

Program # 25054 - Mental Health and Addiction Services Division Business Operations **Version 2/09/2007 s**

Priority: Accountability **Lead Agency:** County Human Services
Program Offer Type: Support **Program Contact:** Keith Mitchell
Related Programs: 25050A, 25053

Program Characteristics:

Executive Summary

Business Operations manages revenue and expenses for the Mental Health and Addiction Service Division's \$79 million budget. It controls the County's financial risk for \$34 million in Medicaid funds through rate setting, claims adjudication, and supervision of a third party administrator (TPA). In the current year, the office accurately projected the County's risk in transition to a fee-for-service environment. Business Operations supports MHASD in serving approximately 14,000 unduplicated individuals annually.

Program Description

MHASD's Business Operations (BusOps) supports the delivery system for some of Multnomah County's most vulnerable persons, those who are indigent and in need of mental health and addiction treatment. Staff supports both the children and adult systems of care. MHASD BusOps manages the complex financial transactions required to deliver services in the County's Mental Health Organization (MHO), Verity. Verity is a federal insurance program funded by Medicaid and is a risk bearing entity. If expenditures exceed revenue, the County must make up the difference. It is BusOps's responsibility to ensure that this event does not occur. BusOps produces financial and utilization reports, interfaces with a third party administrator (TPA) to process Medicaid claims, and tracks funding from the State. BusOps develops new procedures to respond to changes in federal and State funding. Priorities in the coming year will include response to the (federal) Balanced Budget Act and Deficit Reduction Act. BusOp's common functions include accounts payable and receivable, as well as responding to financial inquiries from agencies, hospitals, elected officials, and the public. BusOps provides decision support and day-to-day information to MHASD Director and management team through timely financial projections to accompany pending business and fiscal decisions.

Program Justification

In its role as fiscal steward for MHASD, Business Operations supports the Accountability priorities. By tracking available funds across the systems of care, Business Operations provides reliable information for decision-making so that management can set priorities and limited resources can be used most effectively. Through its work with the third party administrator processing Medicaid claims, Business Operations ensures that funds are only paid for services provided within regulatory constrictions.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY05-06)	Current Year Purchased (FY06-07)	Current Year Estimate (FY06-07)	Next Year Offer (FY07-08)
Output	Total Payment Authorizations Issued Annually*	31,759	8,000	33,709	33,800
Outcome	Exceptions noted by independent auditor-New Outcome	0	0	0	0

Performance Measure - Description

**"Current Year Purchased" Count of 8000 was incorrectly listed in last year's program offer. Exceptions noted by Independent Auditor is a new outcome - Goal is Zero Exceptions.

Legal/Contractual Obligation

Oregon Administrative Rule, Community Mental Health Program General Administrative Standards 309-014-0000 to 309-014-0040; Oregon Health Plan Oregon Administrative Rule 410-141-0000 to 410-141-0860.

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2007	2007	2008	2008
Personnel	\$424,030	\$218,256	\$257,104	\$424,035
Contracts	\$0	\$396,000	\$127,000	\$508,000
Materials & Supplies	\$17,511	\$0	\$14,230	\$0
Internal Services	\$115,179	\$0	\$117,439	\$0
Subtotal: Direct Exps:	\$556,720	\$614,256	\$515,773	\$932,035
Administration	\$0	\$0	\$0	\$0
Program Support	\$0	\$0	\$0	\$0
Subtotal: Other Exps:	\$0	\$0	\$0	\$0
Total GF/non-GF:	\$556,720	\$614,256	\$515,773	\$932,035
Program Total:	\$1,170,976		\$1,447,808	
Program FTE	5.63	2.87	3.09	5.41
Program Revenues				
Intergovernmental	\$0	\$614,256	\$0	\$932,035
Program Revenue for Admin	\$0	\$0	\$0	\$0
Total Revenue:	\$0	\$614,256	\$0	\$932,035

Explanation of Revenues

\$50,000 from State Mental Health Grant Award - estimated 07-09 biennium contract.

Oregon Health Plan revenue based on the Governor's budget and December premium rates with 63,605 insured members - \$882,035.

Significant Program Changes

Last year this program was: #25054, Mental Health and Addiction Services Business Operations