

MEMORANDUM OF UNDERSTANDING/AGREEMENT FOR SERVICES

PHD-07/09-01

BETWEEN

COUNTY OF EL DORADO, HUMAN SERVICES DEPARTMENT

AND

COUNTY OF EL DORADO, PUBLIC HEALTH DEPARTMENT

THIS INTERAGENCY AGREEMENT, made this 1st day of July 2007, by and between the COUNTY OF EL DORADO, HUMAN SERVICES DEPARTMENT, a political subdivision of the State of California, hereinafter called "HS" and the COUNTY OF EL DORADO, PUBLIC HEALTH DEPARTMENT, hereinafter called the "HD".

WHEREAS, the State of California, hereinafter referred to as "State", has executed a Medi-Cal Administrative Activities/Targeted Case Management (MAA/TCM) Provider Participation Agreement with the HS as the Local Governmental Agency (LGA), and has assigned the County a MAA number, and has authorized the County to enter into written agreements with others for the purpose of provision of MAA/TCM services in accordance with Sections 14132.44 through 14132.49 of the Welfare and Institutions (W&I) Code and as described in the State Medicaid Plan, State Plan Amendment for Public Guardian/Conservator under the umbrella of HS, Supplement 1d to Attachment 3.1-A;

WHEREAS, assistance in providing MAA by the HS has been determined to be an effective method of assuring the availability and accessibility of Medi-Cal services to Medi-Cal eligible individuals served by HS.

WHEREAS, the HS and HD desire to establish a means of claiming costs necessary relative to the provision of MAA to assist eligible individuals in gaining access to needed medical, social, education, and other services as set forth in United States Code (USC) Title 42, Section 1396n(g)(2);

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

I. MUTUAL OBJECTIVES

To ensure that Medi-Cal potentially eligible individuals, and their families where appropriate, served by HS and HD are informed of the Medi-Cal Program, how to access it, and are assisted in accessing the Medi-Cal Program, if needed.

To ensure that assistance is provided to Medi-Cal eligible individuals, and their families where appropriate, in facilitating their receipt of services and activities in the Medi-Cal Program.

That this Agreement is governed by 42 USC, Section 1396 et seq., 42 Code of Federal Regulations (CFR) Part 400 et seq., and 45 CFR Part 95, California Welfare and Institutions Code, Division 9, Part 3, Chapter 7 (Commencing with Section 14000) and Chapter 8 (commencing with Section 14200), and Title 22 California Code of Regulations (CCR), Division 3 (commencing with Section 50000), all as periodically amended; State issued policy directives; and by federal Office of Management and Budget (OMB) circular A-87, as periodically amended.

II. TERMS OF AGREEMENT

The term of this Agreement is July 1, 2007 through June 30, 2009.

Either party may terminate this agreement, without cause, by delivering written notice of termination to the other party at least thirty (30) days prior to the effective date of termination.

This MOU may be extended for one additional two-year period if mutually agreed to in writing by both parties hereto not less than thirty (30) days prior to the expiration of this Contract.

This Agreement may be amended at any time by mutual written agreement of the two parties to this Agreement. The HD must address a written request for amendment to HS.

III. COMPENSATION

- A. Any revenue received by HS as a result of HD claim will be distributed 100% to HD
- B. An administrative fee, not to exceed 10% of the HD claim, will be charged by HS to HD. HS will send the invoice quarterly.
- C. The administrative fee retained by HS shall be used to cover the cost of administering the MAA/TCM program and the claiming process, including, but not limited to: claims preparation in consultation with HD, claims processing, advocacy with State and Federal representatives on behalf of HD, technical assistance, training, and quality assurance/quality improvement monitoring including on-site reviews.
- D. This Agreement is valid and enforceable only if HD certifies that sufficient matching funds are available for the purpose of this program. Agreement is also subject to any additional restrictions, limitations or conditions enacted by the

appropriate governing body which may affect the provisions, terms or funding of this Agreement in any manner.

- E. This Agreement will terminate without penalty at the end of any fiscal year in the event funds are not appropriated by the US Congress for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate without penalty, at the end of the term for which funds are appropriated.
- F. Transfer of funds is contingent upon the availability of Federal Financial participation.

