



HEALTH SERVICES AGENCY
ADMINISTRATION

COUNTY OF SANTA CRUZ

HEALTH SERVICES AGENCY

P.O. BOX 962, 1080 EMELINE AVENUE
SANTA CRUZ, CA 95061
(408) 454-4066 FAX: (408) 454-4770
TDD: (408) 454-4123

September 18, 2000

AGENDA: October 3, 2000

BOARD OF SUPERVISORS
County of Santa Cruz
701 Ocean St., Fifth Floor
Santa Cruz, CA. 95060

SUBJECT: Report Back on Long Term Care Integration Project and Related Actions

Dear Members of the Board:

BACKGROUND:

Beginning in January of 1997 your Board reviewed reports and took actions associated with the implementation of an integrated long-term care program for seniors and persons with disabilities living in Santa Cruz County. Currently, the State and Federal governments fund a complex range of health and social services designed to serve individuals who need assistance to maximize their independence in the community. Long term care services include: in-home supportive services (IHSS), home health, skilled nursing facilities, Intermediate Care Facilities (ICF), Meals on Wheels, Lifeline, Elderday, geriatric mental health services, residential care facilities, Senior Network Services, Linkages, Adult Protective Services, Public Guardian services, the Central Coast Center for Independent Living, supportive housing, case management services, Multi-purpose Senior Services Program (MSSP) and others. The Long Term Care Integration Project was designed to develop pilot projects that could be models for California in terms of "consumer friendly" service delivery and a cost-effective system of care. The goal of these models is to maximize the opportunities for independence, health, and quality of life. This would be accomplished through blending of funding streams into a single funding stream with per member per month rates and flexible deployment of services. Different services can also be co-located and share administrative costs. The funds could then be used

flexibly to meet individual patient needs in seamless system of care. Funds saved on expensive services can be re-directed to other areas with unmet needs.

Santa Cruz Activities in Long Term Care Integration:

Santa Cruz County is in its second phase of long term care planning. This includes completion of a financial feasibility study of long term care integration and development of a governance model for service delivery. The State grant funding this second phase was not adequate to do the complex actuarial analysis of financial risk. The Health Services Agency therefore applied for and was awarded a grant from the Community Foundation of Santa Cruz County to finance this very technical and specialized work. This grant will help create and analyze a health and social services cost database for persons using long term care services with Medical. It is recommended that your Board approve a resolution accepting and appropriating the \$25,000 in Foundation funds. The Foundation funds, matched with funds already approved during the budget process, will be used for actuarial analysis. It is requested that the attached contract for \$50,000 be approved with Pacific Health Consulting Group for completion of the actuarial work.

In addition, the Health Services Agency would like to convert the funding for the project coordinator from a contract to a position effective October 16, 2000. To date, project management has been handled by an independent consultant. We feel it would be more effective to have this important work coordinated by a full time county employee. It is therefore requested that your Board approve the creation of 1 .0 FTE Departmental Administrative Analysis upon review and classification by County Personnel.

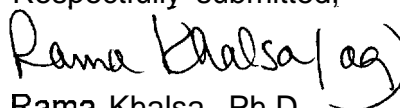
The third phase of the project involves applying for an "Aging with Dignity" Innovation Grant from the Department of Aging. The State's budget includes 14 million in funding for these grants. They are vital to expanding services and increasing the funding base for integrated services. These grants are complex and involve a phase in of the integrated services currently delivered by a variety of non-profits, the County, and the Central Coast Alliance for Health. Through the collaboration and work of our LTCI partners, the county is in an excellent position to apply for multiple grants. The State is also encouraging linkages with Foundations in the grant proposals for this important health policy and system development work. It is therefore requested that the Board approve the Health Services Agency efforts to apply for the Innovation Grants which will be to continue building long term care services.

RECOMMENDATIONS:

It is therefore, RECOMMENDED that your Board:

1. Accept and file the report on the Long Term Care Integration Project;
2. Approve a resolution accepting and appropriating \$25,000 in grant revenues for long term care actuarial analysis; and
3. Approve the contract with Pacific Health Consulting Group for \$50,000 for financial risk analysis of long term care integration models for Santa Cruz County; and
4. Approve the creation of 1 .0 FTE Departmental Administrative Analyst in budget unit 360120 upon review and classification by Central Personnel; and
5. Direct HSA to return for final approval of the Department of Aging Innovation Grant applications prior to State submission.

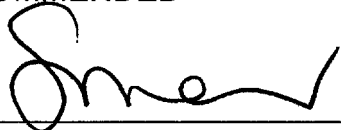
Respectfully submitted,



Rama Khalsa, Ph.D.

