

COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH

F A C T S H E E T

**HEARING ON PUBLISHED CHARGES FOR FISCAL YEAR 2010-11
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to establish Published Charges for Fiscal Year 2010-11 to comply with State and federal reimbursement requirements.

REQUEST

Approve the Department of Mental Health's (DMH) proposed Published Charges (Attachment) for Fiscal Year (FY) 2010-11, effective July 1, 2010, to comply with State and 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 requirements.

BACKGROUND

The Published Charges for FY 2010-11 would have been developed based on actual cost and statistical data reported in the Annual Cost Report for FY 2008-09. However, due to the State's delay in providing the Annual Cost Report template, the FY 2008-09 Annual Cost Report will not be available until the end of FY 2009-10. Therefore, DMH recommends extending the FY 2009-10 Published Charges to comply with the requirement of establishing annual Published Charges.

When additional information is available (i.e., FY 2008-09 Annual Cost Report), DMH will review the current Published Charges and propose, if necessary, revised Published Charges.

In FY 2003-04, the Board approved revised Published Charges permitting DMH to reflect two sets of rates for Medi-Cal and non-Medi-Cal responsible financial parties. The rates for Medi-Cal plans do not include administrative overhead costs, while the

non-Medi-Cal rates do include administrative overhead costs for all services that are billed to non-Medi-Cal responsible financial parties. Medi-Cal administrative overhead costs are reimbursed through a separate and specific State-mandated reimbursement method, and the methodology to calculate the Published Charges to bill Medi-Cal plans remains the same as originally approved by your Board.

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

DMH Contact:

Margo Morales, Administrative Deputy
Telephone Number: 213-738-2891
E-mail: mamorales@dmh.lacounty.gov

APPROVED BY:

DMH Program – Myles Kang
DMH Contracts – Raymond Chow
Chief Executive Officer – James Sokalski
County Counsel – Edward Yen

Attachment