IV. HS REQUIREMENTS:

HS will:

- A. Retain all necessary records for a minimum of three (3) years after the end of the quarter in which the expenditures were incurred for the Medi-Cal Administrative Activities and, if an audit is in progress, all records relevant to the audit shall be retained until the completion of the audit or the final resolution of all audit exceptions, deferrals and/or disallowances, whichever is later. The records shall fully disclose the type and extent of administrative activities performed by appropriate staff. The HD shall furnish said documentation, and any other information regarding payments for performing Medi-Cal Administrative Activities, upon request, to the HS, State and federal government:
- B. Submit the Summary Invoice to the State under the LGA's original letterhead and have an original signature of a person who has been granted the authority by the LGA to sign this invoice on behalf of the LGA.
- C. Enter into agreements with the State on behalf of the County for the reimbursement of costs of providing MAA services at a reimbursement rate prescribed by Centers of Medicare and Medicaid Services (CMS).
- D. Provide to the HD all relevant materials received from the State regarding claiming for MAA reimbursement.
- E. Claim the costs of the following activities, as well as any other reasonable activities through the LGA MAA/TCM Coordinator directly related to the HS administration of MAA at the LGA-wide level, including:
 - 1. Drafting, revising, and submitting MAA claiming plans.

2. Serving as liaison with and monitoring the performance of claiming programs within the LGA and with the state and federal governments on MAA.
3. Administering LGA claiming, including overseeing, preparing, compiling revising, and submitting MAA invoices on an LGA-wide basis to the State.
4. Attending training sessions, meetings, and conferences involving MAA.
5. Training LGA program and subcontractor staff on State, Federal, and local requirements for MAA claiming.
6. Ensuring that MAA invoices do not duplicate Medi-Cal invoices for the same services or activities from other providers.
7. In conjunction with the HD Claims Administrator, conduct an annual time survey for one month as selected by the State, using the State Department of Health Services forms DHS 7093 and DHS 7094, which will be disseminated through policy directives issued by the State to HS. The survey will identify all time spent on each of the above allowable Medi-Cal Administrative Activities, non-claimable activities, and general administration and paid time off, which are proportionately allocated to all activities. The activities of staff providing Medi-Cal administration must be documented in accordance with the provisions of 42 CFR Sections 432.50, 433.32, and 45 CFR parts 74 and 95, and OMB circular A-87.
8. Making available to the HD, the State MAA/TCM Manual, State Policy and Procedure Letters (PPLs) and any other instructions, information and forms necessary for the HD to perform and submit claims for MAA; training and technical support related to documenting MAA, preparing and submitting the MAA Claiming Plan and MAA claims.
9. Upon the HD compliance with all provisions pursuant to this Agreement, and upon the submission of a quarterly claim, based on valid and substantiated information, the HS agrees to accept, review, process and forward to the State as part of the County MAA, HD claims for reimbursement of the allowable actual costs of providing administrative activities necessary for the proper and efficient administration of the Medi-Cal program. Costs may include the expenses of staff and operating expenses and equipment costs necessary to carry out the staff activities outlined in this Agreement.

10. Reviewing claiming plans and HD initiated amendment(s) to the Claiming Plan.
11. Submitting HS approved claiming plans and amendments to the State for review and approval.
12. Making available to HD, training and technical support on proper administrative activities to be claimed, identifying costs related to these activities, and billing procedures.
13. Designating a liaison with the HD for issues regarding this Agreement. All such issues shall be directed to:

El Dorado County
Human Services Department
County Wide MAA/TCM Coordinator
937 Spring Street
Placerville, CA 95667

The county officer or employee with responsibility for administering this agreement is John Litwinovich, Director, Department of Human Services, or successor.

V. HD RESPONSIBILITIES

HD will:

- A. Perform Medi-Cal Administrative Activities (MAA) services, as an agent of the County in order to improve the availability, accessibility, coordination, and appropriate utilization of preventative and remedial health care resources to Medi-Cal eligible individuals.
- B. Comply with enabling legislation, regulations, directives, policies, and program letters of the State Department of Health Services, as well as, directives from the County, which define program specific requirements. HD must also adhere to all of the requirements and standards of the MAA contract between the State Department of Health Services and El Dorado County.
- C. Provide to HS a comprehensive Medi-Cal Administrative Claiming Unit Plan, in the format specified by the State. The claiming plan must be approved by HS, State, and federal CMS prior to the submission of MAA invoices. Invoices received by HS prior to the approval of the MAA claiming plan will be rejected.

D. MAA performed by HD will be eligible for FFP only when they are identified in a MAA claiming plan approved by the State and CMS.

E. MAA Claiming Activities are:

1. Medi-Cal Outreach: The only allowable Medi-Cal outreach for purposes of Medi-Cal administrative claiming is to groups or individuals targeted to two goals:

- a. Bringing potential eligibles into the Medi-Cal system for the purposes of determining Medi-Cal eligibility.
- b. Bringing Medi-Cal eligible people into Medi-Cal services (information and referral).

