



DEPARTMENT OF MENTAL HEALTH
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June 23, 2020

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:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

8 June 23, 2020


CELIA ZAVALA
EXECUTIVE OFFICER

**HEARING ON PUBLISHED CHARGES FOR FISCAL YEAR 2020-21
FOR SPECIALTY MENTAL HEALTH SERVICES
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to establish Fiscal Year 2020-21 Published Charges for the provision of specialty mental health services provided by the Department of Mental Health's directly operated clinics.

IT IS RECOMMENDED THAT THE BOARD:

Approve the Department of Mental Health's (DMH) proposed FY 2020-21 Published Charges, effective July 1, 2020.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will allow DMH to make effective its proposed Published Charges, reflected in Attachment I, for use in billing the general public and third party payers for specialty mental health services provided by DMH directly operated clinics, as permitted by law.

Implementation of Strategic Plan Goals

The recommended action is consistent with the County's Strategic Plan Goal III, Realize Tomorrow's Government Today, specifically Strategy 111.3- Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.

FISCAL IMPACT/FINANCING

Approval of the requested action will enable DMH to establish a reasonable approximation of actual costs for specialty mental health services rendered.

There is no net County cost impact associated with the recommended action.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The State Plan provides that Short-Doyle/Medi-Cal (SD/MC) services are to be paid at the lower of actual costs or customary charges, which is consistent with federal Medicaid rules. The State has implemented such provision in the California Code of Regulations Title 9 and in its cost reporting instructions. The term customary charges is synonymous with the term Published Charges, which is defined as the usual and customary charges prevalent in the public mental health sector that are used to bill the general public, insurers, and other non-Title XIX payers.

DMH contracts with the State Department of Health Care Services (DHCS) as the local Mental Health Plan (MHP) and provides specialty mental health services to Medi-Cal beneficiaries under a Section 1915(b) waiver. DHCS claims federal reimbursement for Medi-Cal specialty mental health services based on public expenditures certified by the MHPs. When a MHP submits an interim claim for reimbursement it should either reflect the MHP's actual cost or a reasonable approximation of the MHP's actual cost. When the claim for reimbursement is for a specialty mental health service rendered by a county owned and operated facility, the MHP is not expected to know its actual cost. The MHP will not know its actual cost until the fiscal year is over and it has completed its cost finding and cost allocation through the specialty mental health services cost report. Consequently, the interim claim for reimbursement of services rendered by county-owned and operated providers will be based upon a reasonable approximation of the MHP's actual cost, which are typically the lower of 1) Published Charges or the 2) County Interim Rates, which are set by DHCS and based on the most recent certified cost report submitted by the MHP. DHCS will settle these interim payments to actual cost when the MHP files its certified cost report.

DMH's Published Charges are determined annually based on the most recent Annual Cost Report, projected cost increases, estimated service delivery, and are adjusted by the Centers for Medicare and Medicaid Services Market Basket Index Levels.

In accordance with Government Code Section 66018, a public hearing will be held as required, prior to the approval of a change to an existing fee. Special notice of that public hearing (Attachment II), in compliance with Government Code Section 6062a, has been published by the Executive Office.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The recommended FY 2020-21 Published Charges will become effective on July 1, 2020. This increase is not expected to negatively impact mental health services to the public. With the application of the Uniform Method of Determining Ability to Pay, as established by State law, all uninsured DMH patients will most likely pay less than the Published Charges. Subsequently, there is no anticipated impact on current services.

The Honorable Board of Supervisors

6/23/2020

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Respectfully submitted,

A handwritten signature in black ink, appearing to read 'JES', is centered on the page.

JONATHAN E. SHERIN, M.D., Ph.D.

Director

JES:GP:SK:mm

Enclosures

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

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
FISCAL YEAR 2020-21 PUBLISHED CHARGES
EFFECTIVE JULY 01, 2020

SERVICE DESCRIPTION	MODE	SERVICE FUNCTION CODE	SERVICE UNIT	NON-MEDI-CAL FY 2020-21 RATES ¹	MEDI-CAL FY 2020-21 RATES ²
Crisis Stabilization: Urgent Care	10	25-29	Hour	882.51	772.93
Day Treatment Intensive: Half Day (3-4 hours)	10	81-84	Half Day	272.21	238.41
Full Day (more than 4 hours)	10	85-89	Full Day	338.75	296.69
Day Rehabilitation: Half Day (3-4 hours)	10	91-94	Half Day	140.55	123.10
Full Day (more than 4 hours)	10	95-99	Full Day	219.43	192.18
Targeted Case Management	15	01-09	Minute	4.38	3.84
Mental Health Services	15	10-59	Minute	5.61	4.91
Medication Support Services	15	60-69	Minute	11.24	9.84
Crisis Intervention	15	70-79	Minute	9.03	7.91
Mental Health Promotion ³	45	10-19	Staff Hour	226.19	N/A
Community Client Services ³	45	20-29	Staff Hour	226.19	N/A
Conservatorship: Investigation ³	60	20-29	Staff Hour	224.09	N/A
Administration ³	60	30-39	Staff Hour	212.27	N/A
Life Support /Board & Care ³	60	40-49	Day	43.40	N/A
Case Management Support ³	60	60-69	Staff Hour	268.89	N/A

Footnote(s)

¹ Non-Medi-Cal rates include departmental administrative overhead costs.

² Medi-Cal rates do not include administrative overhead costs since reimbursement for such costs are claimed through a separate process.

³ Services are non-Medi-Cal only.

**NOTICE OF HEARING ON PUBLISHED CHARGES FOR
PATIENT CARE SERVICES FOR FISCAL YEAR 2020-21**

Notice is hereby given that a public hearing will be held by the Board of Supervisors, establishing proposed rates for Fiscal Year (FY) 2020-21. It is proposed that such rates for FY 2020-21 be effective July 1, 2020.

Said hearing will be held on June 23, 2020, 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. For current Board Meeting information, including Health Orders affecting public access to the Board Hearing Room, please visit <http://bos.lacounty.gov>. Any member of the public wishing to participate may do so by submitting written comments, objections, or statements to the Executive Office of the Board of Supervisors at PublicComments@bos.lacounty.gov.

To listen by telephone call (877) 873-8017 (enter the access code when prompted; for English: 111111, for Spanish: 222222). To view via web: <http://bos.lacounty.gov/Board-Meeting/Live-Broadcast>.

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.

The proposed Published Charges will be on file and available for review online at <https://dmh.lacounty.gov/about/board-correspondence/>.

For further information regarding this matter, please telephone the County of Los Angeles, Department of Mental Health, Office of the Chief Deputy Director at (213) 738-4926.

Si no entiende esta noticia o si necesita mas informacion favor de llamar a este numero (213) 738-4926.

CELIA ZAVALA
EXECUTIVE OFFICER
Board of Supervisors