



DEPARTMENT OF  
**HEALTH AND HUMAN SERVICES**

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



March 21, 2017

Grant Nash Colfax, MD  
DIRECTOR

Marin County Board of Supervisors  
3501 Civic Center Drive  
San Rafael, CA 94903

20 North San Pedro Road  
Suite 2002  
San Rafael, CA 94903  
415 473 3696 T  
415 473 3791 F  
415 473 3344 TTY  
[www.marincounty.org/hhs](http://www.marincounty.org/hhs)

**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 establishing new Schedule of Charges for county-operated substance use treatment services for FY 2016-17.**

Dear Supervisors:

**RECOMMENDATIONS:**

1. Authorize President to adopt Resolution revising the rate/charge schedule for the community mental health system of care treatment services
2. Authorize President to adopt Resolution to establish the rate/charge schedule for county-operated substance use treatment services for FY 2016-17 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 2016-17. The analysis for mental health rates was based on the latest mental health cost report, increased by approximately 3% each fiscal year, consistent with the average increase in costs in prior years. The current rate schedule for BHRS was approved by your Board on August 25, 2015.

The rates 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 for mental health services.

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

**FISCAL IMPACT:** 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 an FY 2016-17 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. There is no increase in net County cost associated with this request.

**REVIEWED BY:**

- |                                     |                       |                                     |     |
|-------------------------------------|-----------------------|-------------------------------------|-----|
| <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 |

Sincerely,

Grant Nash Colfax, MD  
Director