

## AGENDA



Thursday, June 7, 2007

**Community Care Services  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 7**

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**Subject:** Authorize the City Manager or her designee to submit an application to the United States Bureau of Primary Care, Health Resources Services Administration (HRSA) to transfer the City's Federally Qualified Health Center designation to the Travis County Healthcare District, and to relinquish the City's rights to Section 330 HRSA grants, to be effective on or about February 28, 2009.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** David B. Vliet, CEO, Community Care Services Dept., 972-4050

**Boards and Commission Action:** Reviewed by the Public Health and Human Services Subcommittee.

**Prior Council Action:** See Attachment

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In 2001, HRSA granted Federally Qualified Health Center (FQHC) designation to the City's Community Care Services Department (CCSD) clinics. This FQHC designation permitted CCSD to receive federal grants, referred to as Section 330 grants.

The voters of Travis County approved the creation of the Travis County Hospital District (District) in 2004. The board of managers changed the name to the Travis County Healthcare District in 2006. In October of 2004 the City and District entered into an interlocal agreement under which the City, through CCSD, agreed to continue to manage and staff the clinics and the medical assistance program for one year, with four one-year renewal options.

The City and District have begun planning for the transition of the management and staffing of CCSD's clinics to the District. The goal for completing the transition is February 28, 2009, which will coincide with the end of the grant year for the FQHC grants.

The interlocal agreement provides that ownership of those City clinics that are used solely for clinic purposes shall be transferred to the District by special warranty deed. However, the statute under which the District was created and the interlocal both make such clinic transfer contingent upon the City's receipt of confirmation from the District's Board of Managers that the transfer will not adversely impact the FQHC designation of the clinics. In order to obtain such confirmation, HRSA must notify the City and District that it approves the transfer of the FQHC designation.

HRSA has indicated it will take about 12-18 months to approve the application for transfer of the FQHC designation, and the City and District plan to jointly submit the application within the next few weeks.