



DAVID MAXWELL-JOLLY  
Director

State of California—Health and Human Services Agency  
Department of Health Care Services



ARNOLD SCHWARZENEGGER  
Governor

September 10, 2009

**PPL No. 09-019**

TO: All Local Governmental Agency Coordinators for  
Targeted Case Management Programs

SUBJECT: **Reporting of Closing –Year Targeted Case Management Costs**

This Policy and Procedure Letter (PPL) is notification that Local Governmental Agencies (LGAs) must include all costs of providing Targeted Case Management (TCM) services in the prior State fiscal year in the TCM annual cost report. These costs must include costs of any provider agency that provided TCM in the prior fiscal year, but ceases to provide TCM services in the current fiscal year in a TCM target population. These prior-year costs for provider agencies ceasing to provide TCM services, or closing-year costs, will not be used in calculating current year encounter rates.

In order to apportion personnel costs in the annual TCM cost report, all TCM service provider agencies must time survey every year in which TCM services are provided, irrespective of whether or not services are expected to be provided in the subsequent year. If the required time surveys are not available from 2008, contact DHCS for guidance.

For detailed instructions on filing closing-year costs in the annual TCM cost report, see the TCM Cost Report Instructions for the current year posted on the TCM website, <http://www.dhcs.ca.gov/provgovpart/Pages/TCM.aspx>.

If you have any questions regarding this PPL, please contact Tracy Albano at (916) 552-9538 or by e-mail at [Tracy.Albano@dhcs.ca.gov](mailto:Tracy.Albano@dhcs.ca.gov).

Sincerely,

**Original Signed by Elizabeth Touhey**

Elizabeth Touhey, Chief  
Administrative Claiming Local and  
Schools Services Branch

cc: Mr. Patrick Sutton  
LGA MAA/TCM Consultant  
221 Encounter Bay  
Alameda, CA 94502