

**BOARD LETTER – SUMMARY SHEET
HEALTH AND MENTAL HEALTH SERVICES CLUSTER**

AGENDA REVIEW	November 20, 2013
BOARD MEETING	December 17, 2013
SUPERVISORIAL DISTRICT	ALL
DEPARTMENT	MENTAL HEALTH
SUBJECT	APPROVAL TO SUPERSEDE 134 LEGAL ENTITY AGREEMENTS FOR MENTAL HEALTH SERVICES AND APPROVE APPROPRIATION ADJUSTMENT FOR FISCAL YEARS 2013-14, 2014-15, AND 2015-16 (ALL SUPERVISORIAL DISTRICTS) (4 VOTES)
PROGRAM	DMH Office of Chief Deputy Director
DEADLINES	December 31, 2013
COST & FUNDING	<p>The FY 2013-14 annual MCA for each LE Agreement are shown on Attachment B totaling \$960,667,933. The FY 2013-14 MCAs are funded from the following sources: 1) State Revenues(including MHSA) - \$194,690,763; 2) Federal Revenues - \$396,908,215; 3) MCE Federal Financial Participation (FFP) - \$ 21,584,156; 4) Intrafund Transfers -\$ 33,394,950; 5) NCC/Sales Tax Realignment -\$302,625,264; 6) 2011 Sales Tax Realignment (AB 109) -\$ 10,551,809; 7) Grant (First 5 LA) - 912,776.</p> <p>The Appropriation Adjustment, in the amount of \$21,584,000 will provide additional spending authority for the LE Contractors to implement the Medicaid Expansion under the ACA. The appropriation adjustment is fully funded with Federal Financial Participation Medi-Cal revenue. The remaining amount is included in the FY 2013-14 Final Adopted Budget.</p> <p>The future fiscal years funding will be requested through DMH's annual budget request process.</p>
PURPOSE OF REQUEST	To supersede 134 Legal Entity Agreements, including one Fee-for-Service Organizational Agreement, for the provision of mental health services to implement changes related to the Medicaid (Medi-Cal in California) Expansion under the Patient Protection and Affordable Care Act (ACA), to request for appropriation adjustment, and increase the Maximum Contract Amounts, effective January 1, 2014.

<p>SUMMARY/ ISSUES (Briefly summarize program and potential issues or concerns. Identify changes, if any, to level of funding or staffing; how funding will be utilized and why best use; prior accomplishments; and for BLs involving contracts, also note changes to the contract term.)</p>	<p>Board approval is required to supersede the LE Agreements to include changes related to the Medicaid Expansion (MCE) under ACA; to ensure that new and revised provisions are included in all LE Agreements that have one- or two-year term remaining; as well as to ensure the uniformity of terms and conditions in all DMH LE Agreements. Additionally, the approval of this Board letter will allow DMH to increase the MCAs of these LEs to add funding associated with the MCE, which is funded 100% by Federal Financial Participation (FFP) revenue. Since 2011, DMH has been taking steps towards expanding Medi-Cal under the ACA by implementing Low Income Health Programs (LIHPs) through the County's Health Way LA (HWLA) Program Under the "Bridge to Reform" Medicaid 1115 waiver, using federal and County funds. The vast majority of these HWLA enrollees will become eligible for Medi-Cal coverage under the ACA beginning January 1, 2014.</p> <p>Using data available on eligible HWLA beneficiaries who received mental health services at these LE Contractors' sites, DMH estimated the amount of MCE funding for some of these LE Agreements. DMH will also allocate MCE funding to the LE Contractors that have traditionally served children only to provide mental health services to newly eligible parents and caregivers. In addition, DMH will allocate additional Medi-Cal funding to children's providers to serve parents and caregivers that are traditional Medi-cal beneficiaries that select to receive their services from their child's provider.</p>
<p>DEPT. & COUNTY COUNSEL CONTACTS</p>	<p>Chief Deputy Director, Robin Kay, (213) 738-4108, rkay@dmh.lacounty.gov Principal Deputy County Counsel, Stephanie Jo Reagan, (213) 974-0941 sreagan@counsel.lacounty.gov</p>