



DEPARTMENT OF
HEALTH AND HUMAN SERVICES

Promoting and protecting health, well-being, self-sufficiency, and safety of all in Marin County.



June 5, 2018

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DIRECTOR

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SUBJECT: Department of Health and Human Services, Division of Behavioral Health and Recovery Services (BHRS) requests adoption of two (2) Resolutions revising the Schedule of Charge Rates for community mental health system of care services and also county operated substance use treatment services for FY 2018-19.

Dear Supervisors:

RECOMMENDATION: Authorize President to adopt two (2) Resolutions: 1) revising the rate/charge schedule for the community mental health system of care treatment services and 2) revising the rate/charge schedule for county operated substance use treatment services for FY 2018-19 provided by the Department of Health and Human Services, Division of Behavioral Health and Recovery Services (BHRS).

SUMMARY: BHRS conducted a fee analysis that indicates the current charge rates for mental health services system of care and county operated substance use services are below the projected cost of services for FY 2018-19. The analysis was based on the latest mental health cost report, increased by approximately 3% each fiscal year based on average percentage of annual historical cost increases. The current rate schedule for BHRS was approved on October 3, 2017. The proposed rate revision ensures that BHRS maximizes its Medi-Cal and other health coverage revenues.

The rate schedule for substance use services was based on cost analysis for outpatient case management services, and based on current mental health rates for medication support services.

Please note that very few clients will actually pay the rates reflected in the revised rate schedules. The State requires that clients who are not full scope Medi-Cal or who are not insured by other health benefits be charged on a State-established sliding fee schedule, based on income, family size, and other factors which determine a client's ability to pay.

COMMUNITY BENEFIT: The proposed rates adjustment will allow BHRS to maximize potential revenues from Medi-Cal and other health coverage.

FISCAL IMPACT: There will be no increase in General Fund Net County cost as a result of your Board's approval. The proposed fee adjustments will not impact the majority of clients as they will continue to be charged based on a State-established sliding fee schedule. The proposed rate revision, which more accurately reflects the cost of services, ensures BHRS maximizes its Medi-Cal reimbursement from the State through its annual cost report process. As the cost settlement process operates several fiscal years in arrears, there will not be a FY 2018-19 revenue increase associated with the proposed rate change. BHRS will work with the CAO to make the appropriate adjustments should additional revenue be received in a future fiscal year.

REVIEWED BY:

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|-------------------------------------|-----------------------|-------------------------------------|-----|
| <input checked="" type="checkbox"/> | County Administrator | <input type="checkbox"/> | N/A |
| <input type="checkbox"/> | Department of Finance | <input checked="" type="checkbox"/> | N/A |
| <input checked="" type="checkbox"/> | County Counsel | <input type="checkbox"/> | N/A |
| <input type="checkbox"/> | Human Resources | <input checked="" type="checkbox"/> | N/A |

Respectfully submitted,

Grant Nash Colfax, MD
Director