



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 6/5/2019

Agenda Placement: 7C

Napa County Legislative Subcommittee Board Agenda Letter

TO: Napa County Legislative Subcommittee

FROM: Molly Rattigan for Minh Tran - County Executive Officer
County Executive Office

REPORT BY: Nelson Cortez, Staff Assistant-BOS - 7072991478

SUBJECT: County repayment of overpayments identified in an OIG Specialty Mental Health Services Audit

RECOMMENDATION

County Executive Officer requests discussion and possible direction on an issue regarding county repayment of overpayments identified in an Office of Inspector General (OIG) Specialty Mental Health Services Audit.

EXECUTIVE SUMMARY

County Executive Officer requests discussion and possible direction on an issue regarding county repayment of overpayments identified in an Office of Inspector General (OIG) Specialty Mental Health Services Audit.

Staff has identified significant concerns with the proposed efforts by the California Department of Health Care Services to recoup the entire amount of the determined overpayment of \$180.6 million from California's counties and will present these concerns in detail at the Legislative Subcommittee meeting.

FISCAL IMPACT

Is there a Fiscal Impact? No

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

The federal Department of Health and Human Services (HHS), Office of Inspector General, issued a report in 2018 that concluded, based on a statewide audit, that California "claimed at least \$180.6 million in unallowable Federal reimbursement" because "its oversight was not effective in ensuring that its claims complied with Federal and State requirements." HHS, through its component the Centers for Medicare & Medicaid Services (CMS), provides Federal Financial Participation to support Medicaid services, called "Medi-Cal" in California. CMS provides this funding pursuant to an approved State Plan to the California Department of Health Care Services (DHCS), which, as pertinent here, provides reimbursement to county mental health plans to assure that necessary specialty mental health services are provided to Medi-Cal beneficiaries. DHCS now attempts to recoup the entire amount of the determined overpayment of \$180.6 million (relating to services for fiscal year 2013-14) from California's counties.

Staff has identified significant concerns with the proposed efforts by DHCS to recoup the overpayment and will present these concerns in detail at the Legislative Subcommittee meeting.

SUPPORTING DOCUMENTS

None

Recommendation: Approve

Reviewed By: Molly Rattigan