

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
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Santa Barbara, CA 93101
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Agenda Number:
Prepared on: 11/25/02
Department Name: Public Health
Department No.: 041
Agenda Date: 1/14/03
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Roger E. Heroux, MPA
Director, Public Health Department

STAFF CONTACT: Tara Brown
681-5217

SUBJECT: Agreements with Sojourn Services, Inc. and Child Abuse Listening Mediation

Recommendation(s):

That the Board of Supervisors:

- A. Execute an Agreement with Sojourn Services Inc. to pass through a maximum of \$3,386,240.00 in Medicaid federal financial participation (FFP) for targeted case management (TCM) services for the period July 1, 2002 through June 30, 2003.
- B. Execute an Agreement with Child Abuse Listening Mediation (CALM) to pass through a maximum of \$211,640.00 in Medicaid FFP for TCM services for the period July 1, 2002 through June 30, 2003.

Alignment with Board Strategic Plan:

These recommendations align with Goal VII: A community that fosters the safety and well-being of families and children.

Executive Summary and Discussion:

As the single State agency administering the federal Medicaid program in California, the State of California Department of Health Services (DHS) secured approval for amendments to the California State Plan to include Targeted Case Management (TCM) as a covered service under the Medi-Cal program in 1995. Local Governmental Agencies may elect to participate in the TCM program and will be included in the State Plan Amendment (SPA) to provide the TCM services contained in the California State Plan. TCM services consist of case management activities that assist Medi-Cal beneficiaries, within specified targeted groups, to access needed medical, social, educational, and other services. The Public Health Department is designated by DHS to be the local governmental agency that administers the TCM program for Santa Barbara County. Any agency participating in the TCM program in Santa Barbara County must provide a local or State match in order to receive Federal Financial Participation (FFP) dollars. Moreover, each agency is required to

perform time studies and to prepare a TCM Cost Report in order to establish the TCM billable encounter rate, each participating year.

PHD has performed lead agency duties for the TCM program for Santa Barbara County since its inception. Last year the PHD offered FFP subcontracts for TCM to community based organizations (CBOs) under the Community target population State Plan Amendment (SPA), which had only recently been made available. The initial contract was with Sojourn Services, Inc. with the intention to use some of the FFP to expand the Welcome Every Baby (WEB) newborn home visiting initiative. Sojourn demonstrated that they had in place the necessary elements for successful TCM claiming: a) a strong financial infrastructure, b) eligible matching State or local dollars, c) an existing relationship with PHD fiscal staff through the WEB program, and d) a commitment for management to fully understand the claiming, documentation and extensive program requirements. Last fiscal year 2001-02, the amount of FFP received was \$720,840 for TCM services provided by Sojourn Services, Inc. For fiscal year 2002-03, the projected amounts of TCM revenues are: \$3,386,240 for Sojourn Services, Inc, because they provide a large number of billable encounters and \$211,640 for CALM.

Mandates and Service Levels:

This is a non-mandated service. Targeted Case Management (TCM) services for eligible Medi-Cal beneficiaries are set forth in United States Code (USC) Title 42, Section 1396b(g)(2) and in the State of California Welfare and Institutions (W&I) Code Section 14132.44.

This action does not change service levels for the County. The receipt of these funds will allow Sojourn and CALM to expand services.

Fiscal and Facilities Impacts:

The County Public Health Department will retain a ten (10%) fee to cover the cost of administering the TCM claiming process, including, but not limited to: cost report preparation in consultation with subcontractors, claims preparation in consultation with subcontractors, claims processing, technical assistance, training, auditing and assurance services, and coordination to ensure lack of duplication among case managers. These fees cover the costs incurred in PHD's Specialty Accounting program for salaries, benefits, and other expenditures required to fulfill all fiscal intermediary obligations. In addition, the fees also contribute to offset the department's participation fee to the State to participate in the TCM program.

The State and County are held harmless by the subcontractors from any federal audit disallowance and interest resulting from payments made by the federal Medicaid program as reimbursement for claims for providing TCM services for disallowed claims and from any and all liabilities, claims, actions or judgments arising out of subcontractor's performance. In addition, the contracts cite that each subcontractor must retain a 5% audit reserve, until such time that audit liability has passed.

Special Instructions:

Please return one copy of each of the two fully executed agreements to the Department, attention: Tara Brown.

Concurrence:

None required.

