

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

708



FROM: Director of Mental Health

SUBMITTAL DATE: April 14, 2003

SUBJECT: Approval of the First Amendment with Western Clinical Health Services, Inc. (W.C.H.S., Inc.): for FY 2002/2003, All Districts.

RECOMMENDED MOTION: Move that the Board of Supervisors

1. Approve the First Amendment for FY 2002/2003 Agreement with W.C.H.S., Inc.
2. Authorize the Chairman of the Board to sign the amendment.


BACKGROUND

W.C.H.S., Inc.

On June 25, 2002, item 3.26, the Board approved the FY 2002/03 contract Agreement with W.C.H.S., Inc. This contractor provides Outpatient Methadone Maintenance services, which include Therapy and Methadone Dosing for Substance Abuse clients. This Amendment is due to the increase in Medi-Cal eligible clients served by W.C.H.S., Inc.

Continue on page 2....

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



 John J. Ryan, Director
 Department of Mental Health

JJR:PLR

FINANCIAL DATA: Fiscal Year 2002/03
CURRENT YEAR COST: \$191,032
NET COUNTY COST: \$ 0

ANNUAL COST: \$0
IN CURRENT YEAR BUDGET: Yes
BUDGET ADJUSTMENT: No

SOURCE OF FUNDS: State 48.65%, Medical FFP 51.35%

C.E.O. RECOMMENDATION:

APPROVE

County Executive Officer Signature



COUNTY COUNSEL
 APR 21 2003
 BY 

Department Recommendation: Consent Policy
 Per Executive Office: Consent Policy

SUBJECT: Approval of the First Amendment to the Agreement with W.C.H.S., Inc.; FY 2002/2003, All Districts.

BACKGROUND (CONT'D):

W.C.H.S., Inc. is the only contracted, certified Medi-Cal provider in the geographical area and provides Outpatient Methadone Maintenance to Medi-Cal clients. W.C.H.S., Inc. will exceed their estimated units of service by the end of April 2003, due to the increase in Medi-Cal eligible clients. The SMA rates are determined by the State and are adjusted at least once per year. It is expected that an additional 22,395 units will be needed to serve additional clients through June 30, 2003. This contract must be increased because W.C.H.S., Inc. is prohibited by law from declining services to Medi-Cal eligible clients. The projected cost increase in client services increases the contract maximum obligation by \$191,032.

Based upon the Sobkey vs. Smoley lawsuit settlement agreement, the County is considered an agent of the State with respect to the administration of Medi-Cal services, and must provide reimbursement to any and all State certified Substance Abuse Medi-Cal providers for Medi-Cal specified services, which include Outpatient Methadone Maintenance. Furthermore, the contractor is required to provide services to all Medi-Cal eligible clients requesting service, and is entitled to receive payment for actual State approved Medi-Cal units. Medi-Cal regulations prohibit contractors from declining services to any Medi-Cal eligible clients.

An amendment is needed for FY 2002/2003 to reflect the new contract maximum obligation amount of \$1,691,570.

WCHS, INC.	Current Maximum Obligation	Amendment	New Maximum Obligation
Methadone Dosing	\$362,123	\$54,576	\$416,699
Therapy	\$1,138,415	\$136,456	\$1,274,871
TOTAL	\$1,500,538	\$191,032	\$1,691,570

PERFORMANCE PERIOD

The period of performance is July 1, 2002 through June 30, 2003.

There are sufficient funds in the Department's Organization 647 budget to provide for the amendments and to cover the FY 2002/2003 expenditures. No additional County funds are required.

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