Outreach may consist of discrete campaigns or may be an ongoing activity, such as sending teams of employees into the community to contact homeless alcoholics or drug abusers; establishing a telephone or walk-in service for referring persons to Medi-Cal services or eligibility offices; operating a drop-in community center for underserved populations, such as minority teenagers where Medi-Cal eligibility and service information is disseminated.

Note: Public health outreach conducted by HD shall not duplicate the requirements of Medi-Cal managed care providers to pursue the enrollment of Medi-Cal eligibles in their service area.

Non Allowable: Some activities are not considered Medi-Cal outreach under any circumstances, as follows:

- a. General preventative health education programs or campaigns addressed to lifestyle changes in general population (e.g. SANE, DARE, dental prevention, anti-smoking, alcohol reduction, etc.) are not allowable MAA.
- b. Outreach campaigns directed toward encouraging persons to access social, educational, legal or other services not covered by Medi-Cal are not allowable.

Allowable: Allowable outreach activities shall be discounted by the Medi-Cal percentage or not discounted as follows:

- a. Not Discounted: Outreach campaigns encouraging potential Medi-Cal eligibles to apply for Medi-Cal are allowable, and the costs do not have to be discounted by the Medi-Cal percentage. These campaigns are Medi-Cal only eligibility outreach campaigns.

Outreach campaigns directed toward bringing Medi-Cal eligibles into Medi-Cal covered services are allowable and the costs also do not have to be discounted by the Medi-Cal percentage. In such campaigns the language should clearly indicate that the message is directed to only persons eligible for Medi-Cal, and not the general public. These campaigns are service campaigns, targeted on specific Medi-Cal services, such as Early and Periodic Screening, Diagnosis and Treatment (EPSDT).

A health education program or campaign may be allowable as a Medi-Cal administrative cost if it is targeted specifically to Medi-Cal services and for Medi-Cal eligible individuals, such as an educational immunization campaign addressed to parents of Medi-Cal children. If the entire campaign is focused on Medi-Cal, the costs need not to be discounted.

- b. Discounted: Outreach campaigns directed towards bringing specific high risk populations (including both Medi-Cal and non-Medi-Cal persons), for example, low income pregnant women or substance abusers, into health care services, are only allowable to the extent they bring Medi-Cal eligibles into Medi-Cal services. The costs of these activities are claimable as Medi-Cal administration, but discounted by the Medi-Cal percentage.

If a specific Medi-Cal health education program is included as part of a broader general health education program, the Medi-Cal portion may be allowable if the cost of the health education program is discounted according to the Medi-Cal percentage.

Telephone, walk-in, or drop-in services for referring persons to Medi-Cal services, sometimes called "Information and Referral" are also allowable and discounted by the Medi-Cal percentage.

County-wide averages or other methods approved by the State and CMS for calculating the Medi-Cal percentage discount may be utilized.

2. Facilitating Medi-Cal Application (Eligibility Intake): This activity includes explaining Medi-Cal eligibility rules and the Medi-Cal eligibility process to prospective applicants; assisting an applicant to fill out a Medi-Cal eligibility application; gathering information related to the application and eligibility determination or redetermination from a client, including resource information and third party liability information, as a prelude to submitting a formal Medi-Cal application to the county welfare department, and/or providing necessary forms and packaging all forms in preparation for the Medi-Cal eligibility determination. This activity does not include the eligibility determination itself. These costs do not have to be discounted by the Medi-Cal Percentage.

3. Non-Emergency, Non-Medical Transportation: The actual costs of arranging and providing non-emergency, non-medical transportation, and accompaniment, when medically necessary, by an attendant (not a TCM case manager) of Medi-Cal eligibles to Medi-Cal services are allowable as a Medi-Cal administrative cost to the extent that such costs are actually borne by the LGA in accordance with 42 Code of Federal Regulations, Section 440.170. Examples of allowable non-emergency, non-medical transportation costs include taxi vouchers, bus tokens, mileage, etc. The cost of providing non-emergency, non-medical transportation for which no actual cost is borne by the State or LGA is not an allowable MAA cost.

4. MAA Implementation Training: Training activities shall be time studied in accordance with the purpose of the training. For example, training related to Medi-Cal outreach shall be claimed as "Outreach"; training related to assisting a potential applicant complete a Medi-Cal application shall be claimed as "Facilitating Medi-Cal application", etc. Training that is unrelated to MAA is not allowable.

