



Agenda Date: 6/19/2007
Agenda Placement: 6H

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: Amendment to Agreement with Angie Ito, LCSW

RECOMMENDATION

Director of Health and Human Services requests approval of and authorization for the Chair to sign Amendment No. 4 to Agreement No. 6320 with Angie Ito, LCSW, increasing the amount by \$15,000 for a new maximum of \$35,000 for the provision of additional services in the Mental Health Outpatient Managed Care Program due to an increased number of clients.

EXECUTIVE SUMMARY

The contractor provides mental health services to clients of the Mental Health Outpatient Managed Care program according to the terms of an agreement the County has with the State Department of Mental Health. Approval of the requested action will enable the contractor to provide additional services to clients in Fiscal Year 2006-2007. The cost of these additional services will be covered within the total managed care budget for Fiscal Year 2006-2007.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Mental Health
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	No

Future fiscal impact: Although the agreement terminates June 30, 2007, the agreement contains an automatic annual renewal provision, which allows the County the option to continue these services in the following fiscal year. Appropriations have been included in the Agency's requested budget for Fiscal Year 2007-2008.

Consequences if not approved: If the requested amendment is not approved, the County will be unable to provide additional mental health outpatient services through this provider, and an alternative provider will need to be found to meet client needs.

Additional Information:

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

On April 1, 1998, HHSA implemented the outpatient phase of the Mental Health Managed Care Program. The program is governed by the terms of Agreement No. 4028 with the State Department of Mental Health, regulations promulgated by the federal Medicaid and California Medi-Cal programs, and by a provider operations manual developed by HHSA staff. HHSA is able to bill Medi-Cal for services performed by providers and receives approximately 50% federal reimbursement for those services. Remaining costs are funded by a managed care allocation from the State.

The network of providers includes Psychiatrists, Psychologists, Marriage and Family Therapists (MFTs), Licensed Clinical Social Workers (LCSWs), and Masters-prepared Psychiatric Nurses. Currently, the managed care program providers treat 350-400 clients on a regular basis. The program requires County contracts (defined as subcontracts in the State agreement) with individual providers in the program. Ms. Ito, a Licensed Clinical Social Worker, counsels clients participating in the managed care program.

Under the county's current protocols for contract management, HHSA is only able to pay a contractor up to the amount of the spending authority specified in an approved contract. To avoid having expenditure authority "stranded" in contracts that may not be fully utilized during the year, HHSA's practice is to gradually amend contracts during the course of the year, as they are utilized. Approval of the requested amendment will increase the maximum compensation payable to this contractor. This is in line with HHSA's practice of monitoring utilization of specialty services through the year and applying funding by means of periodic contract amendments.

Approval of the requested action will increase the maximum amount for both Fiscal Year 2006-2007 and Fiscal Year 2007-2008. Under the Agency's systems of internal controls, HHSA will only reimburse the contractor for services that are authorized in advance by the program manager. HHSA anticipates authorizing the expenditure of the entire new maximum for this contractor by the end of the Fiscal Year 2006-2007.

The Agency has executed Business Associate Agreements on file with this provider.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita