



County of El Dorado

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Legislation Text

File #: 09-0162, **Version:** 1

Health Services Department, Mental Health Division, recommending the Board approve the updated published rates for Medi-Cal eligible services to include the rate for the new adult Crisis Residential Treatment program.

Fiscal Impact/Change to Net County Cost: There is no Change to Net County Cost. There will be a positive fiscal impact to the Health Services Department's Mental Health Division as the Department will be able to bill Medi-Cal, insurance carriers, private and third party payers for the adult Crisis Residential Treatment services.

Background: Each year the California Department of Mental Health provides a revised Short-Doyle/Medi-Cal Maximum Reimbursement Rate Allowance (SMA) per Welfare & Institution Code Section 5720(a) and (b). In addition, each county establishes their published rate. The State reimburses each county by the number of services multiplied by this published rate. At the end of each fiscal year, a cost report is completed that results in an actual cost rate. The State settles with each county at the lower of the actual or published rate. Counties have the opportunity to adjust their published rates at any time.

On July 1, 2008, the Board approved published rates for Medi-Cal eligible services for the, then, Mental Health Department. Since that time, the Health Services Department's Mental Health Division has established the new Crisis Residential Treatment program, which is a Medi-Cal eligible service. This new program allows for adult clients to reside for up to 30 days in the Department's Crisis Residential Treatment facility. This facility is located adjacent to the Department's Psychiatric Health Facility.

Reason for Recommendation: The updated published rate for the new adult Crisis Residential Treatment program allows the Department to properly bill Medi-Cal, insurance carriers, private and third party payers for its services. The Department projects that its actual cost rate, not including administrative costs, for this new service will be at or near the SMA rate and, as such, is recommending that the published charge rate be established at \$370.23/day, which is the SMA rate of \$321.94/day plus 15% for administrative costs.

Action to be taken following Board approval: Upon Board approval, the Department will publish the proposed rates for FY 2008-09 and update the billing system accordingly.

Contact: Neda West, Health Services Department

Concurrences: None