

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: John Ryan, Director
Mental Health Department

SUBMITTAL DATE: April 3, 2003

SUBJECT: Approval of Amendments to the Agreements with Barbara Sinatra Children's Center and Novell & Novell Counseling Center for Managed Care Services (Districts IV; V)

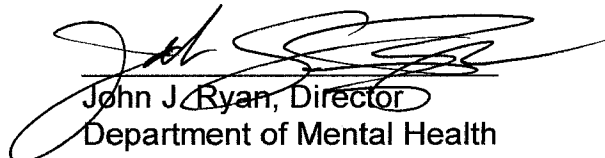
RECOMMENDED MOTION: Move that the Board of Supervisors:

1. Approve the increase of the maximum obligation amount of the contract agreements for Barbara Sinatra Children's Center and Novell & Novell Counseling Center.
2. Authorize the Chairman of the Board to sign the amendments to the existing contracts with Novell & Novell and Barbara Sinatra Children's Center as indicated on page 3 for FY 02/03.

BACKGROUND: On June 25, 2002, Item 3.27 the Board authorized the Purchasing Agent to enter into contracts for fiscal years 2002-2005, on behalf of the Department of Mental Health with managed care provider agencies.

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THIS AMENDMENT HAS BEEN FORM APPROVED BY THE OFFICE OF COUNTY COUNSEL.


 John J. Ryan, Director
 Department of Mental Health

JJR: TN

FINANCIAL DATA: FY 2002/2003
CURRENT YEAR COST: \$ 116,116
NET COUNTY COST: \$-0-


ANNUAL COST: \$-0-
IN CURRENT YEAR BUDGET: YES
BUDGET ADJUSTMENT: NO FY 02/03

SOURCE OF FUNDS: See Attachment A

C.E.O. RECOMMENDATION:

APPROVE

County Executive Officer Signature



Policy
 Policy

Consent
 Consent

Department Recommendation:
Per Executive Office:

Prev. Agn. Ref.: 3.26, 3/5/02 **Dist.:** IV & V
 3.28, 12/21/99
 3.19, 10/28/97

AGENDA NO.

3 . 18

SUBJECT: Approval of the Amendment to the Agreements with Barbara Sinatra Children's Center and Novell & Novell Counseling Center

BACKGROUND: (Continued)

Managed care providers were selected through the Request for Qualifications (RFQ) and Request for Proposals (RFP) process. Individuals selected through the RFQ process were required to submit an application detailing their experience and credentials. All applications were verified by the Med Advantage credentialing firm. Those selected were added to the Department's list of available individual providers for mental health services. The RFP process solicits the participation of organizational providers. RFP's are issued as demographic needs or provider expertise needs are identified. In addition, RFP's are issued when a number of organizational providers express an interest in participating in the Mental Health Plan. A screening committee made up of Mental Health clinical and administrative staff reviews RFP's for performance capability, scope and soundness or approach, staffing, and reimbursement rates.

The Department of Mental Health began assuming responsibility for managing Medi-Cal funds for mental health services in January 1995, doing business as the Riverside County Mental Health Plan. Phase I of the managed care plan, Inpatient Consolidation, allowed the Department to assume responsibility for authorization of State Medi-Cal Inpatient services. Then in Phase II, the Department assumed responsibility for authorization of outpatient Specialty Mental Health Services. These specialty mental health services are covered by Medi-Cal and contracted out by the Department to selected providers. Contracts for specialty mental health services from the managed care providers are not to exceed \$100,000 for each provider. The total amount of expenditures of the contracts in aggregate is not to exceed the maximum amount of \$4,163,465 for Riverside County Managed Care, DPSS, and Public Guardian providers.

The Department has been monitoring the actual monthly expenditures and amending contracts as necessary. The Department continues to monitor the actual monthly expenditures and has found that Barbara Sinatra Children's Center and Novell & Novell Counseling Services will exceed their current contract amounts. These agencies have received increased referrals from the Department of Mental Health due to unanticipated increased demand for mental health specialty services in their service areas. The other service providers in these service areas lack the staff required to provide additional services.

Provider	FY02/03 Contract Amount	FY 02/03 Increase	New Contract Amount FY 02/03
Barbara Sinatra Children's Ctr.	\$ 88,886	\$41,114	\$130,000
Novell & Novell	\$249,998	\$75,002	\$325,000

The Department therefore requests that the Board of Supervisors authorize the Chairman of the Board to sign the amendment to increase the existing contracts for these new contract amounts. The Department will continue to monitor monthly expenditures to ensure that these new contract amounts and the aggregate amount are not exceeded.

There are sufficient funds in the Department's budget for Fiscal Year 2002/03 to provide for these contracts; no additional County funds are required. These contracts contain a termination provision in case of unavailability of any Federal, State, and/or County funds.

PERFORMANCE PERIOD

The period of performance is July 1, 2002 through June 30, 2003, and may be renewed annually through June 30, 2005, subject to the availability of funds.

**ATTACHMENT A
RIVERSIDE COUNTY DEPARTMENT OF MENTAL HEALTH
FUNDING CODE/SOURCE & MAXIMUM CONTRACT AMOUNT, FY 2002/03**

MANAGED CARE CONTRACTS

Barbara Sinatra		
Children's Ctr	10000-4100208087-84000-530180	\$65,000
	Medi-Cal/FFP 30.93% DPSS 69.07%	
	10000-4100208087-83950-530260	\$65,000
	Medi-Cal/FFP 24.87% Realignment/VLF 13.33%	
	Managed Care 61.80%	
		<hr/>
		\$130,000
Novell & Novell	10000-4100208113-84000-530180	\$162,500
	Medi-Cal/FFP 30.93% DPSS 69.07%	
	10000-4100208113-83950-530260	\$162,500
	Medi-Cal/FFP 24.87% Realignment/VLF 13.33%	
	Managed Care 61.80%	
		<hr/>
		\$325,000