Health Services Agency Administration

RECOMMENDED



Susan Mauriello
County Administrative Officer

cc: Health Services Agency Administration
Human Resource Agency Administration
Long Term Care Integration Project Steering Committee
County Counsel
Central Personnel
County Administrative Office
Auditor Controller
HSA Personnel

Attachments:

- a. Resolution Accepting and Appropriating Revenues
- b. Contract with Pacific Health Consulting Group

COUNTY OF SANTA CRUZ
REQUEST FOR APPROVAL OF AGREEMENT

0120

TO: Board of Supervisors
County Administrative Officer
County Counsel
Auditor-Controller

FROM: Health Services Agency (Dept.)
Rama Khalsa (ag) (Signature) 10/1/00 (Date)

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of the same.

1. Said agreement is between the Health Services Agency (Agency)
and Pacific Health Consulting Group, 1007 C Street, Suite 110, Galt, CA 95632 (Name & Address)
2. The agreement will provide technical consultation and data analysis of Medi-Cal and Medicare
Long Term Care utilization history.
3. The agreement is needed to complete the planning efforts of the Long Term Care Integration Task
Force.
4. Period of the agreement is from July 1, 2000 to June 30, 2001
5. Anticipated cost is \$ 50,000.00 (Fixed amount; Monthly rate; Not to exceed)
6. Remarks: Consultant will be paid at the hourly rate of \$150.00, to the maximum of \$50,000.
Consultant will bill no more than 1/5 of the contract in any given month.
7. Appropriations are budgeted in Health Planning & Quality (360120) (Index#) 3665 (Subobject)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACH COMPLETED FORM AUD-74

Appropriations are available and have been encumbered. * Contract No. CO 02264 Date 9/20/00
are not will be
* 25K SUBJECT TO APPROVAL OF AUD - 60
GARY A. KNUTSON, Auditor - Controller
By Ronell J. Silva Deputy.

Proposal reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize the
HSA Administrator to execute the same on behalf of the County of Santa Cruz
Health Services Agency (Agency).

Remarks:

LAH (Analyst)

County Administrative Officer
By W. E. Silva Date 9/23/00

Agreement approved as to form. Date _____

Distribution:

Bd. of Supv. - White
Auditor-Controller - Blue
County Counsel - Green *
Co. Admin. Officer - Canary
Auditor-Controller - Pink
Originating Dept. - Goldenrod

To Orig. Dept. if rejected.

27
AD 29 (1995)

State of California)
County of Santa Cruz) ss
I _____ ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz,
State of California, do hereby certify that the foregoing request for approval of agreement was approved by
said Board of Supervisors as recommended by the County Administrative Officer by an order duly entered
in the minutes of said Board on _____
County Administrative Officer
By _____ Deputy Clerk

Contract No. *TBD*
 Index No. *360120*
 Account No.

**SANTA CRUZ COUNTY HEALTH SERVICES AGENCY
 INDEPENDENT CONTRACTOR AGREEMENT**

This CONTRACT is effective this **1st day of July, 2000**, by and between the **County of Santa Cruz**, hereinafter called **COUNTY**, and **Pacific Health Consulting Group, Inc.**, hereinafter called **CONTRACTOR**. The parties agree as follows:

1. **DUTIES.** CONTRACTOR agrees to exercise special skill to accomplish the following result: **As itemized on Attachment A - Scope of Work for Fiscal Year 2000-2001.**

2. **COMPENSATION.** In consideration for CONTRACTOR accomplishing said result, COUNTY agrees to pay CONTRACTOR as follows:

 \$50,000 maximum agreement amount for **FY 00-01** for specific deliverables as itemized on Attachment A (attached). This includes all salaries, benefits, travel, office expenses, etc. utilized in development of deliverables.

 CONTRACTOR shall bill monthly. The maximum for each bill is limited to \$10,000. Claims shall be sent to **Rama Khalsa**, Health Services Agency Administrator, 1080 Emeline Avenue, Santa Cruz, CA 95060.

3. **TERM.** The term of this Agreement shall be from **July 1, 2000**, unless terminated by either party in accordance with Paragraph #4.

4. **EARLY TERMINATION.** Either party hereto may terminate this Agreement at any time by giving thirty (30) days written notice to the other party. In the event of early termination, CONTRACTOR shall be paid for all services performed prior to the effective date of termination.

5. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** CONTRACTOR shall exonerate, indemnify, defend, and hold harmless COUNTY which for the purpose of paragraphs 5 and 6 (which shall include, without limitation, its officers, agents, employees and volunteers) from and against:
 - a. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which COUNTY may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property to the extent directly resulting from the negligence or willful misconduct of CONTRACTOR in connection with CONTRACTORS performance under the terms of this contract, including but not limited to the use, misuse, or failure of any equipment, materials, tools, supplies or other property furnished to CONTRACTOR by COUNTY, excepting any liability arising out of sole negligence of the COUNTY. Such indemnification includes any damage to the person(s) or property(ies) of CONTRACTOR and third persons.

- b. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to CONTRACTOR and CONTRACTORS officers, employees and agents engaged in the performance of this Contract (including, without limitation, unemployment insurance, social security and payroll tax withholding, but excluding any sales tax, if any, included on CONTRACTOR invoices to the COUNTY, which shall be paid by the COUNTY).

6. INSURANCE.

- a. CONTRACTOR, at its sole cost and expense, for the full term of this Agreement (and any extensions thereof), shall obtain and maintain at minimum compliance with all of the following insurance coverage(s):

(1) Types of Insurance and Limits of Liability

- (a) Worker's Compensation in the minimum statutorily required coverage amounts. This insurance coverage shall not be required if CONTRACTOR has no employees.
 - (b) Automobile Liability Insurance for each of CONTRACTORS vehicles used in the performance of this Agreement, including owned, non-owned (e.g., owned by CONTRACTORS employees), leased or hired vehicles, in the amount of **\$500,000** combined single limit per occurrence for bodily injury and property damage.
 - (c) Comprehensive or Commercial General Liability Insurance coverage in the amount of \$1 ,000,000 combined single limit, including coverage for: (a) bodily injury, (b) personal injury, (c) property damage, (d) contractual liability, and (e) cross-liability.
 - (d) Professional Liability Insurance in the amount of \$1 ,000,000 per claim and aggregate.
 - (e) CONTRACTOR agrees to carry and maintain during the entire term of this Agreement fire and extended coverage including theft insurance to adequately cover value of COUNTY'S inventorable items in the possession of CONTRACTOR. Insurance policy must name COUNTY as the loss payee.
- b. If CONTRACTOR utilizes subcontractors in the performance of this Agreement, CONTRACTOR shall obtain and maintain Independent CONTRACTORS insurance as to each subcontractor or otherwise provide evidence of insurance coverage for each subcontractor equivalent to that required of CONTRACTOR in this Agreement.

(2) Other Insurance Provisions

- (a) If any insurance coverage required in this Agreement is provided on a "Claims Made" rather than "Occurrence" form, CONTRACTOR agrees to maintain the

required coverage for a period of three (3) years after the expiration of this Agreement (hereinafter "post agreement coverage") and any extensions thereof. CONTRACTOR may maintain the required post agreement coverage by renewal or purchase of prior acts or tail coverage. This provision is contingent upon post agreement coverage being both available and reasonably affordable in relation to the coverage provided during the term of this Agreement. For purposes of interpreting this requirement, a cost not exceeding 100% of the last annual policy premium during the term of this Agreement in order to purchase prior acts or tail coverage for post agreement coverage shall be deemed to be reasonable.

- (b) All required Automobile and Comprehensive or Commercial General Liability Insurance shall provide the following:

"The County of Santa Cruz, its officials, employees, and volunteers are added as an additional insured as respects their vicarious liability arising from the operations and activities of, or on behalf of, the CONTRACTOR performed under Agreement with the County of Santa Cruz".

Such insurance coverage shall be primary coverage as respects COUNTY but only for claims arising solely from the CONTRACTOR'S provision of services hereunder.

- (c) CONTRACTOR agrees to provide Certificates of Insurance for all required coverage to: Claims Desk, Health Services Administration, P.O. Box 962, Santa Cruz, CA 95061 on or before the effective date of this Agreement

All required Certificates of Insurance shall show the following:

This insurance shall not be canceled until after thirty (30) days prior written notice has been given to: Claims Desk, Health Services Administration, P.O. Box 962, Santa Cruz, CA 95061.

7. EQUAL. During and in relation to the performance of this Agreement, CONTRACTOR agrees as follows:

a. CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, mental or physical disability, medical condition (cancer related), marital status, gender, pregnancy, sexual orientation, age (over 18), veteran status or any other **nonmerit** factor unrelated to job duties. Such action shall include, but not be limited to, the following: recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause.

