



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



EDMUND G. BROWN JR.
GOVERNOR

DATE: June 22, 2018

MHSUDS INFORMATION NO.: 18-026

TO: COUNTY BEHAVIORAL HEALTH DIRECTORS
COUNTY DRUG & ALCOHOL ADMINISTRATORS
COUNTY BEHAVIORAL HEALTH DIRECTORS ASSOCIATION OF CALIFORNIA
CALIFORNIA COUNCIL OF COMMUNITY BEHAVIORAL HEALTH AGENCIES
COALITION OF ALCOHOL AND DRUG ASSOCIATIONS
CALIFORNIA ASSOCIATION OF ALCOHOL & DRUG PROGRAM EXECUTIVES, INC.
CALIFORNIA ALLIANCE OF CHILD AND FAMILY SERVICES
CALIFORNIA OPIOID MAINTENANCE PROVIDERS
CALIFORNIA STATE ASSOCIATION OF COUNTIES

SUBJECT: SHORT-DOYLE/MEDI-CAL COST REPORT SETTLEMENT TIMEFRAMES

REFERENCE: [MHSUDS Information Notice No.: 17-025](#)

This Information Notice (IN) communicates to Mental Health Plans (MHPs) that the Department of Health Care Services (DHCS) has established a timeframe for the settlement of all outstanding Short Doyle Medi-Cal cost reports that range from State Fiscal Year (SFY) 2010-11 through SFY 2017-18. The settlement dates have been set to allow DHCS to clear the backlog of unsettled cost reports, give the counties final figures for these years, and to allow the cost reporting settlement to occur on a regular business cycle.

Beginning with the SFY 2017-18 reporting period, DHCS will complete the interim cost settlements no later than twenty months after the close of the SFY. To accomplish this goal, DHCS has established the time line below for settling cost reports for Fiscal Year 2010-11 through Fiscal Year 2016-17.

SPECIALTY MENTAL HEALTH COST REPORT SETTLEMENT TIMELINE	
FISCAL YEAR	SETTLEMENT DATE
2010-11	9/30/18
2011-12	1/31/19
2012-13	1/31/19
2013-14	6/28/19
2014-15	6/28/19
2015-16	12/31/19
2016-17	12/31/19
2017-18	2/28/20

MHPs must complete a number of steps in the cost reporting process in order for DHCS to be able to complete the interim cost settlement using a final reconciled cost report. The following table identifies the dates by when DHCS recommends that a MHP complete each of the steps. For those MHPs that do not file a final reconciled cost report that is clear of errors by the dates identified below, DHCS will calculate the interim cost settlement using the most recently filed cost report.

TIMELINE FOR MHPs TO COMPLETE COST REPORTING STEPS				
Fiscal Year	MHP Must File Initial Cost Report	MHP File a Cost Report Cleared of All Errors	MHP Files a Reconciled Cost Report Cleared of All Errors	DHCS Mails the Interim Settlement Letter to the MHP
FY 2010-11	12/31/2011	5/30/2018	9/1/2018	9/30/2018
FY 2011-12	12/31/2012	7/30/2018	11/30/2018	1/31/2019
FY 2012-13	12/31/2013	8/30/2018	12/31/2018	1/31/2019
FY 2013-14	12/31/2014	12/31/2018	4/30/2019	6/28/2019
FY 2014-15	12/31/2015	1/31/2019	5/31/2019	6/28/2019
FY 2015-16	12/31/2016	6/28/2019	10/31/2019	12/31/2019
FY 2016-17	12/31/2017	7/31/2019	11/29/2019	12/31/2019
FY 2017-18	12/31/2018	12/31/2019	4/30/2020	6/30/2020

Existing State law and regulations¹ authorize DHCS to impose administrative and financial sanctions whenever DHCS determines that an MHP has failed to comply with federal or State requirements, including statutes, regulations, and contractual requirements, California's Medicaid State Plan, or 1915(b) Specialty Mental Health Services Waiver requirements. Accordingly, counties are further advised that DHCS is implementing a process to impose sanctions fines and penalties as a result of noncompliance. Details on the timing and process for administrative and financial sanctions will be communicated to the counties in a separate Information Notice.

If there are any questions regarding this Information Notice, please contact Moses Ndungu at (916) 319-8199, or email Moses.Ndungu@dhcs.ca.gov.

Sincerely,

Original signed by

Brenda Grealish, Acting Deputy Director
Mental Health & Substance Use Disorder Services

Enclosure

¹ Welf. & Inst. Code, § 14712(e); Cal. Code Regs, tit. 9, § 1810.380(b)