



**NEVADA COUNTY**  
**HEALTH & HUMAN SERVICES**  
**AGENCY**

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## NEVADA COUNTY BOARD OF SUPERVISORS

### Board Agenda Memo

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**MEETING DATE:** August 28, 2018

**TO:** Board of Supervisors

**FROM:** Phebe Bell

**SUBJECT:** Resolution approving execution of a Participation Agreement to: 1) authorize Nevada County to participate in the California Mental Health Services Authority (CalMHSA) Inter-Member Transfer Program for the term July 1, 2018 through June 30, 2021, ; 2) authorize the transfer of funds to CalMHSA as called for by the Inter-Member Transfer Program Participation Agreement, in the initial amount of \$7,993.44 for the first quarter, with continuous funding thereafter, in the amount determined after first quarter assessment of actual services of the Sending County, estimated to be \$31,974 for the fiscal year; and 3) authorize CalMHSA to send and receive funds on behalf of Nevada County, consistent with the provisions of the Participation Agreement and Welfare and Institution Code § 14717.1.

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**RECOMMENDATION:** Approve the attached Resolution.

**FUNDING:** This expenditure is optional, but it is in the County's financial interest to participate in the CalMHSA Inter-Member Transfer Program. The County's participation is funded by State 2011 Realignment. These services are included in the Department's FY 18/19 budget and there are no county general fund dollars required in the agreement.

**BACKGROUND:**

Counties who provide foster youth specialty mental health services (SMHS) are reimbursed through federal financial participation (FFP) and county match through Medi-Cal billing. Recent amendments to the Welfare and Institution code change the responsibility of these services from the county of jurisdiction to the county of residence in which the foster youth resides. Approval of this item will allow foster children who are placed outside of Nevada County to access specialty mental health services (SMHS) in a timely manner. It will also allow Nevada County to be reimbursed timely for specialty mental health services provided to foster children placed in this county. Under the Welfare and Institution Code § 14717.1, responsibility for providing or

arranging for specialty mental health services shall promptly transfer from the county of original jurisdiction to the county in which a foster child resides, subject to any exceptions established pursuant to that section. This is known as “presumptive transfer.” Counties have agreed that the county of original jurisdiction (sending county) remains responsible for reimbursing the receiving county for specialty mental health services provided or arranged by the receiving county. Implementation of this statute requires a system for counties to make prompt payments to each other. Under this program, CalMHSA acts as a fiscal agent for participating counties to make and receive transfer payments.

Nevada County is already a member of the California Mental Health Services Authority (CalMHSA), a joint powers authority created to perform administrative and fiscal services on behalf of its members. Approval of this item will allow the County to participate in CalMHSA's Inter-Member Transfer Program to facilitate prompt payments between counties as required by Welfare and Institutions Code section 14717.1. This agreement is a model to be used for future requirements necessitating intercounty transfer of funds.

CalMHSA will operate a banking pool. Each participating member county will have a separate financial ledger account and will receive periodic statements of year to date balance, payments to other counties, payments from other counties, administration costs and interest earned. The initial amount required is estimated to be the first quarter of expenditures but will be reconciled as actual expenses are made. Required future funding will be based on the projection of actual expenses in order to make funding continuously available for program. CalMHSA will transfer funds back to the participating counties that have more funding than deemed necessary for the program.

In addition to the presumptive transfer payments already required of the County under section 14717.1, there would be an administrative charge by CalMHSA for its services, currently estimated at less than 5%. This amount, expected to be reimbursed as an administrative cost in Medi-Cal, is believed to be less than the cost to the County to maintain its own administrative system for making, receiving, and accounting for presumptive transfer payments

It is recommended the Board approve the attached Resolution as CalMHSA's administration of programs or projects will result in more cost-effective rates for services, reduced demands on Nevada County administrative services, and increased efficiency in implementing services.

**Item Initiated and Approved by:** Phebe Bell, MSW, Director of Behavioral Health