

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:
Prepared on: 06/2/2005
Department Name: Alcohol, Drug & Mental Health
Department No.: 043
Agenda Date: 07/26/2005
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: James L. Broderick, Ph.D., Director
Alcohol, Drug & Mental Health Services

STAFF CONTACT: Carrie Topliffe, ADMHS Assistant Director - Administration
805.681.5231

SUBJECT: Amendment of the State Mental Health Plan Contract allocation for FY2004-05.

Recommendation(s):

That the Board of Supervisors:

- A. Approve and execute an amendment of the State Department of Mental Health (DMH) allocation for specialty mental health services for serving Medi-Cal eligible clients, increasing the allocation for FY2004-05, by \$30,733. This revenue contract is for the period of July 1, 2004, through June 30, 2005, with a new total maximum contract amount of \$714,511.
- B. Authorize the County Administrator to sign the attached California Standard Agreement from the State DMH, accepting the amended allocation amount of \$714,511, to be used for specialty mental health services.
- C. Authorize the Director of ADMHS to approve amendments to the proposed contract, provided that any such amendments do not exceed ten percent (10%) of the contract's dollar amount.

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with Goal No. 2. A Safe and Healthy Community in Which to Live, Work and Visit.

Executive Summary and Discussion:

Since implementing the Medi-Cal **Managed Care** Mental Health Plan (MHP) in 1994, the State continues to allocate funds to reimburse the county for services provided to Medi-Cal eligible beneficiaries. This agreement defines the services to be provided, establishes the "medical necessity" regulations, the

availability of services, reporting requirements, and the acceptable codes pertaining to reimbursement provisions. The MHP requires monitoring of service delivery, accessibility of services, and continuity and coordination of care with physical health care providers and other human services agencies. Section 3.05 of the State Contracting Manual requires the local governing Board to issue a minute order accepting this application.

Your Board is now requested to approve the acceptance of the State's Medi-Cal Managed Care Mental Health Plan (MHP) allocation in the amount of \$714,511.

Outcomes:

The **State Managed Care MHP** contract will assist ADMHS in meeting **Recurring Performance Measures (RPMs) 214 and 215**, to provide effective mental health services to 2,450 youth and their families and effective mental health care to 4,200 seriously mentally ill adults.

Mandates and Service Levels:

Mental Health Services are mandated by the Welfare and Institutions Code (WIC), Section 5600. Managed Care Contracts are governed by WIC 5775, while Title 9, Chapter 11, Section 1800 of the California Code of Regulation references Medi-Cal specialty mental health services.

Fiscal and Facilities Impacts:

The recommended action has no impact on the General Fund Contribution and no facilities impact.

This income contract was accounted for in the Adopted FY 2004/05 ADMHS budget, line item 4300. The amended income amount of \$30,733, is the result of the State projecting an increase in services to eligible beneficiaries based on past billing practices by ADMHS. The new contract value will be \$714,511. These specialty mental health services funds are distinguished from the larger and more comprehensive Short-Doyle Medi-Cal program which funds the treatment of those eligible beneficiaries with Severe Mental Illness.

As the Administrator of the Medi-Cal Mental Health Plan, the County will receive the state Medi-Cal reimbursement and matching federal funds in the form of Federal Financial Participation (FFP), in order to purchase and manage Medi-Cal mental health services in the most effective and coordinated manner. Administering the MHP enhances the ability of ADMHS to manage its financial risk by developing cost effective strategies to serve Medi-Cal beneficiaries. ADMHS is also better able to negotiate rates and operate programs at a lower cost due to the volume of clients served.

Special Instructions:

Please endorse the two attached copies of the contract amendment and send those originals and one (1) fully executed copy of the endorsed minute order to:

Alcohol, Drug & Mental Health Services
ATTN: Dana Fahey, Contracts Analyst

300 N. San Antonio Road
Santa Barbara, CA 93110

Please provide a **certified copy** of the Board's approval order designating the person authorized to sign the contract. (Please see attached State instruction sheet for additional requirements.)

Concurrence:
Auditor-Controller
Risk Management