"Discriminate, Discrimination or Discriminatory" - shall mean any act, policy or practice

which, regardless of intent, has the effect of subjecting any person to differential treatment as a result of that person's age (over **18**), race, color, creed, religion, national origin, ancestry, mental or physical disability, marital status, pregnancy, gender, or sexual orientation. "Discrimination" includes the assertion of an otherwise valid reason for action as a subterfuge or pretext for prohibited discrimination.

b. If this Agreement provides compensation in excess of \$50,000 to CONTRACTOR and if CONTRACTOR employs fifteen (15) or more employees, the following requirements shall apply:

(1) The CONTRACTOR shall, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, ancestry, mental or physical disability, medical condition (cancer related), marital status, gender, sexual orientation, age (over **18**), veteran status, pregnancy, or any other non-merit factor unrelated to job duties. In addition, the CONTRACTOR shall make a good faith effort to consider Minority/Women/Disabled Owned Business Enterprises in CONTRACTORS solicitation of goods and services. Definitions for Minority/Women/Disabled Owned Business Enterprises are available from the COUNTY General Services Purchasing Division.

(2) The CONTRACTOR shall furnish COUNTY Affirmative Action Office information and reports in the prescribed reporting format (PER 4012) identifying the gender, race, disability, and job classification of its employees and the names, dates and methods of advertisement and direct solicitation efforts made to subcontract with Minority/Women/Disabled Business Enterprises.

(3) In the event of the CONTRACTORS non-compliance with the non-discrimination clauses of this contract or with any of the said rules, regulations, or orders this **CONTRACTOR may** be declared ineligible for further contracts with the COUNTY.

(4) The CONTRACTOR shall cause the foregoing provisions of this Subparagraph 13b. to be inserted in all subcontracts for any work covered under this Agreement by a subcontractor compensated more than \$50,000 and employing more than fifteen (15) employees, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

8. **INDEPENDENT CONTRACTOR STATUS.** CONTRACTOR and **COUNTY** have reviewed and considered the principal test and secondary factors below and agree that CONTRACTOR is an independent contractor and not an employee of COUNTY. CONTRACTOR is responsible for all insurance (workers compensation, unemployment, etc.) and all payroll related taxes. CONTRACTOR is not entitled to any employee benefits. **COUNTY** agrees that CONTRACTOR shall have the right to control the manner and means of accomplishing the result contracted for herein.

PRINCIPAL TEST: The CONTRACTOR rather than **COUNTY** has the right to control the manner and means of accomplishing the result contracted for.

SECONDARY FACTORS: (a) The extent of control which, by agreement, **COUNTY** may exercise over the details of the work is slight rather than substantial; (b) **CONTRACTOR** is engaged in a distinct occupation or business; (c) In the locality, the work to be done by **CONTRACTOR** is usually done by a specialist without supervision, rather than under the direction of an employer; (d) The skill required in the particular occupation is substantial rather than slight; (e) The **CONTRACTOR** rather than the **COUNTY** supplies the instrumentality's, tools, and workplace; (f) The length of time for which **CONTRACTOR** is engaged is of limited duration rather than indefinite; (g) The method of payment of **CONTRACTOR** is by the job rather than by the time; (h) The work is part of a special or permissive activity, program, or project, rather than part of the regular business of **COUNTY**; (i) **CONTRACTOR** and **COUNTY** believe they are creating an independent contractor relationship rather than an employer-employee relationship; and (j) The **COUNTY** conducts public business.

It is recognized that it is not necessary that all secondary factors support creation of an independent contractor relationship, but rather that overall there are significant secondary factors which indicate that **CONTRACTOR** is an independent contractor. By their signatures to this Agreement, each of the undersigned certifies that it is his or her considered judgment that the **CONTRACTOR** engaged under this Agreement is, in fact, an independent contractor.

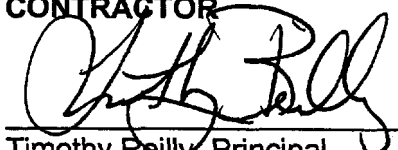
9. **NONASSIGNMENT.** shall not assign this Agreement without the prior written consent of **the COUNTY**.
10. **RETENTION AND AUDIT OF RECORDS.** **CONTRACTOR** shall retain records pertinent to this Agreement for a period of not less than five (5) years after final payment under this Agreement or until a final audit report is accepted by **COUNTY**, whichever occurs last. **CONTRACTOR** hereby agrees to be subject to the examination and audit by the Santa Cruz County Auditor-Controller, the Auditor General of the State of California, federal auditors or the designee of either for a period of five (5) years after final payment under this Agreement.
11. **PRESENTATION OF CLAIMS.** Presentation and processing of any or all claims arising out of or related to this Agreement shall be made in accordance with the provisions contained in Chapter 1.05 of the Santa Cruz County Code, which by this reference is incorporated herein.
12. **ATTACHMENTS.** This Agreement includes the following attachments: Attachment A – **WORKPLAN 2000-01 DELIVERABLES.**

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year above written.

