



County of Los Angeles Health and Mental Health Services

FESIA A. DAVENPORT
Chief Executive Officer

DATE: Wednesday, August 3, 2022
TIME: 10:30 a.m.

THIS MEETING WILL CONTINUE TO BE CONDUCTED VIRTUALLY TO ENSURE THE SAFETY OF MEMBERS OF THE PUBLIC AND EMPLOYEES AS PERMITTED UNDER STATE LAW.

TO PARTICIPATE IN THE MEETING, PLEASE CALL AS FOLLOWS:

DIAL-IN NUMBER: 1 (323) 776-6996

CONFERENCE ID: 322130288#

[MS Teams link](#) (Ctrl+Click to Follow Link)

AGENDA

Members of the Public may address the Health and Mental Health Services Meeting on any agenda item. Two (2) minutes are allowed for each item.

THIS TELECONFERENCE WILL BE MUTED FOR ALL CALLERS. PLEASE DIAL *6 TO UNMUTE YOUR PHONE WHEN IT IS YOUR TIME TO SPEAK.

10:00 A.M. NOTICE OF CLOSED SESSION

CS-1 CONFERENCE WITH LEGAL COUNSEL

Government Code Section 54956.9(a)

Non-Litigated Claim of Juan Jose Quijivix

Department of Health Services

- I. Call to order
- II. **Information Item(s)** (Any Information Item is subject to discussion and/or presentation at the request of two or more Board offices):
- III. **Presentation Item(s):**
 - a. **DHS:** Approval of Measure B Rate Increase
 - b. **DMH:** Hearing on Published Charges and Non-Medi-Cal Billing Rates for Fiscal Year 2022-23
- IV. **Discussion Item (s):**

- V. Items Continued from a Previous Meeting of the Board of Supervisors or from the Previous Agenda Review Meeting
 - a. Discussion and consideration of necessary actions on issues related to the Harbor-UCLA Medical Center Replacement Program, and briefing by DPW, CEO and DHS, as needed, as requested at the Health and Mental Health Services Cluster meeting on May 18, 2022.
- VI. Items not on the posted agenda for matters requiring immediate action because of an emergency situation, or where the need to take immediate action came to the attention of the Department subsequent to the posting of the agenda
- VII. Public Comment
- VIII. Adjournment

BOARD LETTER/MEMO CLUSTER FACT SHEET

 Board Letter

 Board Memo

 Other

CLUSTER AGENDA REVIEW DATE	8/3/2022	
BOARD MEETING DATE	8/9/2022	
SUPERVISORIAL DISTRICT AFFECTED	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th	
DEPARTMENT(S)	Department of Health Services	
SUBJECT	APPROVAL OF MEASURE B RATE INCREASE	
PROGRAM		
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
SOLE SOURCE CONTRACT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	If Yes, please explain why: Recommendation No. 9 provides delegated authority to the Director of Health Services to enter into agreements with the City of Long Beach and the City of Pasadena to transfer new allocations of Measure B funding to each city, both of which maintain their own independent public health departments. Undertaking a solicitation would be impractical, as the department is recommending direct allocations to other local government agencies.	
DEADLINES/ TIME CONSTRAINTS	The Board's approval is needed no later than August 31, 2022, to provide sufficient time to incorporate the rate increase into the FY 2022-23 property tax bills to ensure the increase in revenue can be collected.	
COST & FUNDING	Total cost: \$48.86 million (approx.)	Funding source: Measure B Trauma, Emergency, and Bioterrorism Response property assessment revenue (Property Tax)
	TERMS (if applicable):	
	Explanation: See below.	
PURPOSE OF REQUEST	<p>DHS requests approval to increase the Measure B Trauma, Emergency, and Bioterrorism Response property assessment rate from 4.24 cents per square foot to 4.98 cents per square foot, or 0.72 cents, as authorized under the provisions of Measure B, approved by Los Angeles County (County) voters on November 5, 2002.</p> <p>Based on a 1,500 square foot home, the proposed annual Measure B assessment will increase from \$63.60 to \$74.70, an increase of \$11.10, or 17.45%.</p> <p>Approval of the recommendations will:</p> <ul style="list-style-type: none"> - Authorize the Director of Health Services (Director) to submit the proposed assessment rate change resolution to the Auditor-Controller, to increase the Measure B assessment rate and to increase Measure B property tax collections by approximately \$48.86 million in FY 22-23. 	

