



County of Los Angeles
CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

June 24, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF MENTAL HEALTH: HEARING ON PUBLISHED CHARGES FOR
FISCAL YEAR 2008-09
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Establish Published Charges for Fiscal Year 2008-09 to comply with Federal Short-Doyle/Medi-Cal Lower of Cost or Charges reimbursement and routine cost requirements.

IT IS RECOMMENDED THAT YOUR BOARD AFTER THE PUBLIC HEARING:

1. Approve Department of Mental Health's (DMH) proposed Published Charges (Attachment) for Fiscal Year (FY) 2008-09, effective July 1, 2008 to comply with Federal Short-Doyle/Medi-Cal (SD/MC) Lower of Cost or Charges (LCC) reimbursement and routine cost requirements.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Board action is required to ensure that Published Charges are established in compliance with Medi-Cal requirements. The recovery of federal revenues in compliance with State and federal regulations necessitates that Published Charges be established at least annually. Federal requirements stipulate that Published Charges are to be determined at the County level. The recommended Published Charges comply with SD/MC audit requirements.

Board of Supervisors
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YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Implementation of Strategic Plan Goals

The recommended Board action is consistent with the principles of the Countywide Strategic Plan's Organizational Goal No. 4, Fiscal Responsibility. This Action will ensure that Published Charges are in compliance with Medi-Cal requirements, thereby averting federal LCC audit disallowances.

FISCAL IMPACT/FINANCING

There is no fiscal impact.

Federal LCC audit disallowances will be avoided because of compliance with Medi-Cal regulations. DMH has not included any charges, which are set by either State or federal agencies, for which it has no jurisdictional rate setting authority. DMH will bill those charges as directed by those authorities.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Published Charges for FY 2008-09 were developed based on actual cost report data. The cost report data was adjusted by the Federal Home Health Agency Market Basket Index.

In FY 2003-04, your Board approved revised Published Charges which permitted DMH to reflect two sets of rates, a rate for Medi-Cal and a rate for non-Medi-Cal responsible financial parties. The non-Medi-Cal rates include administrative overhead costs for all services that are billed to non-Medi-Cal responsible financial parties. The methodology to calculate the Published Charges to bill Medi-Cal plans remains the same as originally approved by your Board. The rates for Medi-Cal plans do not include administrative overhead costs. Medi-Cal administrative costs are reimbursed through a separate and specific mandated State reimbursement method.

The public hearing notice requirements of Government Code Section 6062 (a) have been satisfied and public hearing requirements of Government Code Section 66018 will be satisfied by this action.

IMPACT ON CURRENT SERVICES

The recommended revised Published Charges for FY 2008-09 will become effective July 1, 2008. Failure to establish new annual Published Charges could result in reduced revenues from non-Medi-Cal, Medi-Cal, and Healthy Families plans due to the use of charges that do not sufficiently reflect actual costs.

Honorable Board of Supervisors

June 24, 2008

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CONCLUSION

The Department of Mental Health will need one copy of the adopted Board action. It is requested that the Executive Officer, Board of Supervisors, notify the Department of Mental Health Contracts Development and Administration Division, at (213) 738-4684 when this document is available.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:SRH:SAS
MLM:DS:yb

Attachment

c: County Counsel
Auditor-Controller
Department of Mental Health
Chairperson, Mental Health Commission

062408_DMH_Published Rates

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
 FISCAL YEAR 2008-09 PUBLISHED CHARGES
 EFFECTIVE JULY 01, 2008

SERVICE DESCRIPTION	MODE	SERVICE FUNCTION CODE	SERVICE UNIT	NON-MEDI-CAL FY 2008-09 RATES	MEDI-CAL FY 2008-09 RATES
Jail Inpatient	5	50-59	Client Day	\$373.24	N/A
Day Treatment Intensive:					
Half Day (3-4 hours)	10	81-84	Half Day	202.02	\$180.16
Full Day (more than 4 hours)	10	85-89	Full Day	273.82	244.19
Day Rehabilitation:					
Half Day (3-4 hours)	10	91-94	Half Day	104.33	93.04
Full Day (more than 4 hours)	10	95-99	Full Day	162.86	145.24
Targeted Case Management	15	01-09	Minute	2.59	2.31
Mental Health Services	15	10-59	Minute	3.33	2.97
Medication Support Services	15	60-69	Minute	6.51	5.81
Crisis Intervention	15	70-79	Minute	5.25	4.68
Mental Health Promotion	45	10-19	Staff Hour	270.66	N/A
Community Client Services	45	20-29	Staff Hour	249.80	N/A
Conservatorship:					
Investigation	60	20-29	Staff Hour	171.68	N/A
Administration	60	30-39	Staff Hour	171.68	N/A
Life Support /Board & Care	60	40-49	Day	40.71	N/A
Case Management Support	60	60-69	Staff Hour	135.17	N/A

COUNTY OF LOS ANGELES

MARVIN J. SOUTHARD, D.S.W.
Director

ROBIN KAY, Ph.D.
Acting Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director



BOARD OF SUPERVISORS
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DEPARTMENT OF MENTAL HEALTH

<http://dmh.lacounty.gov>

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601
Fax: (213) 386-1297

April 28, 2008

LEGAL NOTICE OF HEARING

TO: Sachi A. Hamai
Executive Officer, Board of Supervisors

FROM: Marvin J. Southard, D.S.W.
Director of Mental Health

SUBJECT: **PUBLIC NOTICE OF HEARING ON PROPOSED BILLING RATES FOR FISCAL YEAR 2008-09**

Publishing

This matter has been set for public hearing at the regular Board meeting on June 24, 2008. Pursuant to Government Code Section 6062 (a), a notice of this hearing must be published twice in a newspaper, which is published once a week or more often. This first publication must be no later than _____, 2008, and the second at least six (6) days thereafter.

Please publish the attached public notice, which has been reviewed and approved by _____, Deputy County Counsel, and retain the listings of recommended billing rates for your files.

If you have any questions or require additional information, please contact me, or your staff may contact Lyn Wallensak, Administrative Deputy, at (213) 738-4625.

Attachment

**NOTICE OF HEARING ON PUBLISHED CHARGES FOR
PATIENT CARE SERVICES**

Notice is hereby given that a public hearing will be held by the Board of Supervisors, establishing proposed rates for Fiscal Year (FY) 2008-09. It is proposed that such rates for FY 2008-09 be effective July 1, 2008.

Said hearing will be held on June 24, 2008, at 9:30 a.m., in the Hearing Room of the Board of Supervisors, Room 381, Kenneth Hahn Hall of Administration, 500 West Temple Street (the corner of Temple Street and Grand Avenue), Los Angeles, California 90012.

The Board of Supervisors will consider and may adopt the Published Charges. Further, notice is given that the Board of Supervisors may continue this hearing from time to time.

Any person wishing to be heard on this matter may appear and make a presentation before the Board of Supervisors, at such time, regarding the proposed Published Charges. Written comments may be sent to the Executive Office of the Board of Supervisors at the above address.

The proposed published Charges will be on file and available for review at the Clerk of the Board, Room 383, Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, California 90012, or at the Department of Mental Health, Accounting Division, 8th Floor, 550 South Vermont Avenue, Los Angeles, California 90020, from 8:00 a.m. to 5:00 p.m.

For further information regarding this matter, please telephone the County of Los Angeles, Department of Mental Health, Office of Administrative Deputy at (213) 738-2891.

Si no entiende esta noticia o si necesita mas informacion favor de llamar a este numero (213)738-2891.

SACHI A. HAMAI
EXECUTIVE OFFICER
Board of Supervisors