



Voluntary Rate Range IGT Program (VRRP IGT)

Huntington Beach Fire Department

November 7, 2023

Recommendation

- A) Approve and authorize execution of an agreement between the California Department of Health Care Services (DHCS) and City of Huntington Beach;
- B) Authorize designated city staff to execute the agreement; and
- C) Approve an appropriation of \$2,282,450 for the agreement during FY 23/24.



Background

During FY 22/23, the City was notified of eligibility to participate in the Voluntary Rate Range IGT program (VRRP IGT)

The City of Newport Beach and the City of Orange have participated in the VRRP IGT for over five years and have received net revenue. Other entities eligible for this year's VRRP IGT through CalOptima include First 5 Orange County, Orange County Health Care Agency, UCI Health.



Background

The CalOptima Health Board Action Agenda Referral dated 08/31/2023 states:

The Voluntary Rate Range IGT program allows DHCS and CalOptima Health to secure additional Medi-Cal dollars for eligible Orange County entities. For each IGT transaction, DHCS identifies the estimated member months for rate categories (e.g., adult, adult optional expansion, child, long term care, seniors and persons with disabilities, and whole child model) and provides the total amount available for Orange County to contribute through funding entities. To receive funds, entities provide a dollar amount to DHCS, which is then used to obtain a federal match. DHCS distributes the funds and the match to the eligible entities through CalOptima Health. To date, CalOptima Health has participated in eleven Voluntary Rate Range IGT transactions.

Steps

Step 1

- A) Approve and authorize execution of an agreement between the California Department of Health Care Services (DHCS) and City of Huntington Beach;
- B) Authorize designated city staff to execute the agreement; and
- C) Approve an appropriation of **\$2,282,450** for the agreement during FY 23/24.

Step 2

Huntington Beach transfers funds/pays DHCS **\$2,282,450** a in FY 23/24.

Step 3

DHCS pays the IGT funds. Then CalOptima, the managed care plan, pays Huntington Beach **\$2,282,450 + \$3,243,360 = \$5,525,810** in FY 23/24.

Therefore, Huntington Beach's estimated net revenue is **\$3,243,360**.

Future

The City's ongoing participation in the program is dependent on available federal funding for the program and the City's ability to provide the upfront contribution required. The contribution and net revenue received annually by the City is also dependent on other factors, such as the number of program participants in the County and number of Medi-Cal calls for service.

Questions?