	<ul style="list-style-type: none"> - Authorize the Director to allocate funds to support DHS hospitals, Non-County Trauma Hospitals (including Pediatric Trauma Hospitals), the Department of Public Health, the City of Long Beach, the City of Pasadena, the County Human Relations Commission and the Fire Protection District of Los Angeles County. Details below. - Authorize the Director to submit an IGT to draw down federal matching funds for eligible portions of the allocations to Non-County Trauma Hospitals. - Authorize the Director to enter into agreements, subject to review by County Counsel, to transfer the allocated amounts to the City of Long Beach and the City of Pasadena.
<p>BACKGROUND (include internal/external issues that may exist including any related motions)</p>	<p>Measure B is a special parcel tax on building improvements, excluding parking, to support the countywide system of trauma centers, emergency medical services and bioterrorism response activities.</p> <p>The provisions of Measure B specifically allow for the adjustment of property assessment rates based on increases to the medical component of the Western Urban Consumer Price Index. The proposed increase is approximately one-half (52.5%) of the increase in the medical component of the Western Urban Consumer Price Index / CPI, from July 1, 2012 (the date of the most recent Measure B increase) to March 31, 2022.</p> <p>Approval of the recommendations will provide approximately \$48.9 million in additional annual funding, beginning in FY 2022-23, to fund programs and activities that meet Measure B's provisions, including trauma centers and emergency medical services for County and non-county hospitals; and bioterrorism response and trauma and violence prevention activities performed by the Department of Public Health (DPH), the City of Long Beach and the City of Pasadena. The recommendations will also provide \$1.50 million one-time funding to support trauma prevention and reduction programs at the County Commission on Human Relations and \$1.80 million to support the purchase of additional Zoll X Series Monitors and related supplies at the Fire Protection District of Los Angeles County.</p> <p>Measure B provides substantial benefits to the County hospitals, non-County hospitals, and physicians. In FY 2021-22, unreimbursed trauma and emergency costs at County hospitals totaled an estimated \$322.33 million. Measure B funding to County hospitals covered approximately 65 percent of the unreimbursed trauma and emergency costs. Additional need exists for trauma and violence prevention activities at DPH and elsewhere.</p> <p>Allocations of new ongoing revenue:</p> <ul style="list-style-type: none"> - \$33.61 million to DHS, to support the County's trauma and emergency medical services system. - \$8.96 million to Non-County Trauma Hospitals, including \$3.00 million to participating Pediatric Trauma Hospitals. - \$5.00 million to DPH, to support trauma and violence prevention activities. - \$1.00 million to the City of Long Beach, to support EMS, bioterrorism and violence prevention activities. - \$0.30 million to the City of Pasadena, to support EMS, bioterrorism and violence prevention activities. <p>Allocation of one-time unobligated revenue:</p> <ul style="list-style-type: none"> - \$1.50 million to support trauma prevention and reduction programs at the Anti-Hate Initiative at the County Commission on Human Relations,

