

Item Title: Authority to Enter Provider Agreements with Selected Health Insurance Carriers

Specific Action Requested:

That the Board of Commissioners authorizes the County Manager or his designee to enter into non-exclusive provider agreements for health clinic services with selected health insurance plans approved by the Wake County Human Services Director, subject to ability to comply with state law, credentialing and insurance requirements, and upon any other terms and conditions acceptable to the County Attorney.

Item Summary:

Except where prohibited by statute, NCGS 130A-39(g) allows local health departments to implement and collect fees for health services rendered by the department as approved by the local board of health. Specific methods of reimbursement include third party coverage, including Medicaid, Medicare, private insurance and patient pay.

Wake County Human Services seeks to provide in-network health care options to more patients as a means to enhance access and decrease direct cost to the County. Currently Wake County provides 26% of health clinic funding, which could be reduced by an increase in revenue from in-network reimbursement. Because Human Services is not currently in network with most insurers, 3-5 % of patients who produce evidence of health insurance must be billed as out of network (OON), or cannot be billed at all. With the Affordable Care Act, more citizens are covered by health insurance plans. The Board has previously approved in networks contracts with Cigna and Blue Cross Blue Shield.

Consequently, Wake County Human Services would like to pursue a proactive approach to contracting with appropriate insurance providers. The ability to participate as an approved in-network provider with selected insurance companies will offer more clients the option of in-network services and result in considerably better reimbursement. For example, over the last four years, average OON collections for CIGNA were \$1,755. However, as an in network provider, it is estimated that Wake County would have received \$178,000. Providing in-networks status with additional insurers (e.g. United Health Care) has the potential for significant revenue production.

Prior to recommending any contract, Wake County Human Services Director, working in consultation with the WCHS Medical Director and County Attorney's Office will evaluate insurers on a case-by-case basis to determine compliance with law, credentialing and insurance requirements, and method of termination.

Attachments:

None