



CITY OF LONG BEACH

R-16

DEPARTMENT OF HEALTH AND HUMAN SERVICES

2525 GRAND AVENUE • LONG BEACH, CALIFORNIA 90815 • (562) 570-4000 • FAX: (562) 570-4049

August 11, 2009

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all necessary documents and amendments between the City of Long Beach and the State Department of Health Care Services to claim reimbursement for allowable Medi-Cal administrative activities (MAA) in an amount up to \$3,300,000 for a three-year period. (Citywide)

DISCUSSION

Since 1994, the City of Long Beach Department of Health and Human Services (Health Department) has received funding through a contract with the State of California Department of Health Care Services (State) for the performance of administrative activities related to the Medi-Cal Program. Under the terms of the new three-year Medi-Cal Administrative Activities (MAA) agreement, the Health Department will continue to be reimbursed for a portion of staff time and expense to outreach and engage eligible clients in the Medi-Cal system. The term of the agreement is July 1, 2009 through June 30, 2012.

This matter was reviewed by Deputy City Attorney Linda Trang on June 17, 2009 and by Budget and Performance Management Bureau Manager David Wodynski on July 17, 2009.

TIMING CONSIDERATIONS

City Council action on this matter is requested on August 11, 2009 to comply with State requirements.

FISCAL IMPACT

The maximum reimbursement amount of the new agreement is \$3,300,000 from July 1, 2009 through June 30, 2012. The Health Department will utilize existing staff throughout the Department to perform Medi-Cal administrative activities during the

course of their daily duties. That portion of budgeted staff time and other resources used will be offset by this revenue source.

The City will receive reimbursement revenues up to \$1,100,000 for FY 10 to partially reimburse for the cost for federally eligible Medi-Cal administration activities. This is a reimbursement based program whereby the Department will receive revenues for services provided as a part of the normal course of public health business practice.

Sufficient appropriations exist in the Health Fund (SR 130) in the Health and Human Services Department (HE) to support this activity through FY 10. The remaining \$2,200,000 will be appropriated in subsequent fiscal years through the annual budget process. There is no impact on the General Fund.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



RONALD R. ARIAS
DIRECTOR
HEALTH AND HUMAN SERVICES

APPROVED:



PATRICK H. WEST
CITY MANAGER