	<p>- \$1.80 million to support the purchase of additional Zoll X Series Monitors and related supplies to increase Advanced Life Support assessment capacity at the Fire Protection District of Los Angeles County.</p> <p>The recommendations include delegated authority to utilize up to \$8.96 million to be used as an Intergovernmental Transfer (IGT) to the California Department of Health Care Services to draw down federal matching dollars for supplemental Medi-Cal payments to eligible non-County trauma centers, which, if fully matched, will generate up to \$8.82 million in matching dollars, which will be allocated to eligible Non-County Trauma Hospitals.</p> <p>The Board has the option to approve the requested increase of seventy-four hundredths of one cent (\$0.0074), or any increment up to a maximum of one hundred forty-one hundredths cents (\$0.0141). The requested increase is approximately 52.5% of the escalation in Measure B CPI from July 1, 2012, to March 31, 2022.</p> <p>Los Angeles County (County) voters approved the initial rate of 3.00 cents per square foot for FY 2003-04. The Board of Supervisors (Board) adjusted the Measure B assessment rate to 3.72 cents in 2008, to 3.99 cents in 2010 and to 4.24 cents in 2012.</p> <p>The associated revenue increase for FY 2022-23 would be lost if the recommended rate increase is not approved and implemented in the FY 2022-23 property tax bills. Accordingly, the Board's approval is needed no later than August 31, 2022, to provide sufficient time to incorporate the rate increase into the FY 2022-23 property tax bills to ensure the increase in revenue can be collected.</p>
<p>EQUITY INDEX OR LENS WAS UTILIZED</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:</p>
<p>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:</p>
<p>DEPARTMENTAL CONTACTS</p>	<p>Name, Title, Phone # & Email:</p> <ol style="list-style-type: none"> 1. Kieu-Anh King, Special Projects Manager, (626) 525-6276, kking@dhs.lacounty.gov.



August 9, 2022

**Los Angeles County
Board of Supervisors**

Hilda L. Solis
First District

Holly J. Mitchell
Second District

Sheila Kuehl
Third District

Janice Hahn
Fourth District

Kathryn Barger
Fifth District

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 MEASURE B RATE INCREASE
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

Christina R. Ghaly, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Deputy Director, Clinical Affairs

Nina J. Park, M.D.
Chief Deputy Director, Population Health

Elizabeth M. Jacobi, J.D.
Administrative Deputy

SUBJECT

Request approval to increase the Measure B Trauma, Emergency, and Bioterrorism Response property assessment rate as authorized under the provisions of Measure B, approved by Los Angeles County (County) voters on November 5, 2002.

IT IS RECOMMENDED THAT YOUR BOARD:

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: (213) 288-8050
Fax: (213) 481-0503

www.dhs.lacounty.gov

"To advance the health of our patients and our communities by providing extraordinary care"

1. Authorize the Director of Health Services (Director), or designee, to implement a rate adjustment to increase the Measure B Trauma, Emergency, and Bioterrorism Response (Measure B) property assessment rate by seventy-four hundredths of one cent (\$0.0074) per improved square foot, for a total assessment of \$0.0498 per improved square foot, effective July 1, 2022, to take into account approximately one-half of the cumulative increase in the medical component of the prescribed Consumer Price Index (CPI) from July 1, 2012 through March 31, 2022. This action will generate approximately \$48.86 million in annual ongoing Measure B revenue.
2. Approve and authorize the Director, or designee, to allocate \$33.61 million (approximately 68.78% of the new annual ongoing revenue generated in Fiscal Year (FY) 2022-23) to the Department of Health Services (DHS), to support the County's trauma and emergency medical services system, as allowed under the provisions of Measure B.



3. Approve and authorize the Director, or designee, to allocate \$5.96 million (approximately 12.19% of the new annual ongoing revenue generated) in FY 2022-23 to participating Non-County Trauma Hospitals, to support ongoing investments in additional staffing, technology and capital improvements to maintain and/or expand the regional trauma care system, as allowed under the provisions of Measure B.
4. Approve and authorize the Director, or designee, to allocate \$3.00 million (approximately 6.14% of the new annual ongoing revenue generated) in FY 2022-23 to participating Pediatric Trauma Hospitals, to support ongoing investments in additional staffing, technology and capital improvements to support pediatric trauma care, as allowed under the provisions of Measure B.
5. Approve and authorize the Director, or designee, to utilize funds allocated in Recommendation 3 and 4 of up to a maximum of \$8.96 million of the annual ongoing Measure B funds in FY 2022-23 to be used as an Intergovernmental Transfer (IGT) to the California Department of Health Care Services to draw down federal matching dollars for supplemental Medi-Cal payments to eligible non-County trauma centers.
6. Approve and authorize the Director, or designee, to allocate \$5.00 million (approximately 10.23% of the new annual ongoing revenue generated) in FY 2022-23 to the Department of Public Health, to support ongoing violence and trauma prevention initiatives and programming, as allowed under the provisions of Measure B.
7. Approve and authorize the Director, or designee, to allocate \$1.00 million (approximately 2.05% of the new annual ongoing revenue generated) in FY 2022-23 to the City of Long Beach, to support ongoing Emergency Medical Services, Bioterrorism and Trauma and Violence Prevention programs, as allowed under the provisions of Measure B.
8. Approve and authorize the Director, or designee, to allocate \$0.30 million (approximately 0.61% of the new annual ongoing revenue generated) in FY 2022-23 to the City of Pasadena, to support ongoing Emergency Medical Services, Bioterrorism and Trauma and Violence Prevention programs, as allowed under the provisions of Measure B.
9. Provide delegated authority to the Director, or designee, to enter into agreements, subject to prior County Counsel review and approval, with the City of Long Beach and the City of Pasadena to provide Measure B funding and to fulfill the provisions of Recommendations No. 7 and No. 8 above.
10. Approve and authorize the Director, or designee, to allocate up to \$1.50 million, as allowed by Measure B, of unobligated one-time funding in the

