COUNTY OF LOS ANGELES

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

ROBIN KAY, Ph.D.
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director

BOARD OF SUPERVISORS

GLORIA MOLINA
MARK RIDLEY-THOMAS
ZEV YAROSLAVSKY
DON KNABE
MICHAEL D. ANTONOVICH

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

February 16, 2010

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

Dear Supervisors:

APPROVAL TO AMEND FIVE LEGAL ENTITY AGREEMENTS
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)

SUBJECT

Request approval to amend five Legal Entity Agreements for Fiscal Year 2002-03 to make additional payments due to the State Audited Cost Report Settlement for a combined total of $144,747.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and authorize the Director of Mental Health, or his designee, to prepare, sign, and execute Amendments, substantially similar to Attachment I, to make payments to five Department of Mental Health (DMH) Legal Entity (LE) contract agencies as a result of the State Audited Cost Report Settlement, as identified in Attachment II, where the settlement amounts exceed the Maximum Contract Amounts (MCA) for Fiscal Year (FY) 2002-03 by a total amount of $144,747 fully funded with Federal Financial Participation (FFP) Medi-Cal included in the DMH FY 2009-10 Final Adopted Budget.

2. Delegate authority to the Director of Mental Health, or his designee, to prepare, sign, and execute future amendments to the FY 2002-03 LE Agreements to establish new MCAs to make additional payments that may result from future State Final Cost Report Settlements and/or subsequent appeal processes for these and other LE contract agencies, provided that: 1) no County funds will be used to make the additional payments; 2) federal and/or State funds will be used to make the additional payments; 3) approval of County Counsel and the Chief Executive Officer (CEO), or their designees, is obtained prior to such amendments; and 4) the Director of Mental Health will notify your Board of

any agreement changes in writing within 30 days after execution of each amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended actions will authorize DMH to amend five FY 2002-03 LE Agreements to pay the contract agencies for Medi-Cal approved services in excess of their MCAs based on the State Audited Cost Report Settlement for FY 2002-03.

The State's Countywide Short-Doyle/Medi-Cal (SD/MC) Audit is done to fulfill its responsibilities for the management and oversight of the federal Medicaid program, which is called Medi-Cal in California. This process determines underpayments and overpayments of Medi-Cal approved services. DMH, which acts as the fiscal intermediary for the State Medi-Cal program for mental health services in Los Angeles County, is required to take action to collect from or reimburse contract providers based on such State Audits.

The FY 2002-03 Agreements contain provisions for the County to pay the contract providers if a post contract audit conducted by the County, State, and/or federal personnel determines that the provider is owed more than the amount paid, provided that the total payments do not exceed the MCA for a particular fiscal year. Based on the settlement process, settlement payments to the five contract agencies would result in contractors receiving payments above their MCAs and, therefore, Board authorization for the payments is required. Potential adjustments to these and other contract agencies' Audited Cost Report Settlement results may occur on future dates based on the State's Final Cost Report Settlement and appeals processes.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the County's Strategic Plan Goal 4, Health and Mental Health.

FISCAL IMPACT/FINANCING

The recommended actions will increase the MCAs for the five contract agencies by a total of $144,747 and will be fully funded by FFP Medi-Cal revenue included in the DMH FY 2009-10 Final Adopted Budget. The recommended actions will not increase net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This Board action is requested in order to reimburse contract providers as a result of the State Audited Cost Report Settlement process.

In compliance with various federal and State statutes, DMH will pay contract providers who have already rendered the Medi-Cal approved services in the applicable fiscal year and are eligible to receive these funds. The County cannot legally use the funds for any purpose other than reimbursing the contract agencies for Medi-Cal approved services.

The CEO, County Counsel, and the Auditor-Controller have reviewed the proposed actions and the Amendment format has been approved as to form by County Counsel.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no impact on current services.

