

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

151



FROM: Director of Mental Health

SUBMITTAL DATE: August 8, 2003

**SUBJECT: ADOPTION OF BOARD RESOLUTION NO. 2003-321 AND
APPROVAL OF THE MANAGED CARE CONTRACT WITH CALIFORNIA MENTAL
HEALTH DIRECTORS ASSOCIATION (All Districts)**

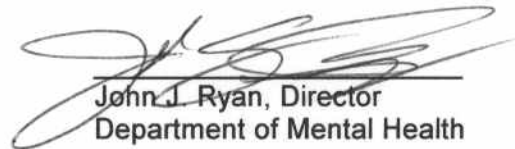
RECOMMENDED MOTION: Move that the Board of Supervisors:

- 1) Adopt the attached Resolution authorizing the State Department of Mental Health to advance \$175,000 of State General Funds to the California Mental Health Directors Association (CMHDA) designated for Riverside County Department of Mental Health, and authorize the Chairman of the Board to sign the resolution,
- 2) Approve the attached contract between Riverside County Department of Mental Health and California Mental Health Director's Association not to exceed the maximum obligation of \$350,000 inclusive of \$175,000 advancement of funds, and authorize the Director of Mental Health to sign the contract, and,
- 3) Authorize the Director of Mental Health to authorize such transactions in future years not to exceed the maximum obligation of \$350,000

BACKGROUND:

Continue on next page...

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


 John J. Ryan, Director
 Department of Mental Health

JJR:TN

FINANCIAL DATA: FY 2003/2004

CURRENT YEAR COST: \$350,000

NET COUNTY COST: 0

ANNUAL COST: N/A

IN CURRENT YEAR BUDGET: YES

BUDGET ADJUSTMENT: NO FY 03/04

SOURCE OF FUNDS: STATE 46.7%; FEDERAL 53.3%

C.E.O. RECOMMENDATION:

APPROVE

County Executive Officer Signature



Department Recommendation: Consent Policy
Per Executive Office Consent Policy

AUG 14 2003

Prev. Agn. Ref.: 3.43 6/24/03

Dist.: ALL

AGENDA NO.

3.23 1/29/02 3.40 9/11/01, 3.30 9/12/00, 3.21 2/1/00

3.57

FORM APPROVED
COUNTY COUNSEL

SUBJECT: ADOPTION OF BOARD RESOLUTION NO. 2003-321 AND APPROVAL OF THE
MANAGED CARE CONTRACT WITH CALIFORNIA MENTAL HEALTH DIRECTORS
ASSOCIATION (All Districts)

BACKGROUND: (Continued)

Arranging for the provision of Medi-Cal specialty mental health services for all Riverside County Medi-Cal beneficiaries became the responsibility of Riverside County Department of Mental Health as of November 1997. Shortly after this responsibility was transferred, we began to experience problems obtaining mental health services for the approximately 200 children and adolescents placed in out-of-county facilities. Often, local providers were unavailable or unwilling to accept referrals of out-of-county beneficiaries. Since Riverside County was not involved in the credentialing of the out-of-county providers, it was often difficult to ensure that the beneficiaries were receiving quality care.

The State Department of Mental Health and the California Mental Health Director's Association have developed a statewide solution that allows individual counties, such as Riverside County, to maintain control and oversight with each client yet allows children and adolescents placed out-of-county to access mental health services quickly from credentialed providers. Children and adolescents placed out-of-county needing mental health services will be able to access the services much more quickly than in past years under this agreement.

A Board of Supervisor's Resolution was approved on September 11, 2001, Agenda Item, 3.40 that authorized the transfer of Riverside County's share of the State General Fund to CMHDA to provide funding for the Administrative Services Organization (ASO) contract for Riverside County recipient's services for FY 2001/02. The advanced payment from the State General Fund was increased from \$59,100 to \$79,110 for FY 2001/02 due to a greater usage of the Administrative Services Organization services. The Board also approved a contract maximum of \$165,000 for FY 2001/02.

The contract maximum was increased to \$350,000 for FY 2002/03 and authorization was granted to the Mental Health Director to approve similar transfers of funds, not to exceed \$350,000, in future years.

There are sufficient appropriations in the Department's budget for FY 03/04, no additional County funds are required.

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Riverside County Mental Health
CMHDA Managed Care Agreement

JUSTIFICATION

After Medi-Cal Specialty Mental Health Services were consolidated to County Mental Health Plans, Counties experienced problems accessing mental health services for children in out of county kinship, foster home and group home placements. Riverside County has approximately 200 children being placed in out of county kinship, foster homes and group homes that require Specialty Mental Health Services. At present, the managed care program identifies suitable providers (preferably one contracted with the county of residence) and quickly negotiates provision of services. Services can be delayed while reimbursement rates are being negotiated and when providers are not credentialed. The County frequently loses the Federal Financial Participation (FFP) matching funds since Counties only have the authority to do Medi-Cal certification on providers in their own County.

In response to this problem, the California Mental Health Directors Association (CMHDA) developed a statewide request for proposal to contract with an Administrative Service Organization (ASO). This will provide statewide access to mental health services for Medi-Cal eligible children ages zero to 18 who are placed out of county in kinship, foster home or group home placements. CHMDA has awarded the ASO contract to ValueOptions.

A Board of Supervisor's Resolution was approved on September 11, 2001, Agenda Item, 3.40 authorizing the transfer of Riverside County's share of the State General Fund to CMHDA to provide funding for the Administrative Services Organization (ASO) contract for Riverside County recipient's EPSDT services for FY 2001/02. The advanced payment from the State General Fund was increased from \$59,100 to \$79,110 for FY 2001/02 due to a greater usage of the Administrative Services Organization services. The Board also approved a contract maximum of \$165,000 for FY 2001/02. The contract maximum was increased to \$300,000 in FY 2002/03 by Board of Supervisor's Resolution approved on January 29, 2002, Agenda Item 3.23. The contract maximum was again increased to \$350,000 by contract amendment, Agenda Item 3.43 on June 24, 2003, due to increased utilization and an increase in administrative fees.

2 **RESOLUTION NO. 2003-321**
3 **OF THE BOARD OF SUPERVISORS**
4 **OF THE COUNTY OF RIVERSIDE**
5 **STATE OF CALIFORNIA**

6 WHEREAS, the County wishes to ensure access to medically necessary mental health
7 services for full-scope Medi-Cal beneficiaries ages 0 to 18 placed outside Riverside County in
8 group home, foster care or kinship placement;

9
10 NOW, THEREFORE, BE IT RESOLVED, that the Riverside County Board of
11 Supervisors does hereby authorize the State Department of Mental Health to set aside
12 \$175,000 from State General Funds designated for distribution to Riverside County to provide
13 Managed Care Treatment services for fiscal year 2003-04; and

14 BE IT FURTHER RESOLVED, that the Mental Health Director is authorized to approve
15 similar transfers of funds, not to exceed \$175,000 to the California Mental Health Directors'
16 Association in future years; and

17
18 BE IT FURTHER RESOLVED, that these monies, in conjunction with monies from
19 other counties in California, will fund services authorized on behalf of Riverside County Medi-
20 Cal beneficiaries by an Administrative Services Organization managed by the California
21 Mental Health Directors' Association, pursuant to an agreement signed with each participating
22 county; and

23 BE IT FURTHER RESOLVED, that the Administrative Services Organization will
24 manage authorization, provider certification and contracting and claims payment for some
25 Managed Care Treatment services provided to eligible children and youth placed out-of-county.