Measure B Special Revenue Fund to support trauma prevention and reduction programs at the Anti-Hate Initiative (LA vs. Hate Campaign) at the County Commission on Human Relations, subject to review and approval by County Counsel.

11. Approve and authorize the Director, or designee, to allocate up to \$1.80 million, as allowed by Measure B, of unobligated one-time funding in the Measure B Special Revenue Fund to support the purchase of additional Zoll X Series Monitors and related supplies to increase Advanced Life Support assessment capacity, subject to review and approval by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Measure B was approved by County voters in November 2002 to provide revenue to support the countywide system of trauma centers, emergency medical services and bioterrorism response activities. The provisions of Measure B specifically allow for the adjustment of property assessment rates based on increases to the medical component of the Western Urban Consumer Price Index. The Board of Supervisors (Board) adjusted the Measure B assessment rate in 2008, 2010 and 2012.

Approval of the recommendations will provide additional annual funding in FY 2022-23 to fund programs and activities that meet Measure B's provisions, including trauma centers and emergency medical services for County and non-county hospitals; and trauma and violence prevention activities performed by the Department of Public Health (DPH), the City of Long Beach, the City of Pasadena and the County Commission on Human Relations. Measure B provides substantial benefits to the County hospitals, non-County hospitals, and physicians. Uncompensated costs will remain within the trauma and emergency network. Additionally, additional need exists for trauma and violence prevention activities at DPH and elsewhere.

Allocation to County Hospitals

In FY 2021-22, unreimbursed trauma and emergency costs at County hospitals totaled an estimated \$322.33 million. Measure B funding to County hospitals covered approximately 65 percent of the unreimbursed trauma and emergency costs. DHS hospital enterprise funds were used to balance the budget shortfalls, including funding gaps for unreimbursed trauma and emergency costs.

Recommendation No. 2 will provide approximately \$33.61 million in ongoing Measure B revenue to DHS in FY 2022-23, to support the maintenance of the County's trauma and emergency medical services system, as allowed under the provisions of Measure B.

Of this amount, \$30.00 million is proposed to be used to fund the County's existing obligation to provide a \$30.00 million net annual Intergovernmental Transfer (IGT) payment to Martin Luther King, Jr. Community Hospital (MLK-LA), which is required for MLK-LA to receive Federal financial participation to support the hospital's operations.

This new allocation will also enable DHS to support anticipated debt service expense for the Harbor-UCLA Medical Center Replacement Program.

A portion of the remaining revenue will be used to support interim operating expenses for the County's Mobile Stroke Unit (MSU), pending submission by DHS of the report requested by the Board on June 22, 2021, and further direction from the Board. The MSU provides advanced prehospital stroke care throughout the county, utilizing a specialized mobile stroke ambulance.

Allocation to Non-County Trauma Hospitals

Recommendations No. 3 and No. 5 provide \$5.96 million in additional Measure B funds in FY 2022-23, plus an estimated \$5.96 million in Federal match available to eligible non-County trauma hospitals, subject to final reconciliation. These funds will assist in offsetting a portion of the growing cost of trauma and emergency care provided by the non-county trauma hospitals.

