

COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH

F A C T S H E E T

**APPROVAL TO RENEW MENTAL HEALTH SERVICES PLAN AGREEMENT
(CONTRACT NO. 05-75083-000) WITH THE STATE DEPARTMENT OF MENTAL
HEALTH FOR MEDI-CAL SPECIALTY MENTAL HEALTH SERVICES
FOR FISCAL YEAR 2005-2006
(ALL SUPERVISORIAL DISTRICTS)**

REQUEST

1. Authorize the renewal of the Mental Health Services Plan Agreement (Contract No. 05-75083-000) with the State Department of Mental Health (SDMH) and instruct the Director of Mental Health or his designee to prepare, sign, and execute the Agreement with SDMH, in accordance with the provisions of Part 2.5 of Division 5 of the Welfare and Institutions Code. This Agreement, which is effective from July 1, 2005 until June 30, 2006, will allow for the continued provision of Specialty Mental Health Services to impacted clients in all Supervisorial Districts within the County of Los Angeles.
2. Instruct the Director of Mental Health or his designee to submit all necessary documents to SDMH and accept State General Fund (SGF) dollars allocated to Los Angeles County for the local operation of Medi-Cal Specialty Mental Health Services. The total State allocation for Fiscal Year (FY) 2005-2006 is \$73,931,070, which is included in the Department of Mental Health's (DMH) FY 2005-2006 Adopted Budget.
3. Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute future amendments to this Agreement for FY 2005-2006.

PURPOSE/JUSTIFICATION

Board approval is required to renew the Mental Health Services Plan Agreement to allow for the continual administration of Specialty Mental Health Services to Medi-Cal eligible residents of Los Angeles County as part of DMH's Local Mental Health Plan (LMHP). State regulations require a contractual agreement between SDMH and County departments to continue funding the LMHP under the State Medi-Cal Consolidation Program.

Contract No. 04-74032-000 between the State of California and the County of Los Angeles terminated on June 30, 2005. The Mental Health Services Plan Agreement (Contract No. 05-75083-000), which provides funding for FY 2005-2006, is retroactive to July 1, 2005. Overall, this annual Agreement is consistent with previous years'

agreements without significant changes to the scope of services. The submission of this Agreement to the Board was delayed as a result of the late submission of the Agreement to the County by SDMH on July 26, 2005. The Board actions are consistent with the Board's policy on timely submission of contracts for Board approval, as noted in the Chief Administrative Officer's memo dated September 7, 2000, to the Board, under paragraph heading, Overall Policies, circumstance no. 2, "The County is receiving funds (normally from a higher level of government)."

FISCAL SUMMARY

There is no net County cost. The State allocation is \$73,931,070, which is included in DMH's FY 2005-2006 Adopted Budget.

BACKGROUND

SDMH entered into a contract with DMH to implement and administer Specialty Mental Health Services for Medi-Cal eligible residents of Los Angeles County as part of the LMHP.

Renewal of this Agreement will provide continual funding to reimburse Fee-For-Service (FFS) providers for professional services rendered by psychiatrists, psychologists, licensed clinical social workers, marriage and family therapists, and registered nurses with master's degrees within their area of practice and contracted FFS hospitals for acute psychiatric inpatient services.

Without Board approval, Specialty Mental Health Services will no longer be available to Medi-Cal eligible beneficiaries in Los Angeles County.

CONTRACTING PROCESS

State regulations require a contractual agreement between SDMH and County departments to continue funding the LMHP under the State Medi-Cal Consolidation Program. Upon Board approval, the Director of Mental Health or his designee shall enter into an Agreement with SDMH, which is effective from July 1, 2005 until June 30, 2006, in accordance with the provisions of Part 2.5 (commencing with Section 5775) of Division 5 of the Welfare and Institutions Code.

RK:KT:OV