COUNTY OF LOS ANGELES

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DEPARTMENT OF MENTAL HEALTH

http://dmh.lacounty.gov

Reply To: (213) 738-4601
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May 24, 2011

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 2011-12
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)

SUBJECT

Request approval to establish Published Charges for Fiscal Year 2011-12 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) 2011-12, effective July 1, 2011, 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 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

Federal LCC audit disallowances will be avoided because of 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.

There is no net County cost associated with this action.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Published Charges for FY 2011-12 were developed based on actual cost and statistical data reported in the Annual Cost Report for FY 2009-10, adjusted by the Federal Home Health Agency Market Basket Index.

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 Published Charges for FY 2011-12 will become effective July 1, 2011. Failure to establish annual Published Charges will result in non-compliance with Federal SD/MC LCC reimbursement and routine cost requirements.

Respectfully submitted,

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

MJS:MM:RK:jk

Enclosure

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

ATTACHMENT

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
FISCAL YEAR 2011-12 PUBLISHED CHARGES
EFFECTIVE JULY 01, 2011

SERVICE DESCRIPTION	MODE	SERVICE FUNCTION CODE	SERVICE UNIT	NON-MEDI-CAL FY 2011-12 RATES	MEDI-CAL FY 2011-12 RATES
Jail Inpatient	5	50-59	Client Day	425.22	N/A
Day Treatment Intensive:					
Half Day (3-4 hours)	10	81-84	Half Day	212.97	189.78
Full Day (more than 4 hours)	10	85-89	Full Day	307.04	273.61
Day Rehabilitation:					
Half Day (3-4 hours)	10	91-94	Half Day	109.97	98.00
Full Day (more than 4 hours)	10	95-99	Full Day	171.68	152.99
Targeted Case Management	15	01-09	Minute	2.90	2.58
Mental Health Services	15	10-59	Minute	3.71	3.31
Medication Support Services	15	60-69	Minute	7.33	6.53
Crisis Intervention	15	70-79	Minute	5.91	5.27
Mental Health Promotion	45	10-19	Staff Hour	149.14	N/A
Community Client Services	45	20-29	Staff Hour	149.14	N/A
Conservatorship:					
Investigation	60	20-29	Staff Hour	129.26	N/A
Administration	60	30-39	Staff Hour	136.48	N/A
Life Support /Board & Care	60	40-49	Day	43.35	N/A
Case Management Support	60	60-69	Staff Hour	152.58	N/A