Recommendations No. 4 and No. 5 provide \$3.00 million in additional Measure B funds in FY 2022-23, plus an estimated \$2.86 million in Federal match available to eligible non-County trauma hospitals, subject to final reconciliation. These funds will assist in offsetting a portion of the growing cost of trauma and emergency care provided by the non-county pediatric trauma hospitals. Five of the participating Measure B Non-County Trauma Hospitals provide trauma care to pediatric patients, including Cedars-Sinai Medical Center, Children's Hospital Los Angeles, MemorialCare Long Beach Medical Center, Northridge Hospital Medical Center, and Ronald Reagan UCLA Medical Center.

The last rate increase under Measure B was approved by the Board in 2012. Over the last ten years, costs to operate and maintain trauma centers have increased significantly. Trauma admissions require resource-intensive levels of care and adequate and stable funding to support the trauma network is vital.

Additionally, in March 2017, Pomona Valley Hospital was designated as a Level II Trauma Center and was verified by the American College of Surgeons in September 2018. Additional Measure B funds would assist in strengthening the overall trauma network in Los Angeles County, including Pomona Valley Hospital.

On June 14, 2022, the Board of Supervisors approved an amendment to extend the term of the Trauma Center Provisions for Reimbursement (TCPR) Memorandum of Agreements through June 30, 2023, and approved the funding methodology and allocation of TCPR funding for FY 2021-22.

In accordance with the TCPR and based on the recommended rate increase, the 13 non-county trauma hospitals will receive an increase of approximately \$8.96 million

of Measure B funding in their annual contract maximum, and Medi-Cal matching funds (for eligible non-County trauma centers) of an estimated \$8.82 million, subject to final reconciliation. If matched fully, this will provide total additional annual funding of \$17.78 million for FY 2022-23.

Allocation to Department of Public Health

In recognition of the impact of violence on individuals, families, and communities, on February 19, 2019, the Board approved the establishment of the Office of Violence Prevention (OVP) within DPH. OVP is included in the County's overall Trauma Plan. The mission of OVP is to strengthen coordination between county and community partners, build capacity to address and prevent violence through the provision of resources, training and technical assistance, and creating partnerships among county and community entities.

The OVP has been funded through one-time Measure B since FY 2019-20 and, as noted in DPH's June 2, 2021 memo to the Board, the funding allocated was one-time and intended to cover the first two years of operations. Recommendation No. 6 provides \$5.00 million in ongoing annual revenue in FY 2022-23 to support existing and expanded trauma and violence prevention services.

Allocation to Long Beach and Pasadena

Recommendations No. 7 and No. 8 provide the first direct ongoing Measure B allocations to support the City of Long Beach (\$1.00 million in FY 2022-23) and the City of Pasadena (\$0.30 million in FY 2022-23), both of which operate and maintain their own public health departments.

This new allocation will support the provision of Emergency Medical Services, Bioterrorism and Trauma and Violence Prevention programs, as allowed under the provisions of Measure B.

Recommendation No. 9 provides delegated authority to the Director, designee, to enter into agreements, subject to prior review and approval by County Counsel, with the City of Long Beach and the City of Pasadena to fulfill the provisions of Recommendations No. 7 and No. 8, in FY 2022-23.

Allocation to Los Angeles County Commission on Human Relations

In 2018, the Board created the anti-hate campaign that has become the *LA vs Hate* program, which is under the Los Angeles County Commission on Human Relations (HRC). The *LA vs Hate* program is a collaboration among County and community organizations to support residents of the County with a focus on developing programming to reduce and prevent hate crimes and related violent trauma incidents throughout the County. HRC's tracking and reporting data indicate 68% of hate

acts/crimes reported to *LA vs Hate* reporting line implicate some trauma, and the types of crimes reported to 211-LA include bias motivated physical assault/battery at 17%; burglary/robbery, 4.5%; sexual assault, 4%; attempted murder, 3%; and bomb threat/actual bombing, <1%. A component of the *LA v. Hate* program is to expand practices for preventing and addressing hate violence or bias motivated bullying in Los Angeles County. This additional funding will increase services provided through the *LA vs. Hate* program, including programming for community-based service providers and their capacity to respond to victims and communities impacted by hate, as well as provide for education, prevention messaging, and other interventions.

