the California Medical Assistance Commission and to arrange for the provision of health care services to qualifying individuals in Santa Cruz County and Monterey County who lack sufficient annual income to meet the cost of health care, and whose other assets are so limited that their application toward the cost of health care would jeopardize the person or family's future minimum self-maintenance and security, pursuant to Chapter 7 of Part 3 of Division 9 of the Welfare and Institutions Code.

B. The commission shall design and operate a program that:

1. Delivers primary care via **capitated**, at-risk contracts which significantly improve access to primary care and related specialty and ancillary services for enrolled Medical recipients;

2. Includes mechanisms for assuring that commission financed medical care services meet appropriate quality of care standards;

3. Incorporates a plan of service delivery and implement reimbursement mechanisms which will promote the long-term viability of a locally operated Medical managed care system and participating "Safety Net" providers herein defined as Medical Disproportionate Share Hospitals, County clinics and licensed Community Clinics;

4. Implements a financial plan which includes the creation of a prudent reserve within three years of commencing operations, and which provides that if additional surplus funds accrue, they shall be used to expand access, improve benefits and augment provider reimbursement;

5. Gives a high priority to increasing prevention, education and early intervention services for enrolled recipients;

6. Ensures that all program obligations, statutory, contractual or otherwise, shall be the obligations of the program and shall not be the obligations of Santa Cruz County, Monterey County or the state.

7. Implement programs and procedures to ensure that a high level of member satisfaction is maintained.

C. The commission shall also be authorized to contract

with public and private insurers and payors to administer their health care programs.

#### 7.59.030 Membership.

A. The commission shall consist of sixteen voting members, eight of whom shall be legal residents of the County of Santa Cruz appointed by the Board of Supervisors of Santa Cruz County, and eight of whom shall be legal residents of Monterey County appointed by the Board of Supervisors of Monterey County. The Commission shall be generally representative of the diverse skills, backgrounds, interests, and demography of persons residing in both counties.

B. Each member of the commission shall have a commitment to a health care system which seeks to improve access to high quality health care for all persons, regardless of their economic circumstances, and which in fact delivers high quality care, and which in fact is financially viable. Members of the commission shall likewise have an abiding commitment to, and interest in, a quality publicly assisted health care delivery system.

C. The sixteen voting members shall include:

1. One member of the Santa Cruz County Board of Supervisors, one member of the Monterey County Board of Supervisors;

2. The health services agency administrator of Santa Cruz County and the Health Director of Monterey County, or a representative of each respective agency nominated by the administrator or director;

3. Three persons representing providers from Santa Cruz County appointed by the Board of Supervisors of Santa Cruz County, and three persons representing providers from Monterey County appointed by the Board of Supervisors of Monterey County. Of the three provider representatives from Santa Cruz County, at least one shall be a physician in private practice, and at least one shall be a representative of a non-governmental community clinic;

4. A hospital representative from Santa Cruz County appointed by the Board of Supervisors of Santa Cruz County, and a hospital representative from Monterey County appointed by the Board of Supervisors of Monterey County;

5. Two public representatives of the population of beneficiaries to be served by the commission from Santa Cruz County appointed by the Board of Supervisors of Santa Cruz County, and two public representatives of the population of

beneficiaries to be served by the commission from Monterey County appointed by the Board of Supervisors of Monterey County. Of the two persons from Santa Cruz County, at least one shall be a past or present Medical beneficiary

D. Commissioners shall be appointed by majority vote of the Board of Supervisors of the respective county. Any commission member may be removed from office by a four-fifths vote of the Board of Supervisors of the county originally appointing that member.

E. Commissioners appointed by the Santa Cruz County Board of Supervisors shall serve terms of four **years**, with the exception of the initial selection of members. The majority of the commission members initially appointed by the Santa Cruz County Board of Supervisors shall serve terms commencing on April 1st of the year in which the Fourth District supervisor begins a full term. The remaining members initially appointed shall serve terms commencing on April 1st of the year in which the Fifth District supervisor begins a full term. The initial appointment terms shall be drawn by lots. At the conclusion of a term, a member may be reappointed to a subsequent four-year term.

#### **7.59.035 Membership composition.**

The Board of Supervisors declares that the individuals representing the hospital industry, physician profession and non-physician health care providers appointed to the commission are intended to represent and further the interests of said industry, profession and providers, and that such representation and furtherance will ultimately serve the public interest. Accordingly, the Board finds that for purposes of determining whether any such commissioner has a "financial interest" within the meaning of Government Code Section 87100, the industry, profession and providers are tantamount to and constitutes the public generally within the meaning of Section 87103 of the Government Code.

#### **7.59.040 Bylaws.**

Procedures for the conduct of business not otherwise specified in this chapter, including provisions for the creation of standing committees, shall be contained in bylaws adopted by the commission and submitted to the Board of Supervisors of each county for final approval.

#### **7.59.050 Quorum.**

A majority of the appointed members of the commission (excluding any positions that are vacant) shall constitute a quorum, and no act of the commission shall be valid unless a

majority of those members appointed and not disqualified from voting due to a conflict of interest concur therein. Any act of the commission shall be accomplished by a roll call vote when such a vote is requested by any member in attendance.

**7.59.060 Status and power of commission.**

A. The commission shall be considered an entity separate from both the County of Santa Cruz and the County of Monterey. The commission shall have all of the powers made available generally to commissions under Welfare and Institutions Code Section 14087.54. The commission shall have the power to acquire, possess, and dispose of real or personal property, as may be necessary for the performance of its functions, to employ personnel and contract for services to meet its obligations, and to sue or be sued. Any obligations of the commission, statutory, contractual, or otherwise, shall be the obligations solely of the commission and shall not be the obligations of either the County of Santa Cruz or the County of Monterey.

