

COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH

FACT SHEET

**APPROVAL OF AMENDMENT TO THE EXISTING MENTALHEALTH SERVICES
MEDI-CAL FEE-FOR-SERVICE ACUTE PSYCHIATRIC INPATIENT HOSPITAL
SERVICES AGREEMENT WITH CEDARS-SINAI MEDICAL CENTER
(SUPERVISORIAL DISTRICT 3)**

REQUEST

Approve and authorize the Mayor of your Board to sign and execute an Amendment to the existing Mental Health Services Medi-Cal Fee-For-Service (FFS) Acute Psychiatric Inpatient Hospital Services Agreement with Cedars-Sinai Medical Center (Cedars-Sinai). This Amendment when executed will increase the acute psychiatric inpatient hospital services rate from \$475 to \$520 per day for services provided to Medi-Cal beneficiaries on the order of or under the direct supervision of physicians who are ineligible to bill Medi-Cal for the delivery of specialty mental health services.

PURPOSE/JUSTIFICATION

The purpose of the requested action is to increase the rate paid to Cedars-Sinai for acute psychiatric inpatient hospital services provided to Medi-Cal beneficiaries where such services are provided on the order of or under the supervision of physicians who are ineligible to bill Medi-Cal for specialty mental health services. In exchange, physicians providing inpatient Medi-Cal services at Cedars-Sinai will not bill separately, which is consistent with their existing practice. Moreover, Cedars-Sinai will give up its ability to terminate the Agreement early without cause.

BACKGROUND

The Department of Mental Health, in collaboration with County Counsel, has been in negotiations with Cedars-Sinai to ensure the continued accessibility of critically needed acute psychiatric inpatient hospital services by Medi-Cal beneficiaries whose residency has been established within Los Angeles County. In acknowledgement of the cost of providing such services, the proposed Amendment is intended to increase the acute psychiatric inpatient hospital services rate for services provided to Medi-Cal beneficiaries on the order of or under the supervision of physicians who are not eligible to bill Medi-Cal for specialty mental health services. The total cost to the County of care to such patients is lower, which made additional resources available to supplement the usual inpatient services rate. These services are paid by the FFS Medi-Cal State allocation which includes State General Funds and Federal Financial Participation Medi-Cal match, for an increase of \$77,040 based on FY 2005-2006 utilization data.

CONTRACTOR

Cedars-Sinai Medical Center
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