Allocation to Fire Protection District of Los Angeles County (LACoFD)

Recommendation No. 11 provides up to \$1.80 million, as allowed by Measure B, of unobligated one-time funding in the Measure B Special Revenue Fund to support the purchase of additional Zoll X Series Monitors and associated equipment to increase Advanced Life Support assessment capacity, subject to review and approval by County Counsel.

This additional funding will allow LACoFD to add 44 assessment units, which will create a compliment of assessment units, with the goal of decreasing the time to placing a patient on a monitor, improving time to Advanced Life Support assessment for the residents of LA County and in turn, decreasing the workload of dedicated ALS Squads at LACoFD.

Implementation of Strategic Plan Goals

The recommended actions support Strategy I. 1, "Increase our focus on Prevention initiatives" and Strategy III.3, "Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability;" of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The Measure B rate increase will generate additional annual ongoing revenue of approximately \$48.86 million beginning in FY 2022-23, allocated as follows, to fund services and programming in FY 2022-23 as provided for in the Measure B Initiative:

- \$33.61 million to DHS, to support the County's trauma and emergency medical services system.
- \$8.96 million to Non-County Trauma Hospitals, including \$3.00 million to participating Pediatric Trauma Hospitals.
- \$5.00 million to DPH, to support trauma and violence prevention activities.
- \$1.00 million to the City of Long Beach, to support EMS, bioterrorism and violence prevention activities.
- \$0.30 million to the City of Pasadena, to support EMS, bioterrorism and violence prevention activities.

Recommendation No. 10 instructs the Director to identify and allocate up to \$1.50 million as allowed by Measure B, of unobligated one-time funding in the Measure B Special Revenue Fund to support trauma prevention and reduction programs at the Anti-Hate Initiative at the County Commission on Human Relations, and subject to the review and approval by County Counsel. Recommendation No. 11 instructs the Director to identify and allocate up to \$1.80 million, as allowed by Measure B, of unobligated one-time funding in the Measure B Special Revenue Fund to support the purchase of additional Zoll X Series Monitors at the Fire Protection District of Los Angeles County. These actions do not impact the Measure B assessment rate, due to the one-time nature of the funding.

DHS will work with Chief Executive Office to include this additional funding and appropriation in the recommendations for the Board's consideration during the Supplemental changes phase of the FY 2022-23 budget process.

Under the current Measure B rate of 4.24 cents per square foot of improved property, the owner of a 1,500 square foot home pays \$63.60 per year. Under the proposed rate, the same homeowner would pay 4.98 cents per square foot, or \$74.70, an increase of \$11.10, or 17.45%.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On November 5, 2002, County voters approved the Measure B Trauma Property Tax Assessment, a special parcel tax on building improvements of three cents (\$0.03) per square foot, excluding parking, to provide revenue to support trauma and emergency services and bioterrorism preparedness efforts Countywide. Measure B allows the Board to increase the rate of three cents (\$0.03) per improved square foot annually, as adjusted by the cumulative increase to the medical component of the Western Urban CPI since July 1, 2003.

On August 12, 2008, the Board approved a rate adjustment to increase the initial Measure B property assessment rate from three cents (\$0.0300) per improved square foot to three hundred seventy-two hundredths cents (\$0.0372) per improved square foot. The rate was adjusted by the cumulative increase to the medical component of the Western Urban CPI from July 1, 2003 to May 30, 2008. This action provided an additional \$45.2 million in annual ongoing revenue beginning in FY 2008-09 and additional funding for the Countywide system of trauma centers, emergency medical services, and bioterrorism response activities.

