

COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH

F A C T S H E E T

**HEARING ON PUBLISHED CHARGES FOR FISCAL YEAR 2009-10
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to establish Published Charges for Fiscal Year 2009-10 to comply with Federal Short-Doyle/Medi-Cal Lower of Cost or Charges reimbursement and routine cost requirements.

REQUEST

Approve Department of Mental Health's (DMH) proposed Published Charges for Fiscal Year (FY) 2009-10, effective July 1, 2009 to comply with Federal Short-Doyle/Medi-Cal (SD/MC) Lower of Cost or Charges (LCC) reimbursement and routine cost requirements.

PURPOSE/JUSTIFICATION

Board action is required to ensure that Published Charges are established in compliance with Medi-Cal requirements. The recovery of federal revenues in compliance with State and federal regulations necessitates that Published Charges be established at least annually. Federal requirements stipulate that Published Charges are to be determined at the County level. The recommended Published Charges comply with SD/MC audit requirements.

BACKGROUND

The Published Charges for FY 2009-10 were developed based on actual cost and statistical data reported in the Annual Cost Report. The cost report data was adjusted by the Federal Home Health Agency Market Basket Index.

In FY 2003-04, the Board approved revised Published Charges permitting DMH to reflect two sets of rates, rates for Medi-Cal and rates for non-Medi-Cal responsible financial parties. The non-Medi-Cal rates include administrative overhead costs for all services that are billed to non-Medi-Cal responsible financial parties. The methodology to calculate the Published Charges to bill Medi-Cal plans remains the same as originally approved by your Board. The rates for Medi-Cal plans do not include administrative overhead costs. Medi-Cal administrative costs are reimbursed through a separate and specific mandated State reimbursement method.

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The public hearing notice requirements of Government Code Section 6062 (a) have been satisfied and public hearing requirements of Government code Section 66018 will be satisfied by this action.

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APPROVED BY:

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