



**DEPARTMENT OF MENTAL HEALTH**  
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July 27, 2021

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

3 July 27, 2021

CELIA ZAVALA  
EXECUTIVE OFFICER

**HEARING ON THE ESTABLISHMENT OF FISCAL YEAR 2021-22 PUBLISHED CHARGES FOR  
THE PROVISION OF SPECIALITY MENTAL HEALTH SERVICES**

**(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**SUBJECT**

Request approval to establish Fiscal Year 2021-22 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 AFTER THE PUBLIC HEARING,**

Approve the Department of Mental Health's (DMH) proposed Fiscal Year (FY) 2021-22 Published Charges, effective July 1, 2021.

**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 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 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, and 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 2021-22 Published Charges will become effective July 1, 2021. This increase is not expected to negatively impact the public. With the application of the Uniform

The Honorable Board of Supervisors

7/27/2021

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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,

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

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

Director

JES

Enclosures

c: JES:GP:SK  
ZW:atm

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH  
 FISCAL YEAR 2021-22 PUBLISHED CHARGES  
 EFFECTIVE JULY 01, 2021

SERVICE DESCRIPTION	MODE	SERVICE FUNCTION CODE	SERVICE UNIT	NON-MEDI-CAL FY 2021-22 RATES <sup>1</sup>	MEDI-CAL FY 2021-22 RATES <sup>2</sup>
Crisis Stabilization: Urgent Care	10	25-29	Hour	\$ 999.61	\$ 882.81
Targeted Case Management	15	01-09	Minute	\$ 4.87	\$ 4.30
Mental Health Services	15	10-59	Minute	\$ 5.40	\$ 4.77
Medication Support Services	15	60-69	Minute	\$ 12.23	\$ 10.80
Crisis Intervention	15	70-79	Minute	\$ 7.93	\$ 7.00
Mental Health Promotion <sup>3</sup>	45	10-19	Staff Hour	\$ 274.85	N/A
Community Client Services <sup>3</sup>	45	20-29	Staff Hour	\$ 366.18	N/A
Conservatorship: Investigation <sup>3</sup>	60	20-29	Staff Hour	\$ 212.34	N/A
Administration <sup>3</sup>	60	30-39	Staff Hour	\$ 201.14	N/A
Life Support /Board & Care <sup>3</sup>	60	40-49	Day	\$ 40.41	N/A
Case Management Support <sup>3</sup>	60	60-69	Staff Hour	\$ 252.99	N/A

## Footnote(s)

<sup>1</sup> Non-Medi-Cal (MC) rates include departmental indirect administrative overhead costs.

<sup>2</sup> MC rates do not include departmental indirect administrative overhead costs since reimbursement for such costs are reimbursed through a separate claiming process.

<sup>3</sup> Services are non-MC only

**NOTICE OF HEARING ON PUBLISHED CHARGES FOR  
SPECIALITY MENTAL HEALTH SERVICES FOR FISCAL YEAR 2021-22**

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) 2021-22. It is proposed that such rates for FY 2021-22 be effective July 1, 2021.

Said hearing will be held on July 27, 2021, 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. The Los Angeles County facilities may still be closed to the public at this time.** 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](mailto: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.

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CELIA ZAVALA  
EXECUTIVE OFFICER  
Board of Supervisors