COUNTY OF SANTA CRUZ


Rama K. Khalsa
Health Services Administrator

CONTRACTOR

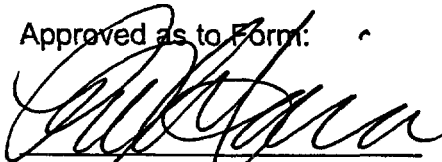

Timothy Reilly, Principal
Pacific Health Consulting Group.
1067 C Street, Suite 110
Galt, CA 95632
Phone: (209-744-2667)/Fax: (209-744-2668)
Tax ID: 68-0403180

Approved as to Insurances


Risk Management Division Chief

6-16-2000
Date

Approved as to Form:


Assistant County Counsel

6-16-00
Date

Distribution:

County Administrative Officer
Auditor-Controller
County Counsel
Risk Management
Health Services Agency
Contractor

Attachment A

Workplan 2000-01
Long Term Care Integration Project
Pacific Health Consulting Group; Inc.
Project Lead, Tim Reilly

Overall Objectives:

- Collecting and analyzing data in the ongoing LTC capacity assessment process related to program planning for M Cal Services.
- Providing information to further interagency coordination and strategic planning for services to Medi-Cal individual families.

Deliverables:

| | |
|---|-----------------|
| 1. Comprehensive data analysis plan; | \$10,000 |
| 2. Analysis of selected Medi-Cal Data, including actuarial reports, profiling, and cost models | \$20,000 |
| 3. Analysis of limited Home and Community Based Data, including actuarial reports, profiling and cost models | \$5,000 |
| 4. Analysis of limited Medicare Data, including actuarial reports, profiling, and cost models | \$5,000 |
| 5. Integration of selected Medi-Cal, Home and Community Based, and Medicare data sets. | \$10,000 |
| Total for 2000-01 projects not to exceed | \$50,000 |

Funds may be flexed between work products with written consent of the Health Services Agency Director related to priorities and products.

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

RESOLUTION NO. _____

On the motion of Supervisor _____
duly seconded by Supervisor _____
the following resolution is adopted:

RESOLUTION ACCEPTING UNANTICIPATED REVENUE

WHEREAS, the County of Santa Cruz is a recipient of funds from Community Fndtn. of Santa Cruz County for Long Term Care Integration (actuarial analysis) program; and

WHEREAS, the County is recipient of funds in the amount of \$ 25,000 which are either in excess of those anticipated or are not specifically set forth in the current fiscal year budget of the County; and

WHEREAS, pursuant to Government Code Section 29130(c)/29064(b), such funds may be made available for specific appropriation by a four-fifths vote of the Board of Supervisors;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Santa Cruz County Auditor-Controller accept funds in the amount of \$25,000 into

Department 36- Health Services Agency

| T/C | Index Number | Revenue Subject Number | Account Name | Amount |
|-----|-----------------|------------------------------|---------------|-------------|
| 001 | 360120 | 2384 | Other Revenue | \$25,000.00 |

and that such funds be and are hereby appropriated as follows:

| T/C | Index Number | Expenditure Subject Number | PRJ/UCD | Account Name | Amount |
|-----|-----------------|----------------------------------|---------|---|-------------|
| 020 | 360120 | 3665 | | Contract- Pacific Health Consulting Grp. | \$25,000.00 |

DEPARTMENT HEAD I hereby certify that the fiscal provisions have been researched and that the Revenue(s) (has been) (will be) received within the current year.

By Ramathalsey (signature)
Department Head

Date September 18, 2000

COUNTY ADMINISTRATIVE OFFICER

☒ Recommended to Board

0129

☐ Not Recommended to Board

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz,
State of California, this _____ day of _____ 19____
by the following vote (requires three-fifths vote for approval):

AYES: SUPERVISORS

NOES: SUPERVISORS

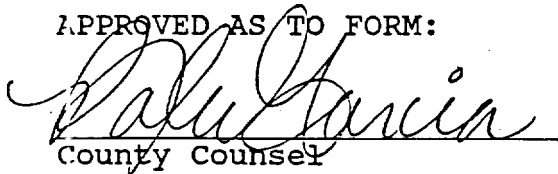
ABSENT: SUPERVISORS

CHAIR OF THE BOARD

ATTEST:

Clerk of the Board

APPROVED AS TO FORM:


County Counsel

APPROVED AS TO ACCOUNTING DETAIL:

 9/20/00
Auditor-Controller

Distribution:

Auditor-Controller
County Council
County Administrative Officer
Originating Department