

## ATTACHMENT B

### RESOLUTION NO. 2025- 40

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, AUTHORIZING EXECUTION OF THE INTERGOVERNMENTAL AGREEMENT REGARDING TRANSFER OF PUBLIC FUNDS WITH THE DEPARTMENT OF HEALTH CARE SERVICES (DHCS), AND THE HEALTH PLAN-PROVIDER AGREEMENT WITH CALOPTIMA, TO PARTICIPATE IN THE MEDI-CAL RATE RANGE INTERGOVERNMENTAL TRANSFER (IGT) PROGRAM**

**WHEREAS**, since 2006, the California Department of Health Care Services (“DHCS”) has offered local agencies that provide health care the opportunity to secure additional Medi-Cal revenues by participating in a voluntary Intergovernmental Transfer (“IGT”) program with their local Medi-Cal managed care plan provider;

**WHEREAS**, CalOptima, a California public agency (“CalOptima”), is the County Organized Health System created by the Orange County Board of Supervisors to serve as the local Medi-Cal managed care plan provider for Orange County;

**WHEREAS**, CalOptima, contracts with the State of California to administer additional Medi-Cal revenues to qualified public entities to offset previously unreimbursed costs for serving Medi-Cal plan members;

**WHEREAS**, the City of Newport Beach is a provider of health care that receives payment from CalOptima pursuant to an agreement for the provision of emergency medical transport services to Medi-Cal members on a fee-for-service basis, but has unreimbursed costs associated with providing these services;

**WHEREAS**, participation in the IGT program with DHCS and CalOptima provides an opportunity for the City to recover previously unreimbursed costs associated with providing services to Medi-Cal members, potentially reaching full cost recovery for Emergency Medical Services in accordance with Newport Beach Municipal Code Chapter 3.36 (Cost Recovery for User Services);

**WHEREAS**, the IGT program requires participants to contribute to the non-federal share of Medi-Cal Managed Care, which DHCS will combine with related federal funds and distribute to local Medi-Cal managed care plan providers for distribution to participating local agencies to reimburse unfunded costs for serving Medi-Cal plan members;

**WHEREAS**, the estimated non-federal share contribution for the City for the period of January 1, 2024, through December 31, 2024, is One Hundred Thirty-Seven Thousand, Two Hundred, Eighty-Eight Dollars (\$137,288);

**WHEREAS**, pursuant to Welfare and Institutions Code Section 14301.4(d)(1), the non-federal share contribution is subject to a twenty percent (20%) administrative fee to reimburse DHCS for the administrative costs of operating the IGT program; and

**WHEREAS**, to date, the City has transferred a total of Three Million Forty Three Thousand Five Hundred Sixty Two Dollars (\$3,043,562) in non-federal share contributions and administrative fees, and has received IGT program funding in the amount of Five Million Eight Hundred Five Thousand Seven Dollars (\$5,805,007), which has resulted in a net return of Two Million Seven Hundred Sixty One Thousand Four Hundred Forty Five Dollars (\$2,761,445) to reimburse and draw down previously unfunded costs for providing services to Medi-Cal members;

**NOW, THEREFORE**, the City Council of the City of Newport Beach resolves as follows:

**Section 1:** The City Council does hereby authorize the Mayor, or designee, to execute: (1) the Intergovernmental Agreement Regarding Transfer of Public Funds with DHCS regarding the City's transfer of its 2024 estimated IGT non-federal share amount of One Hundred Thirty-Seven Thousand, Two Hundred, Eighty-Eight Dollars (\$137,288), plus a twenty percent (20%) administrative fee of Twenty-Seven Thousand, Four Hundred Fifty-Eight Dollars (\$27,458), for a total amount of One Hundred Sixty-Four Thousand, Seven Hundred, Forty-Six Dollars (\$164,746); and, (2) the Health Plan-Provider Agreement Intergovernmental Transfer Rate Range Program with CalOptima regarding CalOptima's distribution of IGT funds to the City to reimburse the City for its unfunded costs of providing transport services to Medi-Cal plan members.

**Section 2:** The City Council does hereby authorize the City Manager, or designee, to execute any and all other documents necessary to ensure participation in the IGT program, including, but not limited to, amendment of the above referenced agreements, provided that any such amendment does not extend the term of the agreement beyond five (5) additional years, or increase contribution amounts in excess of an additional One Hundred Twenty Thousand Dollars (\$120,000).

**Section 3:** The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.



**Section 4:** If any section, subsection, sentence, clause or phrase of this resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The City Council hereby declares that it would have passed this resolution, and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

**Section 5:** The City Council finds the adoption of this resolution is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

**Section 6:** This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting the resolution.


**ADOPTED** this 8th day of July, 2025.

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Joe Stapleton  
Mayor

**ATTEST:**

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Molly Perry  
Interim City Clerk

**APPROVED AS TO FORM:**  
CITY ATTORNEY'S OFFICE

  
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Aaron C. Harp  
City Attorney