

A RESOLUTION TO AUTHORIZE AN INTERGOVERNMENTAL TRANSFER OF \$1,400,036 TO THE STATE OF MICHIGAN FOR THE PURPOSE OF CONTRIBUTING TO A DISPROPORTIONATE SHARE HOSPITAL POOL WHICH WILL BE USED TO ASSURE EXPANDED ACCESS TO MEDICAL CARE FOR THE INDIGENT POPULATION IN WASHTENAW COUNTY

WASHTENAW COUNTY BOARD OF COMMISSIONERS

April 17, 2002

WHEREAS, the Washtenaw County Board of Commissioners 2002-2003 Priorities continues a commitment to assuring access to health care services for Washtenaw County residents; and

WHEREAS, Washtenaw County operated the Resident County Hospitalization Program (RCHP) from 1990 through 1997 which provided resources for indigent hospitalizations of County residents; and

WHEREAS, Resolution 97-0274, adopted on December 10, 1997, created the Washtenaw County Health Care (WCHC) program to replace the RCHP effective January 1, 1998 and provide access to primary and specialty health care for low income uninsured County residents; and

WHEREAS, the County's biannual 2002-2003 budget includes an allocation of \$500,000 per year to fund services provided by the WCHC; and

WHEREAS, the County's 2002 appropriation to the Public Health Fund includes \$485,000 for low income health services that are eligible for federal match; and

WHEREAS, the County's 2002 appropriation for indigent transport services is \$265,036, which is eligible for federal match; and

WHEREAS, the County's biannual 2002-2003 budget includes an allocation of \$150,000 for a third share health care program for small employers in Washtenaw County, and said amount will be advanced in FY 2002 and placed in reserve for use in FY 2003; and

WHEREAS, additional local funds from philanthropic sources such as the United Way allocation for low-income health care services, including adolescent health care services, and from other organizations such as the WCHO, may be eligible for federal match through an intergovernmental transfer; and

WHEREAS, the non-profit Washtenaw Health Plan Corporation (WHP) was formed in 2001 for the purpose of promoting, organizing, managing and administering programs to create a system for providing health care services in a cost effective manner which decreases the cost of health services to the community at large for persons unable to pay for such care; and

WHEREAS, the County supports the development of the new Washtenaw Health Plan Corporation to serve as a vehicle for a health benefit plan to serve uninsured, low-income individuals, which will include primary care services, specialist physician services, outpatient and inpatient hospital services, and pharmacy services; and

WHEREAS, the State of Michigan will make Medicaid payments to St. Joseph Mercy Health System, making use of local, state and federal funds, which payments will in turn be contributed to the Washtenaw Health Plan Corporation to implement the WHP health benefit plan; and

WHEREAS, the State of Michigan has approved an Indigent Care Agreement between St. Joseph Mercy Health System and the Washtenaw Health Plan Corporation that will make St. Joseph Mercy Health System eligible to receive certain Medicaid Disproportionate Share Hospital (DSH) payments; and

WHEREAS, the DSH payments to SJMHS will be made up of the combined total of local funds through an intergovernmental transfer to the State, State funds equal to the level of funds that would have been expended for the State Medical Program in Washtenaw County, and Federal Medicaid funds; and

WHEREAS, this matter has been reviewed by the County Administrator, the Office of Corporation Counsel, the Finance Department, the Treasurer's Office, and the Ways and Means Committee.

NOW THEREFORE BE IT RESOLVED that the Board of Commissioners authorizes an intergovernmental transfer of a minimum of \$1,400,036 during fiscal year 2002 to the State of Michigan for the purpose of contributing to a new Disproportionate Share Hospital pool which will be used to assure continued access to medical care for the indigent population in Washtenaw County, said funds to be added to State funds budgeted for the State Medical Program in Washtenaw County and matched by federal funds, to be paid to St. Joseph Mercy Health System, which has signed a state approved Indigent Care Agreement with the Washtenaw Health Plan Corporation and will donate equivalent funds to the WHP to run the program;

BE IT FURTHER RESOLVED that the Board of Commissioners authorizes the County Administrator to approve any additional transfers of local funds from other non-County local entities, including but not limited to, the United Way or the WCHO, as the Administrator deems appropriate

BE IT FURTHER RESOLVED that the Board of Commissioners authorizes the Administrator to make subsequent adjustments to the budget as necessary