Respectfully submitted,

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

MJS:MM:RK:mi

Enclosures

c: Executive Officer, Board of Supervisors
Chief Executive Office
County Counsel
Auditor-Controller
Chairperson, Mental Health Commission

Attachment I

CONTRACT NO. _____

AMENDMENT NO. _____

THIS AMENDMENT is made and entered into this ___ day of _____, 2010, by and between the COUNTY OF LOS ANGELES (hereafter "County") and _____ (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated _____, identified as County Agreement No. _____, and any subsequent amendments (hereafter collectively "Agreement"); and

WHEREAS, for Fiscal Year (FY) 2002-03 only, County and Contractor intend to amend Agreement only as described hereunder; and

WHEREAS, for FY 2002-03 only, County and Contractor intend to amend Agreement to increase the Maximum Contract Amount (MCA) to enable County to make additional payments owed to the Contractor due to the Final Audit Settlement from the State for services rendered during FY 2002-03; and

WHEREAS, for FY 2002-03 only, County and Contractor intend to amend Agreement to increase Federal Financial Participation (FFP) funds by $_____; and

WHEREAS, for FY 2002-03 only, the MCA will increase by $_____ with a revised MCA of $_____.

NOW, THEREFORE, County and Contractor agree that Agreement shall be amended only as follows:

1. The Financial Summary - for Fiscal Year 2002-03 only shall be deleted in its entirety and replaced with The Financial Summary - _ (Attachment I) for Fiscal

Year 2002-03 only, attached hereto and incorporated herein by reference. All references in Agreement to The Financial Summary - for Fiscal Year 2002-03 shall be deemed amended to state "Financial Summary - _ for Fiscal Year 2002-03."

2. Contractor shall provide services in accordance with Contractor's Fiscal Year _____ Negotiation Package for this Agreement and any addenda thereto approved in writing by director.

3. Except as provided in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by County's Director of Mental Health or his designee, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
MARVIN J. SOUTHARD, D.S.W.
Director of Mental Health

_____
CONTRACTOR

By _____

Name _____

Title _____
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:
OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By _____
Chief, Contracts Development
and Administration Division

U:DMHCON\Peach Drive\Murali\FY 200203 Audit Settlement Project\Audit Settlement MCA Increase Amendment

Contractor Name :

Legal Entity No :

Financial Summary - _
Fiscal Year: 2002-03
Period : July 1, 2002 to June 30, 2003

Amendment No. _

Categories															Sources of Funding Totals
Provider Number (s)															
Reimbursement Method															
Financial Exhibits (FE):															
	Eligible for FFP Match														
A. Allocations:															
1. Realignment	Yes														$ -
2. Probation - Schiff Cardenas	Yes														$ -
3. DCFS - Stop	Yes														$ -
4. Tobacco Settlement Funds	Yes														$ -
5. Other	Yes														$ -
B. Pass Through:															
1. FFP															
2. EPSDT--SGF															
3. SB90	Yes														$ -
4. Other															$ -
C. Third Party:															
1. Medicare															$ -
2. Patient Fees															$ -
3. Insurance															$ -
4. Other															$ -

Maximum Contract Amount/Net Program Budget (A+B): $

Gross Program Budget (A+B+C): $

For PARTNERS/ISA only:

Footnotes Section:

Contractor Name :

Legal Entity No :