5. Contracting for Medi-Cal Services and/or MAA is claimable as an administrative activity when the administration of those contracts meets all of the following criteria:
 - a. The contract administration is performed by an identifiable unit of one or more employees, whose tasks officially involve contract administration, according to the duty statements or job descriptions of the employees being claimed.

 - b. The contract administration involves contractors that provide Medi-Cal services and/or MAA. The costs of contracting for TCM services with non-Contractor providers should be claimed as part

of the TCM rate. These costs cannot be separately claimed as MAA.

- c. The administrative costs of contracting by contractors as service providers under managed care arrangements may not be claimed administratively and are considered to be in the managed care capitation payment to the HD.
 - d. The contract administration must be directed to one or more of the following goals:
 - (1) Identifying, recruiting, and contracting with community agencies as Medi-Cal service contract providers;
 - (2) Providing technical assistance to Medi-Cal subcontractors regarding County, State, and federal regulations;
 - (3) Monitoring provider agency capacity and availability; and
 - (4) Ensuring compliance with the terms of the contract.
 - e. The contracts being administered must be for Medi-Cal services and/or MAA and may involve Medi-Cal populations only or may be general medical service contracts involving Medi-Cal and other indigent, non-Medi-Cal populations. When the contract involves a Medi-Cal and non-Medi-Cal population, the costs of contract administration shall be discounted by the Medi-Cal Percentage.
 - f. Contractors have the option of claiming the costs of contract administration for allowable MAA, such as Outreach, under that activity or the costs may be claimed under Contract administration. Under no circumstances are the costs of contract administration for allowable MAA to be claimed under both Contract administration and the activity, such as Outreach. Contracting for Medi-Cal services may only be claimed under Contract administration.
6. Program Planning And Policy Development: This activity may be enhanced (at 75 percent FFP) if performed by Skilled Professional Medical Personnel (SPMP), or non-enhanced (at 50 percent FFP) if performed by a non-SPMP.

Not Allowable: This activity is not allowable if staff performing this function are employed full-time by LGA service providers, such as clinics.

The full costs of the employee's salary are assumed to be included in the billable fee-for-service rate and separate MAA claiming is not allowed.

- a. This activity is not allowable if staff who deliver services part-time in a LGA service provider setting, such as a clinic are performing PP&PD activities relating to the service provider setting in which they deliver services.
- b. This activity is not allowable when performed by a Targeted Case Manager.

Allowable: This activity is claimable when performed either part-time or full time, by one or more HD employees whose tasks officially involved PP&PD. HD employees performing program and planning and policy development must have those tasks identified in the employees' position description/duty statements. If the programs serve both Medi-Cal and non-Medi-Cal clients, the costs of the program planning and policy development activities must be allocated according to the countywide Medi-Cal or another approved discount methodology as specified in the approved MAA Claiming Plan.

This activity is claimable as a direct charge for Medi-Cal administration only when PP&PD is performed by a unit of one or more HD employees who spend 100 percent of their paid working time performing this activity. The activity is claimable only if the administrative amounts being claimed for program planning and policy development persons and activities are not otherwise included in other claimable cost pools; and the amounts being claimed by such persons employed (and activities taking place) in a service provider setting are not otherwise being reimbursed through the billable service rate of that provider. Costs for persons performing program planning and policy development activities less than 100% of their paid working time will be based on a time study.

PP&PD activities are claimable as Medi-Cal administration only for those services that are excluded from the managed care contracts.

Under the conditions specified above, the following tasks are allowable as MAA under this activity:

- a. Developing strategies to increase Medi-Cal system capacity and close Medi-Cal service gaps. This includes analyzing Medi-Cal data related to a specific program to specific group.

- b. Interagency coordination to improve delivery of Medi-Cal services.
 - a. Developing resource directories of Medi-Cal services/providers.
7. General Administration: This includes activities that are eligible for cost distribution on an OMB Circular A-87 approved cost allocation basis. These costs are to be distributed proportionately to all of the activities performed:
- a. Attend or conduct general, non-medical staff meetings;
 - b. Develop and monitor program budgets;
 - c. Provide instructional leadership, site management, supervise staff, or participate in employee performance reviews;
 - d. Review department or unit procedures and rules;
 - e. Present or participate in, in-service orientations and programs;
 - f. Participate in health promotion activities for employees of the LGA; and
 - g. Earn compensatory time off (CTO).
8. Paid Time Off: This activity is to be used by all staff involved in MAA to record usage of paid leave, including vacation, sick leave, holiday time and any other employee time off that is paid. This does not include lunch or meal breaks, off payroll time, or CT which shall be allocated as prescribed by the state.
9. MAA/TCM Coordination: Costs incurred in the preparation and submission of MAA claims at any level, including staff time, supplies, and computer time, may be direct charged.

