

**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. 04-74032-000) WITH THE STATE DEPARTMENT OF MENTAL  
HEALTH FOR MEDI-CAL SPECIALTY MENTAL HEALTH SERVICES  
FOR FISCAL YEAR 2004-2005  
(ALL SUPERVISORIAL DISTRICTS)**

**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, 2004 until June 30, 2005.

**CONTRACTOR:**

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

Participation in the State Medi-Cal Consolidation Program will continue to be funded by State General Fund (SGF) dollars for professional services rendered by psychiatrists, psychologists, Licensed Clinical Social Workers, Marriage and Family Therapists, and Registered Nurses with master's degree within their area of practice and for acute psychiatric hospital inpatient services with contracted Fee-For-Service (FFS) providers.

**INTENT:**

State Contract No. 04-74032-000 provides an allocation of \$67,456,432 in SGF for Fiscal Year (FY) 2004-2005 to the County of Los Angeles DMH's LMHP for the local operation of Mental Health Services for Medi-Cal eligible residents in Los Angeles County.

This Agreement is effective from July 1, 2004 until June 30, 2005 and provides funding to reimburse FFS providers for specialty mental health services to be rendered in FY 2004-2005.

**JUSTIFICATION:**

The Mental Health Services Plan Agreement (Contract No. 04-74032-000) 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. 03-73029-000 between the State of

California and DMH, which provided funding for Specialty Mental Health Services for Medi-Cal eligible residents in Los Angeles County, will terminate on June 30, 2004.

There is no net County cost. The State Allocation is \$67,456,432, which is overstated by \$624,568 in DMH's FY 2004-2005 Proposed Budget. The \$624,568 overstated amount will be address in the supplemental budget process.

**CONTRACTING PROCESS:**

State regulations require a contractual Agreement between DMH and SDMH to allocate funds for the Specialty Mental Health 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.