Rate Summary Page

Fiscal Year: 2002-2003

Period : July 1, 2002 to June 30, 2003

MENTAL HEALTH SERVICES		Mode of Service	SFC RANGE	Rates	FE for	FE for	FE for	FE for	FE for	FE for	FE for	FE for	FE for	FE for	FE for
A. 24 - HOUR SERVICES :															
Hospital Inpatient		05	10 - 18												
Hospital Administrative Day		05	19												
Psychiatric Health Facility (PHF)		05	20 - 29												
SNF Intensive		05	30 -34												
IMD/STP Basic (No Patch)	Beds 1-59	05	35												
	Beds 60 & over	05	35												
Patch for IMD		05	36 - 39												
Mentally Ill Offenders	Indigent	05	36 - 39												
	Regular	05	36 - 39												
IMD - Like		05	36 - 39												
IMD (W/Patch) Sub-Acute (60 days)		05	38												
Adult Crisis Residential		05	40 - 49												
Residential Other		05	60 - 64												
Adult Residential		05	65 - 79												
Semi - Supervised Living		05	80 - 84												
Independent Living		05	85 - 89												
MH Rehab Centers		05	90 - 94												
B. DAY SERVICES :															
Vocational Services		10	30 - 39												
Socialization		10	40 - 49												
SNF Augmentation		10	60 - 69												
Day Treatment Intensive: Half Day		10	81-84												
Day Treatment Intensive: Full Day		10	85-89												
Day Rehabilitative : Half Day		10	91-94												
Day Rehabilitative : Full Day		10	95-99												
C. OUTPATIENT SERVICES :															
Case Management, Brokerage		15	01 - 09												
Mental Health Services		15	10 - 19 /30-59												
Therapeutic Behavioral Services (TBS)		15	58												
Medication Support		15	60 - 69												
Crisis Intervention		15	70 - 79												
D. OUTREACH SERVICES :															
Mental Health Promotion		45	10 - 19												
Community Client Services		45	20 - 29												
E. SUPPORT SERVICES :															
Life Support/Board & Care		60	40 - 49												
Case Management Support		60	60 - 69												
Flexible Funding (Cost Reimbursement) Identify the applicable FE column(s)		60	64												
F. HEALTHY FAMILIES :															
Alcohol/Drug Abuse Counseling and Ed. Srvcs.				$ 30.00											

Abbreviations: SFC - Service Function Code; FE - Financial Exhibit

DMH Summary of Amendment Changes

LEGAL ENTITY NAME: _____

Contract No.:_____ Legal Entity No.: _____ Amendment No.: _____

LISTING OF FUNDING SOURCES

1	Realignment	11	DPSS - Grow	21	DHS-ADPA-AB2034
2	AB2034	12	LAUSD	22	DHS-ADPA-Dual Diagnosis
3	DPSS-CalWORKs	13	State-ASOC	23	DHS-ADPA-Sidekick
4	CSOC	14	DCFS -STOP	24	DHS-LAMP
5	BEST	15	DCFS-Kidstep	25	DHS-Social Model
6	Tobacco Tax	16	DCFS-Family Pres.	26	FFP
7	Path McKinney Grant	17	DCFS-AB1733	27	EPSDT-SGF
8	HIV Aids Grant	18	DCFS-AB2994	28	SB90
9	SAMHSA	19	DCFS-Starview	29	
10	Probation Schiff-Cardenas	20	DCFS-Hillview Tran Indep Living	30	

FUNDING SOURCE(S): (Select from Funding Sources listed above)	**AMOUNT Increase(Decrease)**	**FISCAL YEAR**	**MCA**

AMENDMENT ACTION(S) **EFFECTIVE DATE**

_____ _____
_____ _____
_____ _____
_____ _____
_____ _____

New Headquarters Address: _____ Sup. Dist.: _____
_____ Svc. Area: _____

ADD OR DELETE SERVICE SITE(S):

Name	Address	Sup.Dist.	Svc. Area	Prov. No.

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
CONTRACTS DEVELOPMENT AND ADMINISTRATION DIVISION
FY 2002-03 MCA INCREASE REQUESTED TO MAKE ADDITIONAL PAYMENTS

Attachment II

No.	L.E. Number	Entity Name	Last Board Approved 2002-03 MCA	FY 2002-03 Reimbursable Cost at Revised State Audit Settlement	Difference between Board Approved MCA and Reimbursable Cost
			A	B	C=B-A
1	01066	The Children's Center of the Antelope Valley	$ 358,494	$ 442,458	$ 83,964
2	00300	For The Child, Inc.	$ 577,215	$ 577,240	$ 25
3	00881	Los Angeles Co. Office of Education	$ 219,492	$ 265,497	$ 46,005
4	00506	South Central Health and Rehabilitation Program (SCHARP)	$ 5,098,215	$ 5,099,000	$ 785
5	00217	St. John's Hospital & Health Center	$ 2,684,073	$ 2,698,041	$ 13,968
		Total			$ 144,747