County of Los Angeles
CHIEF EXECUTIVE OFFICE
713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
http://ceo.lacounty.gov

WILLIAM T FUJIOKA
Chief Executive Officer

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

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November 6, 2007

25 NOV 06 2007

SACHI A. HAMAI
EXECUTIVE OFFICER

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

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

Attachment I

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 Number:

Agreement Period:

Fiscal Year:

DMH Legal Entity Agreement

Attachment II Page 1 o f 2

The Financial Summary

Amendment Number
(If Applicable) _____

Categories		Maximum Funding Source Totals	
A. Allocations:			
County General Fund (CGF)	1. EPSDT Baseline Medi-Cal Local Match	$ -	
	2. EPSDT Growth Match	$ -	
	3. SB 90 (AB 3632) Baseline	$ -	
	4. Healthy Families Local Match	$ -	
	5. All Other County General Fund	$ -	
	CGF: (1 thru 5) Total	$ -	
(Insert name of funding source here)		$ -	
(Insert name of funding source here)		$ -	
(Insert name of funding source here)		$ -	
(Insert name of funding source here)		$ -	
(Insert name of funding source here)		$ -	
(Insert name of funding source here)		$ -	
(Insert name of funding source here)		$ -	
(Insert name of funding source here)		$ -	
(Insert name of funding source here)		$ -	
	Total Allocations (A)	$ -	
B. Pass Through:			
FFP		$ -	
FFP	Medi-Cal Administrative Activities	$ -	
EPSDT	State General Fund	$ -	
SB 90 (AB 3632)	State General Fund	$ -	
	Total Pass Through (B)	$ -	
	Maximum Contract Amount/Net Program Budget (A+B):		$ -
C. Third Party:			
Medicare		$ -	
Patient Fees		$ -	
Insurance		$ -	
Other		$ -	
	Total Third Party (C)	$ -	
	Gross Program Budget (A+B+C):		$ -

Footnotes Section:

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)

EPSDT/FFP

AMOUNT Increase(Decrease) | **FISCAL YEAR** | **MCA**

	2003-04	$

AMENDMENT ACTION(S)

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 $.

EFFECTIVE DATE

Pending

New Headquarters Address: _____

Sup. Dist.: _____

Svc. Area: _____

ADD OR DELETE SERVICE SITE(S):

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

Attachment II

LOS ANGELES COUNTY-DEPARTMENT OF MENTAL HEALTH
FINANCIAL SERVICES BUREAU
REIMBURSEMENT AUDIT SUPPORT DIVISION
FFP AND EPSDT CONTRACT INCREASE BREAKOUT
Report
FY 2003-04

	LE #	Legal Entity Name	Existing Maximum Contract Amount	Increase in FFP	Increase in EPSDT-SGF	Revised Maximum Contract Amount
1	00274	Braswell Rehabilitation Institute for Development of Growth and Education Services, Inc.	$ 2,037,332	$ -	$ 9,523	$ 2,046,855
2	00175	Barbour and Floyd Medical Associates	2,012,538	-	7,130	2,019,668
3	00668	Children's Bureau of Southern California	7,178,131	18,358	182,341	7,378,830
4	00591	Children's Institute International	7,759,695	8,499	-	7,768,194
5	00327	Clontarf Manor, Inc.	961,800	56,486	2,455	1,020,741
6	00180	Amanecer Commuity Counseling Services, Inc.	5,763,197	108,083	143,288	6,014,568
7	00694	Counseling 4Kids	3,173,000	70,764	84,952	3,328,716
8	00779	Counseling and Research Association, Inc. dba Masada Homes	5,960,093	999,107	789,654	7,748,854
9	00184	Dubnoff Center for Child Development & Educational Therapy, Inc.	1,682,987	47,501	87,055	1,817,543
10	00778	D'Veal Corporation dba D'Veal Family and Youth Services	4,505,457	160,382	103,503	4,769,342
11	00690	Enrichment Through Employment	59,861	7,753	-	67,614
12	00995	Ettie Lee Homes, Inc.	1,847,257	11,296	69,027	1,927,580
13	00870	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	00300	For the Child, Inc.	889,360	9,725	18,944	918,029
15	00846	GLASS (Gay and Lesbian Adolescent Social Services, Inc.)	2,075,955	-	63,269	2,139,224
16	00206	SunBridge Harbor View Rehabilitation Center, Inc. dba Harbor View Adolescent Center	3,650,894	-	75,721	3,726,615
17	00194	Hillview Mental Health Center, Inc.	6,977,536	-	13,054	6,990,590
18	00508	Homes for Life Foundation	957,951	-	3,831	961,782
19	00699	Institute for Multicultural Counseling and Education Services, Inc. (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

Attachment II

LOS ANGELES COUNTY-DEPARTMENT OF MENTAL HEALTH
FINANCIAL SERVICES BUREAU
REIMBURSEMENT AUDIT SUPPORT DIVISION
FFP AND EPSDT CONTRACT INCREASE BREAKOUT
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
			$ 160,418,547	$ 4,668,856	$3,993,157	$ 169,080,560
			Total Increase	$ 8,662,013		