



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



EDMUND G. BROWN JR.
GOVERNOR

DATE: March 17, 2016

MHSUDS INFORMATION NOTICE NO.: 16-009

TO: COUNTY BEHAVIORAL HEALTH PROGRAM DIRECTORS
COUNTY DRUG & ALCOHOL ADMINISTRATORS
COUNTY BEHAVIORAL HEALTH DIRECTORS ASSOCIATION
CALIFORNIA COUNCIL OF COMMUNITY MENTAL HEALTH AGENCIES
COALITION OF ALCOHOL AND DRUG ASSOCIATIONS

SUBJECT: STATE GENERAL FUND QUARTERLY CLAIMING PROCESS FOR
DRUG MEDI-CAL ORGANIZED DELIVERY SYSTEM PARTICIPATING
COUNTIES

PURPOSE

This Information Notice identifies an alternative process counties participating in the Drug Medi-Cal Organized Delivery System (DMC ODS) 1115 Demonstration Waiver will use for State General Fund reimbursement. Counties approved to participate in this pilot may claim a specific amount of General Fund dollars to supplement their non-federal share or administrative costs for a menu of activities. The existing limitations for using General Fund dollars to match claims only for particular Drug Medi-Cal State Plan services will remain for counties not participating in the DMC ODS pilot.

DISCUSSION

California Welfare and Institutions Code Section 14132.03 (a)(2) stipulates that any substance use disorder service included in the essential health benefit package contained in Section 1367.005 of the Health and Safety Code and Section 10112.27 of the Insurance Code shall be a covered Medi-Cal benefit if federal financial participation (FFP) is available. To defray the costs associated with claims associated from these new services, the Department historically has used State General Fund as non-federal share to receive FFP.

Upon approval to participate in the DMC ODS, counties will receive a set appropriation of State General Fund dollars to offset a portion of the cost of eligible Drug Medi-Cal services approved by the Department. The county may draw down these funds at any point in the fiscal year, so long as they can demonstrate the expenditures in question

are eligible. Each county must request disbursement of their State General Fund appropriation using the attached form. The form will be processed outside of the Short Doyle claiming system.

QUESTIONS/MAINTENANCE

Questions regarding this Informational Notice should be addressed to Mr. Maurilio Mendez, Staff Services Manager I, Program, Policy, and Fiscal Division at (916) 327-2696.

EXHIBIT

Exhibit 1 calculates the available State General Fund reimbursement based on four factors. 1) The amount of non-federal share used for DMC services in that quarter for State General Fund-eligible expenditures. 2) The allowable reimbursable administrative cost associated with those eligible expenditures. 3) State General Fund reimbursement claimed in previous quarters of the same fiscal year. 4) The total amount of State General Fund reimbursement authorized by the State-County contract.

Sincerely,

Original signed by Karen Baylor

Karen Baylor, Ph.D., LMFT, Deputy Director
Mental Health & Substance Use Disorder Services

Enclosures