



Agenda Date: 4/26/2005
Agenda Placement: 6B

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Shelli Brobst for Randolph F. Snowden - Director
Health & Human Services
REPORT BY: Shelli Brobst, Contracts Analyst, 253-4720
SUBJECT: Agreements with the California Department of Mental Health (Performance & Amendment to Managed Care)

RECOMMENDATION

Director of Health and Human Services requests approval of and authorization for the Chair to sign the following agreements with the California Department of Mental Health:

1. Renewal of Agreement No. 3315 for the term July 1, 2003 through June 30, 2004 establishing the County's mental health services performance contract for Fiscal Year 2003-2004;
2. Renewal of Agreement No. 3315 for the term July 1, 2004 through June 30, 2005 establishing the County's mental health services performance contract for Fiscal Year 2004-2005; and
3. Amendment No. 1 to Agreement No. 4028 increasing the amount by \$33,077 for a new maximum of \$725,613 for the Napa County Mental Health Managed Care Program.

EXECUTIVE SUMMARY

Agreement No. 3315 is Napa County's community mental health services performance contract with the State. Under this agreement, the County agrees to establish community mental health services to cover the entire County and to provide an integrated and coordinated range of services appropriate to the needs of each client.

Agreement No. 4028 is Napa County's Medi-Cal managed care contract with the State. The agreement provides State funding in the form of a managed care allocation to enable Napa County to provide inpatient and outpatient mental health services to eligible Medi-Cal beneficiaries in Napa County. The amendment increases the allocation for Fiscal Year 2004-2005 and incorporates revised language to reflect recent changes in state and federal laws and regulations.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Behavioral Health
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	Yes
Future fiscal impact:	None. The agreements are renewed annually.
Consequences if not approved:	Through these agreements (and in conjunction with State-administered Federal grant programs), the State allocates funds and specifies requirements for the provision of mandated and discretionary mental health services in the County. If these agreements are not approved, the County will not receive the funding necessary to maintain minimum required levels of mental health services in the community.
Additional Information:	Agreement No. 4028: HHS bills Medicaid, the Federal program that operates in California as Medi-Cal, for services performed by providers and receives approximately 50 percent Federal reimbursement for those services. (The Federal reimbursement is known as "Federal Financial Participation or "FFP.") Remaining costs are funded by the State managed care allocation.

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

Agreement No. 3315:

The community mental health services performance contract (Agreement No. 3315) covers the following mental health programs: Short/Doyle Medi-Cal, Program for Assistance in Transition from Homelessness ("PATH"), Community Mental Health Services Grant ("SAMHSA"), and Integrated Services for Homeless Adults ("AB 2034"). The agreement contains no dollar amount.

The performance contract includes requirements to:

- | maintain a minimum annual funding level of \$126,315 for mental health services ("maintenance of effort");
- | comply with all Short-Doyle/Medi-Cal reimbursement requirements;
- | attest that the local mental health board has reviewed and approved procedures ensuring citizen and professional involvement in the planning process;
- | comply with requirements to provide mental health services to pupils with disabilities under the 3632 program;
- | pursue a culturally competent system of care;
- | establish and maintain systems to review the quality and appropriateness of services in accordance

- with state and federal statutes and regulations; and
- submit a fiscal year-end cost report.

Agreement No. 4028:

Under the Medi-Cal managed care system, Napa County is the Medi-Cal "Mental Health Plan" for the County. The County contracts with the State Department of Mental Health to provide medically necessary specialty mental health services to Medi-Cal beneficiaries of Napa County, and Medi-Cal beneficiaries must receive Medi-Cal reimbursed specialty mental health services through the County. (Specialty mental health needs are those requiring the services of a mental health specialist, as opposed to general mental health care needs, which can be met by a general health care practitioner.) The agreement outlines the terms and conditions for service delivery and specifies the administrative and operational requirements of the program.

The amendment to Agreement No. 4028 increases the County's managed care allocation for Fiscal Year 2004-2005 and incorporates revised language to reflect recent changes in State and Federal laws and regulations (California Welfare and Institutions Code, Title 42 of the Code of Federal Regulations, and federal Medicaid/Medi-Cal Specialty Mental Health regulations).

HHSA received Agreement No. 3315 (for both Fiscal Years 2003-2004 and 2004-2005) and the amendment to Agreement No. 4028 in December 2004. Since these agreements are the primary programmatic and funding mechanisms for County mental health services, extensive programmatic and fiscal review is required. The Napa County Mental Health Board is required to review Agreement No. 3315. A copy of the agreement was distributed at the Mental Health Board's March meeting and will be discussed at the May meeting. County Counsel has advised that this schedule meets the State's requirements. In addition, the Mental Health Board reviewed and approved procedures ensuring citizen and professional involvement in the County mental health planning process on April 11, 2005.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Meegan Condon