

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. 03-73029-000) WITH THE STATE DEPARTMENT OF MENTAL
HEALTH FOR MEDI-CAL SPECIALTY MENTAL HEALTH SERVICES
AND
APPROVAL OF REQUEST FOR APPROPRIATION ADJUSTMENT
FOR FISCAL YEAR 2003-2004**

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

REQUEST:

Authorize the Director of Mental Health or his designee to enter into Agreement with the State Department of Mental Health (SDMH) to allow the Department of Mental Health (DMH) to continue the provision of specialty mental health services to impacted clients in all Supervisorial Districts. The Agreement will be effective from July 1, 2003 until June 30, 2004.

Request Board approval for an Appropriation Adjustment to shift \$625,000 from the State allocation for Treatment for Mental Health Managed Care to Federal Financial Participation (FFP) Medi-Cal.

CONTRACTOR:

SDMH entered into contract with DMH to implement and administer Mental Health Managed Care for Medi-Cal eligible residents of Los Angeles County under the Local Mental Health Plan (LMHP).

On June 1, 1998, the County of Los Angeles implemented Phase II consolidation of Fee-For-Service (FFS) Medi-Cal Specialty Mental Health Services as the LMHP by entering into Agreement with over 1,200 individual and group providers of specialty mental health services.

INTENT:

State Contract No. 03-73029-000 provides an allocation of \$67,456,432 in State General Funds for Fiscal Year (FY) 2003-2004 to the County of Los Angeles DMH's LMHP for the local operation of Mental Health Managed Care for Medi-Cal eligible residents in Los Angeles County.

This Agreement is retroactive to July 1, 2003, and provides funding to reimburse FFS providers for specialty mental health services rendered in FY 2003-2004.

JUSTIFICATION:

The Mental Health Services Plan Agreement (Contract No. 03-73029-000) between the State of California and DMH is mandated under the provisions of Part 2.5 of Division 5 of the Welfare and Institutions Code. Contract No. 02-72022-000 between the State of California and DMH, which provided funding for Managed Mental Health Care for Medi-Cal eligible residents in Los Angeles County, terminated on June 30, 2003. The delay in receipt of the Mental Health Plan Agreement from SDMH resulted in this retroactive request.

There is no net County cost. The State revised allocation is \$67,456,432, which reflects a change in the Federal Medicaid Assistance Percentage (FMAP). The revised allocation represents \$624,568 less than the amount identified in DMH's FY 2003-2004 Adopted Budget. The request for Appropriation Adjustment will shift \$625,000 from the State to FFP Medi-Cal, which will reflect the change in the FMAP.

CONTRACTING PROCESS:

This subject does not apply.

State regulations require a contractual Agreement between DMH and SDMH to allocate funds for the Mental Health Managed Care services Consolidation Program. Upon Board approval, the Director of Mental Health or his designee shall enter into an Agreement with SDMH in accordance with the provisions of Part 2.5 of Division 5 of the Welfare and Institutions Code.