On August 24, 2010, the Board approved a rate adjustment to increase the Measure B property assessment rate from three hundred seventy-two hundredths cents (\$0.0372) per improved square foot to three hundred ninety-nine hundredths cents (\$0.0399) per improved square foot. The rate was adjusted by the cumulative increase in the medical component of the Western Urban CPI from June 1, 2008, to

June 30, 2010. This action provided an additional \$17.5 million in annual ongoing revenue beginning in FY 2010-11 and additional funding for the Countywide system of trauma centers, emergency medical services, and bioterrorism response activities.

On August 21, 2012, the Board approved a rate adjustment to increase the Measure B property assessment rate from three hundred ninety-nine hundredths cents (\$0.0399) per improved square foot to four hundred twenty-four hundredths cents (\$0.0424) per improved square foot. The rate was adjusted by the cumulative increase in the medical component of the Western Urban CPI from July 1, 2010, to June 30, 2012. This action provided an additional \$15.7 million in annual ongoing revenue beginning in FY 2012-13, and additional funding for the Countywide system of trauma centers, emergency medical services, and bioterrorism response.

In 2014, the Medicaid coverage expansion, which was made available through the Affordable Care Act (ACA), became effective in California with the federal government paying almost all costs for the first three years for the Medicaid Coverage Expansion population. The expansion of Medi-Cal eligibility resulted in a substantial increase in the number of people who became Medi-Cal eligible, and there was a reduction in the number of uninsured, with a corresponding reduction in uninsured claims for trauma services provided by non-County trauma systems. Although there are relatively more people covered by Medi-Cal than prior to the ACA expansion, the costs of providing services for the remaining uninsured have increased on a per case basis through the intervening years.

The Board has the option to approve the requested increase of seventy-four hundredths of one cent (\$0.0074), or any increment up to a maximum of one hundred forty-one hundredths cents (\$0.0141). The requested increase is approximately 52.5% of the escalation in the medical component of the Western Urban CPI from July 1, 2012, to March 31, 2022.

The associated revenue increase for FY 2022-23 would be lost if the recommended rate increase is not approved and implemented in the FY 2022-23 property tax bills. Accordingly, the Board's approval is needed no later than August 31, 2022, to provide sufficient time to incorporate the rate increase into the FY 2022-23 property tax bills to ensure the increase in revenue can be collected.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended Measure B rate increase will provide additional funding to support to the trauma hospital network, DPH programs, and other related and allowable activities.

Respectfully submitted,

Christina R. Ghaly, M.D.
Director

CRG:AW

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors
Auditor-Controller
Department of Public Health

**BOARD LETTER/MEMO
CLUSTER FACT SHEET**

DRAFT

Board Letter

Board Memo

Other

CLUSTER AGENDA REVIEW DATE	8/3/2022	
BOARD MEETING DATE	8/30/2022	
SUPERVISORIAL DISTRICT AFFECTED	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th	
DEPARTMENT(S)	Mental Health	
SUBJECT	Request approval to establish Fiscal Year 2022-2023 Published Charges and non-Medi-Cal billing rates for the provision of specialty mental health services provided by the Department of Mental Health's directly-operated clinics.	
PROGRAM	Financial Services Bureau	
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why: N/A	
DEADLINES/ TIME CONSTRAINTS	8/30/22	
COST & FUNDING	N/A	Funding source: N/A
	TERMS (if applicable): July 1, 2022 through June 30, 2023	
	Explanation: N/A	
PURPOSE OF REQUEST	This Board Letter will allow DMH to make effective the proposed Published Charges and non-Medi Cal billing rates for use in the general public and for third party payers for specialty mental health services as provided by the Department of Mental Health (DMH).	
BACKGROUND (include internal/external issues that may exist including any related motions)	<p>The State plan provides that Short Doyle/Medi-Cal services are to be paid at the lower of costs or customary charges in accordance with federal Medicare rules. The term "customary charges" is synonymous with "Published Charges," which are prevalent in the public mental health sector for billing the general- public, insurers, and other non- Title XIX payers.</p> <p>DMH's published charges are determined annually based on FY 21-22 estimated patient care expenditures, projected cost increases, and estimated service delivery. In addition, DMH's non-Medi Cal billing rates include indirect administrative overhead cost as approved by the Auditor Controller.</p>	
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:	
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: Kim Nall, Director of Finance, (213) 947-6347 knall@dmh.lacounty.gov William Birnie, Senior Deputy County Counsel, (213) 972-5717, wbirnie@counsel.lacounty.gov	



DEPARTMENT OF MENTAL HEALTH
hope. recovery. wellbeing.

