



Board Agenda Item 8

DATE: November 5, 2019

TO: Board of Supervisors

SUBMITTED BY: Dawan Utecht, Director, Department of Behavioral Health

SUBJECT: Department of Behavioral Health Salary Resolution Amendment

RECOMMENDED ACTION(S):

Approve Amendment to the Salary Resolution adding 17 positions effective November 4, 2019, as reflected on Appendix E.

Approval of the recommended action will allow the Department to add 17 positions to the Department's Finance Division with current responsibilities that include managing all accounts receivables and payables, revenue billing, claiming, and budgeting. These positions will support the Department in revenue claiming and meeting new accounting and audit standards implemented by the State in January 2019.

ALTERNATIVE ACTION(S):

Your Board may choose not to approve the recommended action, which would result in no change to the Department's Salary Resolution.

FISCAL IMPACT:

There is no increase in Net County Cost (NCC) associated with the recommended action. The estimated cost for FY 2019-20 is approximately \$1,011,690, with no additional NCC. These expenditures will be funded with current year available salary savings through a combination of Medi-Cal Administrative Activity (MAA), Mental Health Services Act (MHSA), and realignment.

DISCUSSION:

On January 1, 2019, the Department opted into the Drug Medi-Cal Organized Delivery System (DMC-ODS) under the State's 1115(a) Medicaid waiver. This program is intended to provide a continuum of care modeled after the American Society of Addiction Medicine Criteria for substance use disorder treatment services, enables more local control and accountability, provides greater administrative oversight, creates utilization controls to improve care and efficient use of resources, implements evidenced based practices in substance abuse treatment, and coordinates with other systems of care. This increased the Department's Substance Use Disorder (SUD) expenditures and claiming from less than \$10 million per year to over \$40 million per year. The rules and regulations associated with these expenditures and claiming also significantly differ from Mental Health, requiring a separation of duties and supervisory reporting lines.

In collaboration with the Department of Human Resources, the Department conducted an organizational study of the Department's Finance Division based on the significant increases in workload and new audit standards and regulations stated above. The study evaluated the current workload and required changes; written information from incumbents; desk audits; and job evaluation factors such as knowledge, skills,

scope, authority, and independence.

This study found that the Department's Finance Division workload has changed and increased significantly as a result of new programs and regulations implemented in the prior fiscal year to justify the increase of 17 additional positions. These positions are necessary to ensure the Department is meeting all program and audit requirements, as well as meeting billing time-limit deadlines to avoid the loss of revenue. These positions include two (2) Principal Staff Analysts, two (2) Senior Staff Analysts, seven (7) Staff Analysts, five (5) Program Technicians, and one (1) Account Clerk.

The Principal Staff Analyst positions (2) will be utilized to plan, direct, and manage financial analysis and accounting areas within the Finance Division. Their responsibilities will include management of Mental Health (MH) and Substance Use Disorder (SUD) billing, cost reporting, budgeting, auditing, and invoicing. This will include policy and procedure development, and coordinating with State agencies, as required. The Senior Staff Analysts (2) will be responsible for direct oversight of the SUD Billing Team and Fiscal Quality Assurance (QA) functions. The SUD billing has increased significantly due to new DMC-ODS programs, adding new requirements and regulations. This requires the separation of duties and an increase in staffing from the MH billing function. The Fiscal Quality Assurance Team is responsible for all MH and SUD invoice review, coordination with contracted vendors for fiscal related items, and providing quality assurance support (including reporting) to all other Finance Division Teams. The Staff Analysts (7), Program Technicians (5), and Account Clerk (1) additions will be providing additional staffing support for Fiscal QA, and MH and SUD Billing Teams. These positions will also alleviate the need for overtime.

ATTACHMENTS INCLUDED AND/OR ON FILE:

Salary Resolution Amendment - Appendix "E"

CAO ANALYST:

Ron Alexander