COUNTY OF LOS ANGELES

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

ROBIN KAY, Ph.D.
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

BOARD OF SUPERVISORS
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DEPARTMENT OF MENTAL HEALTH

http://dmh.lacounty.gov

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

May 25, 2010

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:

HEARING ON PUBLISHED CHARGES FOR FISCAL YEAR 2010-11
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)

SUBJECT

Request approval to establish Published Charges for Fiscal Year 2010-11 to comply with State and federal reimbursement requirements.

IT IS RECOMMENDED THAT YOUR BOARD, AFTER THE PUBLIC HEARING:

Approve the Department of Mental Health's (DMH) proposed Published Charges (Attachment) for Fiscal Year (FY) 2010-11, effective July 1, 2010, to comply with State and 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 requirements.

Implementation of Strategic Plan Goals

The recommended action is consistent with the County's Strategic Plan Goal 1, Operational Effectiveness, and Goal 4, Health and Mental Health.

FISCAL IMPACT/FINANCING

There is no increase in net County cost.

Federal LCC audit disallowances will be avoided due to compliance with SD/MC 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 2010-11 would have been developed based on actual cost and statistical data reported in the Annual Cost Report for FY 2008-09. However, due to the State's delay in providing the Annual Cost Report template, the FY 2008-09 Annual Cost Report will not be available until the end of FY 2009-10. Therefore, DMH recommends extending the FY 2009-10 Published Charges to comply with the requirement of establishing annual Published Charges.

When additional information is available (i.e., FY 2008-09 Annual Cost Report), DMH will review the current Published Charges and propose, if necessary, revised Published Charges.

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

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

IMPACT ON CURRENT SERVICES

There is no impact on current services.

The recommended extension of the Published Charges for FY 2010-11 will become effective July 1, 2010. Failure to establish annual Published Charges will result in non-compliance with Federal SD/MC LCC reimbursement and routine cost requirements.

CONCLUSION

DMH will need one copy of the adopted Board action. DMH requests that the Executive Officer of the Board notify DMH's Contracts Development and Administration Division at (213) 738-4684 when this document is available.

Respectfully submitted,

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

MJS:MM:RK:coh

Attachment

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

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
FISCAL YEAR 2010-11 PUBLISHED CHARGES
EFFECTIVE JULY 01, 2010

SERVICE DESCRIPTION	MODE	SERVICE FUNCTION CODE	SERVICE UNIT	NON-MEDI-CAL FY 2010-11 RATES	MEDI-CAL FY 2010-11 RATES
Jail Inpatient	5	50-59	Client Day	402.98	N/A
Day Treatment Intensive:					
Half Day (3-4 hours)	10	81-84	Half Day	206.28	185.26
Full Day (more than 4 hours)	10	85-89	Full Day	289.06	259.61
Day Rehabilitation:					
Half Day (3-4 hours)	10	91-94	Half Day	106.52	95.67
Full Day (more than 4 hours)	10	95-99	Full Day	166.29	149.35
Targeted Case Management	15	01-09	Minute	2.75	2.47
Mental Health Services	15	10-59	Minute	3.52	3.16
Medication Support Services	15	60-69	Minute	6.90	6.20
Crisis Intervention	15	70-79	Minute	5.56	4.99
Mental Health Promotion	45	10-19	Staff Hour	141.34	N/A
Community Client Services	45	20-29	Staff Hour	141.34	N/A
Conservatorship:					
Investigation	60	20-29	Staff Hour	128.99	N/A
Administration	60	30-39	Staff Hour	136.19	N/A
Life Support /Board & Care	60	40-49	Day	42.14	N/A
Case Management Support	60	60-69	Staff Hour	144.60	N/A

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April 8, 2010

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 2010-11**

Publishing

This matter has been set for public hearing at the regular Board meeting on May 25, 2010. Pursuant to Government Code Section 6062a, 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 _____, 2010, 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 Margo Morales, Administrative Deputy, at (213) 738-2891.

MJS:MM:RK:coh

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) 2010-11. It is proposed that such rates for FY 2010-11 be effective July 1, 2010.

Said hearing will be held on May 25, 2010, 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 the 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