## LRB-FISCAL REVIEW SECTION ANALYSIS

#### **PUBLIC SAFETY COMMITTEE**

ITEM 10, FILE # 031344

MARCH 25, 2004

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File # 031344 is a resolution authorizing the Milwaukee Health Department to enter into an agreement with the Federally Qualified Look-Alike Board.

### **Background**

- 1. This resolution authorizes the Milwaukee Health Department to enter into an agreement with the Federally Qualified Look-Alike Board at the Johnston Community Health Center.
- 2. Council File # 031441, adopted on March 2, 2004, authorized the Milwaukee Health Department to apply for, accept and fund the Federally Qualified Health Center (FQHC) Grant from the Health Resources and Services Administration of the U.S. Department of Health and Human Services for a total of \$1,082,500.
- 3. New federal guidelines and a restructured governing board have changed the accounting structure of this program.
- 4. The Omnibus Budget Reconciliation Acts of 1989, 1990, and 1993 amended section 1905 of the Social Security Act to create a new category of facility under Medicaid and Medicare known as Federally Qualified Health Centers (FQHCs). The Social Security Act § 1905(l)(2))B) definition of an FQHC included an entity which, based on the recommendation of the Health Resources and Services Administration (HRSA), is determined to meet the requirements of the section 330 grant program but does not receive the grant. *This category of health centers has been labeled FQHC Look-Alikes*.

The FQHC Look-Alikes receive no section 330 Federal funding but are eligible for cost-based reimbursement under Medicaid and Medicare and participate in the 340(b) Federal Drug Pricing program.

#### **Discussion**

- 1. The purpose of this program is to serve the medically underserved citizens and at-risk community members of the City of Milwaukee.
- 2. This resolution, in conjunction with File # 031441, will fulfill the requirements of the federal government concerning the administration, governance and funding of the federally funded Look-Alike health care program.
- 3. The terms of this agreement encompass the period of September 16, 2003 through December 31, 2004.

# **Fiscal Impact**

There is no fiscal impact associated with this resolution.

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