



C A L I F O R N I A D E P A R T M E N T O F

Mental Health

1600 9th Street, Sacramento, CA 95814
(916) 654-2378

December 10, 1999

DMH INFORMATION NOTICE NO.: 99-15

TO: LOCAL MENTAL HEALTH DIRECTORS
LOCAL MENTAL HEALTH PROGRAM CHIEFS
LOCAL MENTAL HEALTH ADMINISTRATORS
COUNTY ADMINISTRATIVE OFFICERS
CHAIRPERSONS, LOCAL MENTAL HEALTH BOARDS

SUBJECT: NEGOTIATED RATES FOR SHORT-DOYLE/MEDI-CAL (SD/MC)
SERVICES FOR FISCAL YEAR (FY) 1999-2000

To establish Performance Contracts for FY 1999-2000, the Department of Mental Health (DMH) requires the following information if your county intends to contract with the Department or a local provider on a negotiated rate basis for SD/MC funds.

Please submit your proposed rates on the same time bases as shown on Enclosure A for affected legal entities by service function. Your proposed rates shall be determined by following the procedures in Enclosure B. For existing programs without significant changes, DMH will approve rates that are consistent with your FY 1998-99 DMH Cost Report and the application of the appropriate inflation factor. Or, if the FY 1998-99 DMH Cost Report is not available, the FY 1997-98 Cost Report will be used with the application of appropriate inflation factors. Additionally, please provide justification for proposed rates that are equal to the Statewide Maximum Allowance. Rates for new services will not be approved without prior years' cost report data.

Please send your rate proposal to:

Stan Johnson, Chief
County Financial Program Support
1600 9th Street, Room 120
Sacramento, California 95814

This information is normally submitted by December 31, 1999, pursuant to Welfare and Institutions Code, Section 5705(a)(4) with a copy of your county's completed FY 1998-99 DMH Cost Report. Due to the date of this notice those counties unable to meet the December 31, 1999 deadline may submit their Negotiated Rate proposal package not later than January 31, 1999. For proposals received after January 31, reimbursement for services provided to Medi-Cal eligible clients will be based on the lessor of cost, charges, or the SD/MC maximum allowance as set forth in Section 51516 of Title 22 of the California Code of Regulations.

If you intend to contract on a cost reimbursement basis for all programs, or wish to contract on a negotiated rate basis with county funds only, please ignore this letter.

If you have any questions or comments, please contact Stan Johnson at (916) 654-3060.

Sincerely,

LINDA A. POWELL
Deputy Director
Administrative Services

Enclosures