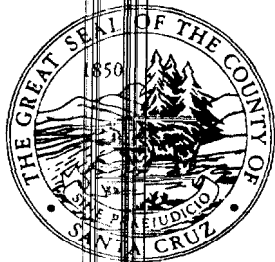


# COUNTY OF SANTA CRUZ



PUBLIC HEALTH  
ADMINISTRATION

## HEALTH SERVICES AGENCY

P.O. BOX 962, 1080 EMELINE AVENUE  
SANTA CRUZ, CA 95061  
(408) 454-4088 FAX: (408) 454-4488  
TDD: (408) 454-4123

July 12, 1999

AGENDA: August 3, 1999

BOARD OF SUPERVISORS  
County of Santa Cruz  
701 Ocean Street  
Santa Cruz, CA 95060

**SUBJECT: Central Coast Alliance for Health**

Dear Board Members:

As your Board is aware Santa Cruz County Health Options (SCCHO) has adopted a new name, The Central Coast Alliance for Health (Alliance), as part of its planned expansion into Monterey County. Your Board has assisted in the planned expansion by modifying the Santa Cruz County Ordinance which, together with a similar Monterey County Ordinance, provides the framework for Alliance governance. Though the authority for Alliance activities rests with the Managed Medical Care Commission, the fact that Commission members are appointed pursuant to Ordinances in the two counties suggest that important documents be submitted to the respective Boards of Supervisors for review and comment prior to being considered for action by the Alliance governing Commission. No formal Board approval is required but comments and/or suggestions can be provided to the HSA Administrator for presentation to the Alliance Commission.

On file with the Clerk of the Board for your review are the following:

- A. **The Structural Design Report (SDR) and its attachments concerning the Alliance expansion into Monterey County.** The SDR describes the geography and demography of Monterey County and explains the planning process which has occurred and how the expansion will be financed. The SDR reviews the proposed governance, the legal authorities utilized, SCCHO's existing goals and principles which will serve as the basis for the expanded area, and the financial advantages of a managed care approach. It also reviews the expanded provider network, claims processing system and payment methods, scope of services, and related matters.
- B. **The proposed contract between the Alliance and the State for the expanded services.** The proposed contract is an expanded version of the existing SCCHO-State agreement which governs Medi-Cal managed care services in Santa Cruz County. It

follows a State-mandated format which has been approved by the Federal Government. The contract not only serves as the legal connection between the Alliance and the State, but also as the document which specifies the range of services, how care is delivered and paid for, and how the governing organization is managed and financed.

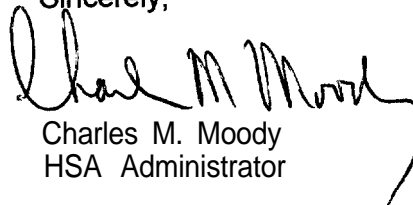
C. ***The Alliance's response to the State concerning the proposed contract and Alliance suggestions for contract modifications.*** The Alliance's response to the State reflects additional details provided to clarify and/or expand upon the original contract document submitted to the State. Also included as Attachment D is documentation reflecting the processes followed by representatives of Monterey and Santa Cruz County in developing the two-county managed care proposal.

The target date for the Monterey expansion to begin remains October 1, 1999.

It is, therefore, RECOMMENDED that your Board:

1. Accept and file these documents and direct the HSA Administrator to convey to the Alliance any comments provided by Board members.

Sincerely,



Charles M. Moody  
HSA Administrator

RECOMMENDED:



Susan A. Mauriello  
County Administrative Officer

Attachments A, B, C, & D on file with Clerk of the Board.

- cc: CAO  
Auditor-Controller  
County Counsel  
HSA Administration  
Mental Health Administration  
Central Coast Alliance for Health

4