



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles
CHIEF EXECUTIVE OFFICE

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ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES



November 6, 2007

25 NOV 06 2007

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

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Dear Supervisors:

**DEPARTMENT OF MENTAL HEALTH: APPROVAL TO PAY 42
DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY CONTRACT PROVIDERS
FOR FISCAL YEAR 2003-04
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and authorize the Director of Mental Health or his designee to prepare, sign, and execute Amendments, substantially similar to Attachment I, to make Short-Doyle/Medi-Cal (SD/MC) settlement payments to 42 Department of Mental Health (DMH) Legal Entity (LE) contract providers, as identified in Attachment II, where the settlement amounts will exceed the Maximum Contract Amount (MCA) for Fiscal Year (FY) 2003-04 in a total amount of \$8,662,013 fully funded with Federal Financial Participation (FFP) Medi-Cal included in the FY 2007-08 Final Adopted Budget.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended actions will authorize DMH to amend its FY 2003-04 LE Agreements to pay 42 contract providers FFP Medi-Cal and Early and Periodic Screening, Diagnosis, and Treatment-State General Fund (EPSDT-SGF) amount(s) in excess of their MCA based on the County and State SD/MC Reconciliation processes for FY 2003-04.

The State SD/MC Reconciliation and EPSDT Settlement process is the result of the State fulfilling its responsibilities for the management and oversight of the Federal Medicaid program, which is called Medi-Cal in California. This process leads to the determination of underpayments and overpayments of SD/MC and EPSDT funds. The Department of Mental Health, which acts as the fiscal intermediary for the State Medi-Cal program for mental health services in Los Angeles County, is required to take actions to collect from or reimburse contract providers based on the State's SD/MC Reconciliation and EPSDT Settlement.

The FY 2003-04 agreements with the providers contain provisions for the County to pay the contract providers if a post contract audit conducted by 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 42 of the providers would result in the contractors receiving payments above their MCA's and, therefore, Board authorization for the payments is required. Potential adjustments to these contract provider settlement claims may occur at future dates based on the State's audit and appeals processes.

Implementation of Strategic Plan Goals

The recommended Board actions are consistent with the principles of the Countywide Strategic Plan Organizational Goal No. 4, "Fiscal Responsibility." Board approval of this request will enable DMH to pay amounts owed to contract providers that resulted from post-contract reconciliation, audit, and appeal processes conducted by the County and/or State.

FISCAL IMPACT/FINANCING

The recommended actions will have no impact on net County cost. The recommended action will increase the MCAs by a total of \$8,662,013 and will be fully funded by FFP Medi-Cal included in the FY 2007-08 Final Adopted Budget.

In compliance with various Federal and State statutes, DMH will disburse the State and Federal funds to these contract providers who have already rendered the Medi-Cal services and are eligible to receive these funds. The County cannot legally use the funds for any purpose other than reimbursing the Medi-Cal service providers.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This Board action is requested in order to reimburse contract providers at the end of the County and State SD/MC Reconciliation and EPSDT Settlement, State Audited Cost Report Settlement, and Final Cost Report Settlement processes.

County Counsel and the Auditor-Controller have reviewed the proposed actions.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Not applicable.

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
DRJ:DS:bjs

Attachments (2)

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

CONTRACT NO. DMH-_____

AMENDMENT NO. _____

THIS AMENDMENT is made and entered into this _____ day of _____, 2007, by and between the COUNTY OF LOS ANGELES (hereafter "County") and _____ (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated June 17, 2003, identified as County Agreement No. DMH-_____, and any subsequent amendments (hereafter collectively "Agreement"); and

WHEREAS, for Fiscal Year 2003-04 only, County and Contractor intend to amend Agreement only as described hereunder; and

WHEREAS, Contractor rendered and billed the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Title XIX Medi-Cal program for eligible services rendered to EPSDT Medi-Cal beneficiaries in Fiscal Year 2003-04, and the State adjudicated and approved these billable EPSDT services; and

WHEREAS, reimbursement for Federal Financial Participation (FFP) and Early and Periodic Screening, Diagnosis, and Treatment-State General Funds (EPSDT-SGF) shall be one hundred percent of the program funds that are paid by County to Contractor solely in County's capacity as the fiscal intermediary. FFP and EPSDT services shall be paid as applicable on the basis of fifty percent EPSDT Title XIX services FFP funds and fifty

percent State matching general funds for EPSDT and only when such EPSDT services exceed the individual Contractor's EPSDT base line; and

WHEREAS, County intends to amend Agreement with Contractor for Fiscal Year 2003-04, to pay Contractor FFP and/or EPSDT-SGF amounts in excess of its Maximum Contract Amount (MCA); and **(edit as applicable)**

WHEREAS, for Fiscal Year 2003-04, County and Contractor intend to amend Agreement to revise the MCA by adding FFP in the amount of \$_____ and EPSDT-SGF in the amount of _____;and **(edit as applicable)**

WHEREAS, for Fiscal Year 2003-04, the revised MCA will be \$_____.

