COUNTY OF LOS ANGELES

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DEPARTMENT OF MENTAL HEALTH

http://dmh.co.la.ca.us

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601
Fax No.: (213) 386-1297

October 30, 2003

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 OF REQUEST FOR APPROPRIATION ADJUSTMENT FOR FISCAL YEAR 2000-2001 SETTLEMENT PAYMENTS TO MENTAL HEALTH SERVICE PROVIDERS (ALL SUPERVISORIAL DISTRICTS) (4 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

Approve the Request for Appropriation Adjustment for Fiscal Year (FY) 2003-2004 in the amount of $5,727,000 (Attachment I). The increase in appropriation will be fully funded by Early and Periodic Screening, Diagnosis and Treatment (EPSDT) State General Funds (SGF) and Federal Financial Participation (FFP) Medi-Cal revenues and will allow the Department of Mental Health (DMH) to reimburse fifty-eight (58) mental health service providers for FY 2000-2001 services. The amount owed to the service providers (Attachment II) was determined through the County settlement process.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

As per the DMH Legal Entity Agreements with the mental health service providers, if a post-contract audit determines that the County's liability is more than the amount paid to a service provider for any fiscal year, then the difference shall be paid by the County to the service provider.

DMH has recently completed its FY 2000-2001 Short-Doyle/Medi-Cal (SD/MC) Reconciliation and EPSDT settlement process based on the mental health service providers' submission of certified, true and accurate reimbursement claims. This process has determined that the County owes fifty-eight (58) mental health service providers a total of $5,727,000 for services delivered in FY 2000-2001.

The Medi-Cal Program is a federal entitlement for persons that are eligible under Title XIX, the Social Security Act. Medical is federally and locally funded.

The EPSDT program is the requirement of the Medicaid (Medi-Cal in California) program to provide comprehensive health care, including mental health for Medi-Cal beneficiaries 0 to 21 years of age. The EPSDT program is funded with federal and eligible local funds. The eligible local match funds for reimbursement of the services addressed in this Board letter are State General Fund (SGF).

The FFP and EPSDT-SGF funding were not included in the Maximum Contract Amount (MCA) for FY 2000-2001. DMH, in its capacity as a pass-through agency, has received pass-through payments from the State and, in turn, is required to disburse such payments to the mental health service providers. There is no requirement for contract amendments because the Board-approved agreement for FY 2000-2001 did not include either the State or federal funding for EPSDT Medi-Cal. This appropriation adjustment increasing Services and Supplies by $5,727,000 will enable DMH to reimburse FFP and EPSDT-SGF funds, which have been received since the end of FY 2000-2001, to each mental health service provider in the amounts indicated in Attachment II.

Implementation of Strategic Plan Goals

The recommended Board actions are consistent with the County's fourth goal - "Fiscal Responsibility" within the Countywide Strategic Plan. Board approval of this request will enable DMH to make FY 2000-2001 settlement payments to Non-Governmental Agency (NGA) contract agencies as required by Federal law and the Department's Mental Health Service Agreements.

FISCAL IMPACT/FINANCING

There is no increase in net County cost. The $5,727,000 appropriation requested for the FY 2000-2001 settlement payments will be fully funded from two sources as follows:

a) FFP Medi-Cal revenues of $4,098,000 from the FFP Trust Fund. This amount is for FY 2000-2001 services, but was received and deposited in the FFP Trust during FY 2002-2003.

b) EPSDT SGF funds of $1,629,000 from the Advances Payable Account. This amount is for FY 2000-2001 services, but was received and deposited in the Advances Payable Account during FY 2002-2003.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Board-approved Mental Health Service Agreement with the mental health service providers has a provision that "For NR (Negotiated Rate) and CR (Cost Reimbursement) services, if the post-contract audit conducted by County, State, and/or federal personnel determines that the amounts paid by County to Contractor for any NR SFC (Service Function Code) units furnished hereunder are less than the allowable pursuant to this Agreement and/or CR services, then the difference shall be paid by County to Contractor, provided that in no event shall County's Maximum Contract Amount for the applicable Fiscal Year, as shown in Subparagraph B (Reimbursement For Initial Period) or C (Reimbursement If Agreement Is Automatically Renewed), be exceeded" (Paragraph 4, Financial Provisions, subparagraph P, Post-Contract Audit Settlement, Section 3).

In accordance with the above referenced provision of the contract, DMH recently completed the FY 2000-2001 SD/MC Reconciliation and EPSDT Settlement process for the mental health service providers. As a result of this settlement process, it was determined that the County owes fifty-eight (58) mental health service providers a total of $5,727,000 in settlement payments.

CONTRACTING PROCESS

The subject does not apply. This request will enable DMH to comply with the provisions contained in the legal entity agreements with the mental health service providers for FY 2000-2001.

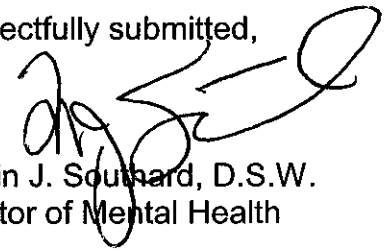
IMPACT ON CURRENT SERVICES

Your Board's approval of this request will enable DMH to make required FY 2000-2001 settlement payments to the fifty-eight (58) mental health service providers and will allow for continued and uninterrupted rendering of services to mental health clients throughout Los Angeles County.

