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



FROM: Director Of Mental Health

SUBMITTAL DATE:
August 12, 2004

SUBJECT: 2nd AMENDMENT TO THE MANAGED CARE AGREEMENT WITH THE CALIFORNIA MENTAL HEALTH DIRECTORS ASSOCIATION.

RECOMMENDED MOTION: Move that the Board of Supervisors:

1. Ratify the 2nd Amendment to the Agreement with the California Mental Health Directors Association, and,
2. Authorize the Chairman of the Board of Supervisors to sign the amendment.

BACKGROUND: 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.

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

Departmental Concurrence

JJR:TN

John J. Ryan
John J. Ryan, Director
Department of Mental Health

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 75,000	In Current Year Budget:	YES
	Current F.Y. Net County Cost:	\$-0-	Budget Adjustment:	NO
	Annual Net County Cost:	\$ N/A	For Fiscal Year:	FY 03/04

SOURCE OF FUNDS: STATE 46.7% ; FEDERAL; 53.3%	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature *Ronda King*

- Dep't Recomm.: Policy
- Per Exec. Ofc.: Policy
- Consent
- Consent

Prev. Agn. Ref.: 3.57 of 08/26/03 and 3.19 of 5/18/04

District: ALL

Agenda Number:

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

3.47

SUBJECT: 2nd AMENDMENT TO THE FY 03/04 MANAGED CARE AGREEMENT WITH THE CALIFORNIA MENTAL HEALTH DIRECTORS ASSOCIATION

BACKGROUND: (Continued)

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 or 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 provides 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 awarded the ASO contract to ValueOptions.

On August 26, 2003, Item No 3.57, the Board approved a contract maximum of \$350,000 for FY 2003/04 and granted authorization for the Mental Health Director to approve similar transfers of funds, not to exceed the contract maximum. Increased utilization necessitated Amendment No. 1 to increase the contract maximum amount to \$475,000, which was approved on May 18, 2004, Item No. 3.19. Claims are received after services have been rendered and there is an additional 90-days after the end of the fiscal year to reconcile outstanding claims for services provided in the previous year. It is necessary to increase the contract maximum by \$75,000 to \$550,000 to satisfy the projected outstanding claims under this contract.

CONTRACT PROVIDER	CURRENT CONTRACT AMOUNT	INCREASE AMOUNT	MAXIMUM AMOUNT OF CONTRACT
CALIFORNIA MENTAL HEALTH DIRECTOR'S ASSOCIATION	\$475,000	\$75,000	\$550,000

There are sufficient funds in the Department's budget for FY 2003/04; no additional County funds are required.

PERFORMANCE PERIOD

The period of performance is July 1, 2003 through June 30, 2004.