B. Prior to approving an initial managed medical care system plan, the commission shall submit a proposed-draft plan to each respective Board of Supervisors for their review and comment, and shall consider any comments or recommendations made by each Board of Supervisors. Thereafter, before submittal to the State or execution by the commission, the commission shall submit to each respective Board of Supervisors for their review and comment: (a) the initial managed medical care system plan, as approved by the commission, (b) any amendment to the system plan, and (c) any contract with the California Medical Assistance Commission for the provisions of health care services.

**7.59.070 Minutes.**

Official minutes recording the motions entertained and actions taken at each meeting of the commission shall be prepared and submitted to each respective Board of Supervisors and county administrative office.

**7.59.080 Reports.**

A. The commission shall submit an annual report to each respective Board of Supervisors and county administrative office on or before January 31st of each year. The report shall highlight the activities, accomplishments and future goals of the commission.

B. Either respective Board of Supervisors may request that the commission submit progress reports and recommendations at any time.

**7.59.090 Vacancies.**

Vacancies occurring in the commission shall be filled by the Board of Supervisors of the appointing county for the remainder of the unexpired term only.

**7.59.100 Severability.**

The provisions of this chapter are severable. If any section, paragraph, sentence, phrase or word of this chapter is declared invalid for **any** reason, that decision shall not affect any other portion of this chapter, which shall remain in full force and effect.

**SECTION II**

Chapter 7.58 of the Santa Cruz County Code is hereby repealed, however, said repeal shall not take effect until the date on which a quorum of the Santa Cruz-Monterey Managed Medical Care Commission conducts its initial public meeting. The Managed Medical Care Commission shall continue to serve as the special commission designated by the Board of Supervisors pursuant to Section 14087.54 of the Welfare and Institutions, until the date that Chapter 7.58 of the Santa Cruz County Code is repealed, at which time all obligations, rights, powers, duties, privileges, and immunities vested in the Managed Medical Care Commission shall be transferred to the Santa Cruz-Monterey Managed Medical Care Commission established by Chapter 7.59 of the Santa Cruz County Code.

**SECTION III**

This ordinance shall take effect on the 31st day after the date of final passage.

PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_ 1998, by the Board of Supervisors of the County of Santa Cruz by the following vote:

AYES: SUPERVISORS  
 NOES: SUPERVISORS  
 ABSENT: SUPERVISORS  
 ABSTAIN: SUPERVISORS

\_\_\_\_\_  
 Chairperson of the  
 Board of Supervisors

Attest: \_\_\_\_\_  
 Clerk of the Board

APPROVED AS TO FORM:

  
 Assistant County Counsel

# COUNTY OF SANTA CRUZ

STATE OF CALIFORNIA



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AT THE BOARD OF SUPERVISORS MEETING

On the Date of August 11, 1998

REGULAR AGENDA Item No. 049

(CONTINUED consideration to adopt an ordinance adding Chapter 7.59 to the County Code, establishing the Santa Cruz/Monterey Managed Medical Care Commission and repealing Chapter 7.58;  
(1) read title and waived detailed reading of complete ordinance;  
(2) approved ordinance "in concept" to return August 25, 1998 for final adoption; with additional directives to report back and respond to the specific issues raised by the Commission on Disabilities during the meeting and contained in their letter of August 10, 1998 and any additional questions raised by Mr. Frieler; address the concern regarding the unique and particular needs of constituent groups in Santa Cruz County be protected under this joint authority as they would be with local control and 100 percent of the appointments be made by Board Members; and further directed County Counsel to return with additional language to Section 7.59.020 E of the Ordinance to add subsection 7 that reads: "implement programs and procedures to ensure that a high level of member satisfaction is maintained"....

Continued consideration to adopt an ordinance adding Chapter 7.59 to the County Code, establishing the Santa Cruz/Monterey Managed Medical Care Commission and repealing Chapter 7.58;

Upon the motion of Supervisor Wormhoudt, duly seconded by Supervisor Belgard, the Board, by unanimous vote, read title and waived detailed reading of complete ordinance;

Upon the motion of Supervisor Wormhoudt, duly seconded by Supervisor Beautz, the Board, by unanimous vote, approved ordinance "in concept" to return August 25, 1998 for final adoption; with additional directives to report back and respond to the specific issues raised by the Commission on Disabilities during the meeting and contained in their letter of August 10, 1998 and any additional questions raised by Mr. Frieler; address the concern regarding the unique and particular needs of constituent groups in Santa Cruz County be protected under this joint authority as they would be with local control and 100 percent of the appointments be made by Board

State of California, County of Santa Cruz-ss.

*I, Susan A. Mauriello, Ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California, do hereby certify that the foregoing is a true and correct copy of the order made and entered in the Minutes of said Board of Supervisors. In witness thereof I have hereunto set my hand and affixed the seal of said Board of Supervisors.*



COUNTY OF SANTA CRUZ  
STATE OF CALIFORNIA



AT THE BOARD OF SUPERVISORS MEETING

On the Date of August 11, 1998

REGULAR AGENDA Item No. 049

Members; and further directed County Counsel to return with additional language to Section 7.59.020 E of the Ordinance to add subsection 7 that reads: "implement programs and procedures to ensure that a high level of member satisfaction is maintained"

cc:

CAO  
County Counsel  
Auditor-Controller  
SCCHO  
Health Services Agency  
Monterey County Board of Supervisors

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State of California, County of Santa Cruz-ss

*I, Susan A. Mauriello, Ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California, do hereby certify that the foregoing is a true and correct copy of the order made and entered in the Minutes of said Board of Supervisors. In witness thereof I have hereunto set my hand and affixed the seal of said Board of Supervisors.*

by *Susan A. Mauriello* Deputy Clerk, on August 14, 1998. **16**