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

1. Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph B (Reimbursement For Initial Period) shall be deleted in its entirety and the following substituted therefor:

"B. Reimbursement For Initial Period: The Maximum Contract Amount for the Initial Period of this Agreement as described in Paragraph 1 (TERM) shall not exceed _____ DOLLARS (\$_____) and shall consist of County, State, and/or Federal funds as shown on the Financial Summary. This Maximum Contract Amount includes Cash Flow Advance which is repayable through cash and/or appropriate SFC units and/or actual and allowable costs as authorized by other provisions of this Agreement. Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor

more than this Maximum Contract Amount for Contractor's performance hereunder during the Initial Period.”

2. Financial Summary - ___ for Fiscal Year 2003-04 shall be deleted in its entirety and replaced with Financial Summary - ___for Fiscal Year 2003-04, attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - ___ for Fiscal Year 2003-04 shall be deemed amended to state “Financial Summary - ___for Fiscal Year 2003-04.”
3. Contractor shall provide services in accordance with the Contractor’s Fiscal Year 2003-04 Negotiation Package for this Agreement and any addenda thereto approved in writing by Director.
4. 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

CG: Settlement Board Letter 03-04 (9-14-07)

Contractor Name:

Legal Entity No:

Agreement Period:

Fiscal Year:

DMH Legal Entity Agreement

Attachment II Page 2 of 2

The Rate Summary

Amendment Number (If Applicable) _____

| MENTAL HEALTH SERVICES | | Mode of Service | Service Function Code (SFC) Range | Provisional Rates Negotiated NR | Provisional Rates Cost Reimb CR | Provider Numbers |
|--|----------------|-----------------|-----------------------------------|---------------------------------|---------------------------------|------------------|
| 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 : | | | | | | |
| Targeted Case Management Services (TCMS), formerly 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) | | 60 | 64 | | | |
| F. Medi-Cal Administrative Activities (MAA): | | | | | | |
| MAA | | 55 | | | | |

DMH Summary of Amendment Changes

LEGAL ENTITY NAME: _____

Contract No.: DMH- 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 |
|--|------------------------------|-------------|-----|
| EPSDT/FFP _____ _____ _____ _____ | | 2003-04 | \$ |
| _____ | | | |
| _____ | | | |
| _____ | | | |
| _____ | | | |

| AMENDMENT ACTION(S) | EFFECTIVE DATE |
|--|---------------------------|
| For FY 03-04, the Amendment increases FFP and/or EPSDT-SGF by a total of \$ _____ . For FY 03-04, the MCA is revised to \$ _____ . _____ _____ | Pending _____ _____ |
| _____ | _____ |
| _____ | _____ |

New Headquarters Address: _____

Sup. Dist.: _____
Svc. Area: _____

ADD OR DELETE SERVICE SITE(S):

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

**LOS ANGELES COUNTY-DEPARTMENT OF MENTAL HEALTH
FINANCIAL SERVICES BUREAU
REIMBURSEMENT AUDIT SUPPORT DIVISION
FFP AND EPSDT CONTRACT INCREASE BREAKOUT**