CONCLUSION

The Department of Mental Health will need one (1) copy of the adopted Board action. It is requested that the Executive Officer of the Board notifies the Department of Mental Health'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:RK:CK:mi

Attachments (2)

c: Chief Administrative Officer
County Counsel
Auditor-Controller
Chairperson, Mental Health Commission

ATTACHMENT I

76R 352M (11/83)

BOARD OF SUPERVISORS OFFICIAL COPY

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPT'S. NO. 435

DEPARTMENT OF MENTAL HEALTH

19

AUDITOR-CONTROLLER.
THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

4-Votes

Sources:

Department of Mental Health
Federal Aid - Mental Health
A01-MH-20500-9025
$4,098,000

Department of Mental Health
Other State Aid - Health
A01-MH-20500-8771
$1,629,000

Uses:

Department of Mental Health
Services & Supplies
A01-MH-20500-2000
$5,727,000

This adjustment is requested to reimburse fifty-eight mental health services contract providers for FY 2000-2001 Title XIX Medi-Cal services. This adjustment is fully funded by Early and Periodic Screening, Diagnosis and Treatment (EPSDT) State General Fund (SGF) and Federal Financial Participation (FFP) Medi-Cal revenues. There is no increase in net County cost.

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

CHIEF ADMINISTRATIVE OFFICER'S REPORT

REFERRED TO THE CHIEF ADMINISTRATIVE OFFICER FOR — ACTION / RECOMMENDATION ✓

AUDITOR-CONTROLLER NO. 130 BY Corona OCT 24 2003

APPROVED AS REQUESTED ✓ AS REVISED

10/24/03 CHIEF ADMINISTRATIVE OFFICER

APPROVED (AS REVISED): BOARD OF SUPERVISORS 19

BY DEPUTY COUNTY CLERK

SEND 5 COPIES TO THE AUDITOR-CONTROLLER

ATTACHMENT II

Count	Legal Entity Number	Legal Entity Name	Total
1	00269	AIDS Project Los Angeles, Inc.	93
2	00173	Associated League of Mexican American (ALMA)	6,840
3	00860	Bienvenidos Children's Center	46,515
4	00279	Braswell Enterprises, Inc. (Olive Vista & Laurel Park)	11,284
5	00178	Cedars-Sinai Medical Center (Thalians)	37,934
6	00207	Child & Family Guidance (SFV Child Guidance Clinic)	1,119,323
7	00783	ChildNet Youth and Family Service, Inc.	84,677
8	00668	Children's Bureau of Southern California	47,823
9	00179	Children's Hospital of Los Angeles	78,185
10	00591	Children's Institute International	249,754
11	00321	Church Home of Children (Hillsides Home for Children)	10,768
12	00327	Clontarf Manor, Inc.	35,830
13	00181	Community Family Guidance Center	87,341
14	00183	Didi Hirsch Psychiatric Service	194,187
15	00184	Dubnoff Center for Child Development	19,057
16	00778	D'Veal Corporation	18,827
17	00185	El Centro de Amistad, Incorporated	40,040
18	00847	Ettie Lee Homes, Inc.	116,921
19	00647	Five Acres Ser (Five Acres Boys & Girls Aid Soc of LA)	163,881
20	00724	Foothill Family Services	106,744
21	00189	Fuller Theological Seminary	8,117
22	00190	Gateways Hospital and Mental Health	91,313
23	00846	GLASS (Gay and Lesbian Adolescent Soc.)	1,134
24	00206	Harbor View Adolescent Center (Regency Health)	271,638
25	00193	Health Research Association	1,634
26	00194	Hillview Mental Health Center, Inc.	5,852
27	00508	Homes for Life Foundation	14,350
28	00171	Institute for the Redesign of Learning (Almansor Center)	95,743
29	00317	LAMP, Inc.	38,265
30	00198	Los Angeles Center for Therapy (H.E.L.P.)	14,852
31	00199	Los Angeles Child Guidance Clinic	70,529
32	00881	Los Angeles County Office of Education (LACOE)	13,719
33	00323	Los Angeles Free Clinic	4,987
34	00304	Los Angeles Gay & Lesbian Community	9,323
35	00780	Los Angeles Orphans Home (Hollygrove)	41,515
36	00315	Los Angeles Unified School District	15,948
37	00314	Meadowbrook Manor	122,717
38	00200	Mental Health Association	367,361
39	00201	National Foundation (Penny Lane)	268,884
40	00859	One in Long Beach, Inc.	28,863
41	00781	Optimist Youth Homes	83,081
42	00203	Pacific Clinics	738,601
43	00204	Pasadena Children's Trng. Society	174,987
44	00805	Phoenix Houses of Los Angeles, Inc.	106,288
45	00205	Portals House	144,669
46	00212	Social Model Recovery Systems, Inc.	52,398
47	00213	South Bay Children's Health Center	16,387
48	00214	Special Services for Groups	40,827
49	00784	St. Francis Medical Center	5,477
50	00217	St. John's Hospital	16,013
51	00218	St. Joseph Center	675
52	00215	Step Up on Second Street	23,605
53	00630	Topanga West Guest Home	37,453
54	00066	Tri-City MHC	118,158
55	00221	Verdugo Mental Health Center	107,260
56	00196	Vista del Mar (Jewish)	54,406
57	00328	W.O.R.C.	4,261
58	00579	WRAP Family Service	39,552
		Sub-Total	5,726,866
		Rounding	134
		TOTAL	5,727,000