

**MEMORANDUM
PLACER COUNTY HEALTH AND HUMAN SERVICES
Children's System of Care**

TO: Honorable Board of Supervisors

FROM: Jeffrey S. Brown, M.P.H., M.S.W., Director of Health and Human Services
Richard S. Knecht, Director of Children's System of Care

DATE: February 4, 2014

SUBJECT: Amend the Umbrella Contract for Payment of Mental Health Private Network Providers

ACTION REQUESTED:

1. Amend the not-to-exceed amount for the Adult and Children's Systems of Care mental health private network providers umbrella from \$600,000 to \$800,000 (\$96,000 net County cost), for the period from July 1, 2013 to June 30, 2014, and authorize the Auditor-Controller's Office to establish a payment ceiling in this amount.

BACKGROUND:

Placer County Health and Human Services provides mandated mental health services including psychiatry, counseling, crisis intervention, and related services to adults and children in community, clinic, and residential settings. These private and licensed counselors, therapists and psychologists form a network, and as part of the County's highly regarded Placer Model, deliver services to more than 500 residents each year. These medically necessary specialty services, when delivered in a timely and effective manner, limit the need for more costly hospitalization and residential care for many residents.

While the Department planned for increasing demand in the current year, further expansion of State mandates around delivery of Medi-Cal mental health services to foster youth, expanded eligibility for some families previously served by private plans, along with other changes resulting from the Affordable Care Act have resulted in greater than anticipated demand for services. From July to October 2013, the provider network served 355 children and adults, and current projections will likely result in an annual increase this year of nearly 35 percent.

FISCAL IMPACT:

The Fiscal Year 2013-14 cost of \$800,000 has been included in the Department's FY 2013-14 Final Budget. Funding for these mandated services includes \$704,000 (88 percent) in Federal and State funding, and \$96,000 (12 percent) is budgeted as the required County General Fund match.

