



CITY OF LONG BEACH

R-21

DEPARTMENT OF HEALTH AND HUMAN SERVICES

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

July 22, 2008

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute a third amendment to an agreement with the State of California Department of Health Services to claim reimbursement for allowable Medi-Cal Administrative Activities in the amount of \$4,300,000 for the period of July 1, 2004 through June 30, 2009; and execute any other necessary documents or subsequent amendments to extend the contract term or increase the reimbursable amount. (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 Services (State) for the performance of administrative activities related to the Medi-Cal Program. On January 19, 2005, the City Council approved an agreement with the State for claiming reimbursement for allowable Medi-Cal administrative activities, such as enrollment, outreach, facilitating applications, non-emergency transportation, program planning, administrative activities, targeted case management, and claims administration. Under the terms of the proposed amendment, the Health Department will continue to be reimbursed for Health Department staff time to outreach and engage eligible clients in the Medi-Cal system. This amendment will increase the maximum amount payable under the agreement for the last three years of the five-year agreement.

This matter was reviewed by Deputy City Attorney Linda Trang on June 26, 2008 and by Budget Management Officer Victoria Bell on June 30, 2008.

TIMING CONSIDERATIONS

City Council action on this matter is requested on July 22, 2008 as contract services under this agreement begin each year on July 1.

FISCAL IMPACT

This amendment will increase the maximum amount of this agreement from \$3,250,000 to \$4,300,000 for the five-year period. 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.

All anticipated costs will be offset by revenue reimbursements from the State Department of Health Services. There is no impact to the General Fund.

SUGGESTED ACTION:

Approve the recommendation.

Respectfully submitted,



RONALD R. ARIAS
DIRECTOR
HEALTH AND HUMAN SERVICES

APPROVED:



PATRICK H. WEST
CITY MANAGER