Report
FY 2003-04

Attachment II

| LE # | Legal Entity Name | Existing Maximum Contract Amount | Increase in FFP | Increase in EPSDT-SGF | Revised Maximum Contract Amount |
|------|---|----------------------------------|-----------------|-----------------------|---------------------------------|
| 1 | Braswell Rehabilitation Institute for Development of Growth and Education Services, Inc. | \$ 2,037,332 | - | \$ 9,523 | \$ 2,046,855 |
| 2 | Barbour and Floyd Medical Associates | 2,012,538 | - | 7,130 | 2,019,668 |
| 3 | Children's Bureau of Southern California | 7,178,131 | 18,358 | 182,341 | 7,378,830 |
| 4 | Children's Institute International | 7,759,695 | 8,499 | - | 7,768,194 |
| 5 | Clontarf Manor, Inc. | 961,800 | 56,486 | 2,455 | 1,020,741 |
| 6 | Amanecer Community Counseling Services, Inc. | 5,763,197 | 108,083 | 143,288 | 6,014,568 |
| 7 | Counseling 4Kids | 3,173,000 | 70,764 | 84,952 | 3,328,716 |
| 8 | Counseling and Research Association, Inc. dba Masada Homes | 5,960,093 | 999,107 | 789,654 | 7,748,854 |
| 9 | Dubhoff Center for Child Development & Educational Therapy, Inc. | 1,682,987 | 47,501 | 87,055 | 1,817,543 |
| 10 | D'Veal Corporation dba D'Veal Family and Youth Services | 4,505,457 | 160,382 | 103,503 | 4,769,342 |
| 11 | Enrichment Through Employment | 59,861 | 7,753 | - | 67,614 |
| 12 | Ettie Lee Homes, Inc. | 1,847,257 | 11,296 | 69,027 | 1,927,580 |
| 13 | Florence Crittenton Services of Orange County, Inc. dba Crittenton Services for Children and Families | 2,250,000 | 165,793 | 139,194 | 2,554,987 |
| 14 | For the Child, Inc. | 889,360 | 9,725 | 18,944 | 918,029 |
| 15 | GLASS (Gay and Lesbian Adolescent Social Services, Inc.) | 2,075,955 | - | 63,269 | 2,139,224 |
| 16 | SunBridge Harbor View Rehabilitation Center, Inc. dba Harbor View Adolescent Center | 3,650,894 | - | 75,721 | 3,726,615 |
| 17 | Hillview Mental Health Center, Inc. | 6,977,536 | - | 13,054 | 6,990,590 |
| 18 | Homes for Life Foundation Institute for Multicultural Counseling and Education Services, Inc. | 957,951 | - | 3,831 | 961,782 |
| 19 | 00699 (I.M.C.E.S) | 477,500 | 21,451 | 9,015 | 507,966 |
| 20 | 00171 The Institute for the Redesign of Learning dba Almansor Center | 5,063,872 | 92,556 | 254,102 | 5,410,530 |
| 21 | 00195 Intercommunity Child Guidance Center | 3,472,537 | - | 85,595 | 3,558,132 |
| 22 | 00315 Los Angeles Unified School District | 1,980,611 | 236,826 | - | 2,217,437 |
| 23 | 01034 Maryvale | 2,366,001 | 637,940 | 618,221 | 3,622,162 |
| 24 | 00971 Mckinley Children's Center, Inc. | 2,546,560 | 135,286 | 131,089 | 2,812,935 |

**LOS ANGELES COUNTY-DEPARTMENT OF MENTAL HEALTH
FINANCIAL SERVICES BUREAU
REIMBURSEMENT AUDIT SUPPORT DIVISION
FFP AND EPSDT CONTRACT INCREASE BREAKOUT**

Attachment II

Report
FY 2003-04

| LE # | Legal Entity Name | Existing Maximum Contract Amount | Increase in FFP | Increase in EPSDT-SGF | Revised Maximum Contract Amount |
|-----------------------|--|----------------------------------|---------------------|-----------------------|---------------------------------|
| 25 | 00781 Optimist Boys' Home and Ranch, Inc. | 4,420,729 | 150,148 | 146,813 | 4,717,690 |
| 26 | 00192 Pasadena Children's Training Society | 12,726,947 | 37,244 | 88,244 | 12,852,435 |
| 27 | 00805 Phoenix Houses of Los Angeles, Inc. | 1,612,700 | - | 8,327 | 1,621,027 |
| 28 | 00205 Portals House | 11,638,616 | - | 27,235 | 11,665,851 |
| 29 | 00838 Prototypes (I-Can) | 1,981,600 | - | 27,306 | 2,008,906 |
| 30 | 00212 Social Model Recovery Systems, Inc. | 1,720,812 | - | 9,935 | 1,730,747 |
| 31 | 00213 South Bay Children's Health Center Association, Inc. | 820,466 | 35,227 | 32,334 | 888,027 |
| 32 | 00506 South Central Health and Rehabilitation Program | 5,348,676 | 108,358 | - | 5,457,034 |
| 33 | 00214 Special Services for Groups | 11,975,457 | - | 21,801 | 11,997,258 |
| 34 | 00784 St. Francis Medical Center | 1,155,330 | 264,073 | 226,399 | 1,645,802 |
| 35 | 00217 St. John's Hospital and Health Center | 2,707,144 | 102,496 | 55,854 | 2,865,494 |
| 36 | 00218 St. Joseph Center | 488,205 | 47,659 | - | 535,864 |
| 37 | 00543 Star View Adolescent Center, Inc. | 17,171,795 | 145,370 | 365,292 | 17,682,457 |
| 38 | 00215 Step Up On Second Street, Inc. | 2,123,813 | 96,474 | - | 2,220,287 |
| 39 | 00108 Telecare Corporation | 6,040,196 | 761,988 | - | 6,802,184 |
| 40 | 00630 Topanga Roscoe Corporation dba Topanga West Guest Home | 538,835 | 10,350 | 1,137 | 550,322 |
| 41 | 01044 VIP Community Mental Health Center, Inc. (VIP CMHC) | 2,053,466 | 105,422 | 91,517 | 2,250,405 |
| 42 | 00310 Watts Labor & Community Action Committee-WLCAC | 243,635 | 16,241 | - | 259,876 |
| Total Increase | | \$ 160,418,547 | \$ 4,668,856 | \$3,993,157 | \$ 169,080,560 |
| | | | \$ 8,662,013 | | |