

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

224



**FROM:** Community Health Agency

**SUBMITTAL DATE:** May 27, 2003

**SUBJECT:** First Amendment to Agreement with State Department of Health Services (DHS) Covering Fiscal Years 2002-03 and 2003-04 for Contracted County Medi-Cal Administrative Activities (MAA) Allowable for Federal Financial Participation (FFP)

**RECOMMENDED MOTION:** That the Board of Supervisors:

- 1) Approve the Amended Agreement for Fiscal Years 2002-03 and 2003-04 with the California State Department of Health Services (DHS) as it pertains to Medi-Cal Administrative Activities (MAA) allowable for Federal Financial Participation (FFP);
- 2) That the Chairman of the Board of Supervisors sign six (6) copies of the MAA Contract Amendment on behalf of the County of Riverside; and
- 3) Direct the Clerk of the Board to return all six (6) copies of the MAA Contract Amendment to CHA Contracts Administration.

**BACKGROUND:** The existing Agreement with the State Department of Health Services (DHS) for contracted County Medi-Cal Administrative Activities (MAA) allows the County to receive Federal Financial Participation (FFP) for Medi-Cal Administrative Activities, via the State's Administrative Plan for eligible clients. The Community Health Agency is acting as the single County Agency through which claims will be made under the Agreement. This contract amendment will increase the maximum amount DHS will pay to the County for Fiscal Years 2002-03 and 2003-04 MAA invoices. (Continued)

*Susan D. Harrington* *for GF*  
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 GARY M. FELDMAN, M.D.  
 Director

**FINANCIAL DATA:**

CURRENT YEAR COST	\$0	ANNUAL COST:	\$0
NET COUNTY COST	\$0	IN CURRENT YEAR BUDGET:	NO
		BUDGET ADJUSTMENT:	<b>NO FOR F Y 2002-03</b>

**SOURCE OF FUNDS:** 100% Federal Funds

**C.E.O. RECOMMENDATION:**

**APPROVE**

County Executive Office Signature

*Roger Unitt*

JUN 02 2003

Policy

Policy

Consent

Consent

Department Recommendation:  
Per Executive Office:

Prev. Agn. 02/11/2003 item 3.5

Dist.

AGENDA NO.

FORM 11

Community Health Agency

First Amendment Agreement with State Department of Health Services (DHS) Covering Fiscal Years 2002-03 and 2003-04 for Contracted County Medi-Cal Administrative Activities (MAA) Allowable for Federal Financial Participation (FFP)

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BACKGROUND: (CONT'D)

Under the MAA Program there can be a time lag between when MAA related costs are incurred and when MAA invoices can be submitted for payment and actually paid by State DHS. State DHS has not yet given approval for the Agency to submit Fiscal Year 2002-03 quarterly MAA invoices for review and payment.

During Fiscal Year 2001-02 the number of school districts participating in the MAA program increased significantly. As a result of this increased participation, MAA invoices for Fiscal Years 2002-03 and 2003-04 will exceed the MAA contract maximum payable by State DHS. The existing MAA Contract Agreement (covering Fiscal Years 2002-03 and 2003-04) stipulates that the maximum payments DHS will disburse under the MAA program for each fiscal year is \$3,000,000. MAA invoices for Fiscal Years 2002-03 and 2003-04 submitted to DHS for payment will exceed the \$3,000,000 maximum for each year.

By increasing the contract maximum amount, MAA quarterly invoices for Fiscal Years 2002-03 and 2003-04 will be considered for payment by DHS. The Agency is requesting an increase of \$26,000,000 to the existing MAA Contract (covering Fiscal Years 2002-03 and 2003-04), bringing the total MAA contract amount available for payment by DHS to \$32,000,000 (\$16,000,000 for each Fiscal Year). The Agency will request a budget adjustment for Fiscal Year 2003-04 after the budget is adopted.

Approved by County Counsel as to form.