LISA H. WONG, Psy.D.
Acting Director

Curley L. Bonds, M.D.
Chief Medical Officer

Connie D. Draxler, MPA
Acting Chief Deputy Director

August 30, 2022

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:

**HEARING ON PUBLISHED CHARGES AND NON-MEDI-CAL BILLING RATES FOR
FISCAL YEAR 2022-23
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to establish Fiscal Year 2022-2023 Published Charges and non-Medi-Cal billing rates for the provision of specialty mental health services provided by the Department of Mental Health's directly-operated clinics.

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

Approve the Department of Mental Health's (DMH) proposed Fiscal Year (FY) 2022-23 Published Charges, effective July 1, 2022.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will allow DMH to make effective its proposed Published Charges and non-Medi-Cal (nMC) billing rates, 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 III.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 Medicare 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 2) the 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 SD/MC Published Charges are determined annually based on the FY 2021-22 estimated patient care expenditures, projected cost increases, and estimated service delivery. DMH's nMC billing rates for the Public Guardian are based on the most recent Auditor-Controller (AC) approved base rates for investigation and administration, adjusted by the Centers for Medicare and Medicaid Services Market Basket Index Level rate of change. DMH's nMC billing rates include indirect administrative overhead costs as approved by the AC.

The Honorable Board of Supervisors
August 30, 2022
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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 2022-23 Published Charges will become effective on July 1, 2022. This increase is not expected to negatively impact the public. With the application of the Uniform Method of Determining Ability to Pay, as established by State law, all uninsured DMH patients will likely pay less than the Published Charges. Subsequently, there is no anticipated impact on current services.

Respectfully submitted,

LISA H. WONG., Psy.D.
Acting Director

LHW:CDD:KN
MK:ZW:atm

Attachments (2)

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

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
 FISCAL YEAR 2022-23 MEDI-CAL PUBLISHED CHARGES AND NON-MEDICAL BILLING RATES
 EFFECTIVE JULY 01, 2022

SERVICE DESCRIPTION	MODE	SERVICE FUNCTION CODE	SERVICE UNIT	NON-MEDI-CAL FY 2022-23 RATES ¹	MEDI-CAL FY 2022-23 RATES ²
Crisis Stabilization: Urgent Care	10	25-29	Hour	\$ 2,028.58	\$ 1,800.26
Targeted Case Management	15	01-09	Minute	\$ 5.12	\$ 4.55
Mental Health Services	15	10-59	Minute	\$ 7.49	\$ 6.65
Medication Support Services	15	60-69	Minute	\$ 12.54	\$ 11.13
Crisis Intervention	15	70-79	Minute	\$ 5.61	\$ 4.98
Mental Health Promotion ³	45	10-19	Staff Hour	\$ 460.57	N/A
Community Client Services ³	45	20-29	Staff Hour	\$ 440.46	N/A
Conservatorship: Investigation ³	60	20-29	Staff Hour	\$ 204.95	N/A
Administration ³	60	30-39	Staff Hour	\$ 194.14	N/A
Case Management Support ³	60	60-69	Staff Hour	\$ 93.15	N/A

Footnote(s)

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

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

³ Services are non-MC only.

**NOTICE OF HEARING ON PUBLISHED CHARGES FOR
SPECIALITY MENTAL HEALTH SERVICES FOR FISCAL YEAR 2022-23**

Notice is hereby given that a public hearing will be held by the Board of Supervisors, establishing proposed rates for specialty mental health services for Fiscal Year (FY) 2022-23. It is proposed that such rates for FY 2022-23 be effective July 1, 2022.

Said hearing will be held on August 30, 2022, 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>. **Please note that due to the COVID-19 pandemic, a virtual public hearing may be held.** 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