If the MAA/TCM coordination claims administration staff are performing this function part-time, along with other duties, they must certify the percentage of total time spent performing the duties of MAA/TCM coordination and/or claims administration. The percentage certified for the MAA/TCM coordination claiming staff activities must be used as the basis for federal claiming.

a. The HD staff involved in coordination and claims administration may claim the costs of the following activities, as well as any other reasonable activities directly related to the HD administration of MAA at the HD level:

- (1) Drafting, revising, and submitting HD MAA Claiming Plans to HS.
- (2) Monitoring the performance of the claiming plans within the HD.
- (3) Overseeing, preparing, revising HD MAA invoices and submitting these invoices to HS.
- (4) Attending training sessions, meetings, and conferences involving MAA.
- (5) In coordination with the MAA/TCM Coordinator, conduct training on MAA program at HD.
- (6) Ensure that MAA invoices do not duplicate Medi-Cal invoices for the same services or activities from other providers within HD.

F. Certify the non-federal match from the LGA's or other governmental entity's General fund, or from any other funds allowed under federal law and regulation, for Title XIX funds claimed for Medi-Cal Administrative Activities performed pursuant to Welfare and Institutions Code Section 14132.47. The following certification statement shall be made on each invoice submitted to the HS for payment for the performance of Medi-Cal Administrative Activities:

"I certify under penalty of perjury that the information provided on this invoice is true and correct, based on actual expenditures for the period claimed, and that the funds/contributions have been expended as necessary for federal matching funds pursuant to the requirements of 42 CFR 433.51 for allowable administrative activities and that these claimed expenditures have not been nor will not subsequently be used for federal match in this or any other program. I have notice that the information is to be used for filing of a claim with the Federal Government for federal funds and knowing misrepresentation constitutes violation of the Federal False Claims Act."

The HS shall deny submission or payment of any claim submitted under this Agreement if it determines that the certification is not adequately supported for purposes of federal financial participation.

- G. Provide HS with complete invoice and expenditure information to include in the summary MAA claim no later than **twelve (12) months** after the end of the quarter for which the claim is submitted. This information shall be provided in a standardized Detail Invoice as proved by the State via the HS. This information shall be provided to MAA/TCM Coordinator, Human Services Department, 937 Spring Street, Placerville, CA 95667.
- H. Conduct an annual time survey for one month as selected by the State, using the State Department of Health Services Form DHS 7094, which will be disseminated through policy directives issued by the state to CMS. The survey will identify all time spent on each of the above allowable Medi-Cal administrative activities, non-claimable activities, and general administration and paid time off, which are proportionately allocated to all activities. The activities of staff providing Medi-Cal administration must be documented in accordance with the provisions of 42 CFR Sections 432.50, 433.32, and 433.34, and 45 CFR Parts 74 and 95, and OMB Circular A-87. Note: **all non-Medi-Cal related activities and direct patient care services shall be time surveyed to "Other Programs/Activities" or "Direct Patient Care" on Forms DHS 7094, as appropriate.**

VI. LIABILITY

Both parties to this Agreement recognize that HD is liable only for an audit exception which relates to administrative activities under this Agreement, and has no liability for any other subcontractor which may enter into a similar Agreement with the HS for the performance of Medi-Cal Administrative Activities.

To the extent that a federal audit disallowance and interest results from a claim or claims for which HD has received reimbursement for Medi-Cal administrative activities, the HS shall recoup from HD which submitted the disallowed claim, though the Audit Reserve Funds, monies equal to the amount of the disallowance plus any other charges resulting from this disallowance. The Audit Reserve Funds shall be held by HD for a period of three (3) years after the applicable quarterly invoice submission due date.

VII. NO THIRD PARTY BENEFICIARIES

There are no intended third party beneficiaries of this Agreement.

MOU/Agreement for Services Between
County of El Dorado, Human Services Department and
County of El Dorado, Public Health Department
PHD-0709-01

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first
above written.

HS

HD

By: John Litwinovich
John Litwinovich
Director
County of El Dorado
Human Services Department

By: Gayle Erbe-Hamlin
Gayle Erbe-Hamlin
Director
County of El Dorado
Public Health Department

By: _____
Helen K. Baumann
Chairman
El Dorado County Board of Supervisors

ATTEST:
Cindy Keck
Clerk of the Board of Supervisors

By: _____ Dated: _____
Deputy Clerk