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AGENDA COVER MEMO

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AGENDA DATE: June 6, 2007

TO: Board of County Commissioners

FROM: Department of Health & Human Services

PRESENTED BY: Rob Rockstroh

AGENDA ITEM TITLE: ORDER \_\_\_\_\_ /IN THE MATTER OF APPROVING THE DEPARTMENT OF HUMAN SERVICES FINANCIAL ASSISTANCE AGREEMENT FOR THE PERIOD JULY 1, 2007 THROUGH JUNE 30, 2009 AND APPOINTING THE COUNTY ADMINISTRATOR OR HIS AUTHORIZED DESIGNEE AS COUNTY FINANCIAL ASSISTANCE ADMINISTRATOR FOR THE AGREEMENT

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**I. MOTION**

ORDER \_\_\_\_\_ /In The Matter Of Approving The Department of Human Services Financial Assistance Agreement For The Period July 1, 2007 through June 30, 2009 And Appointing The County Administrator Or His Authorized Designee As County Financial Assistance Administrator For The Agreement

**II. ISSUE OR PROBLEM**

The FY 07/09 Financial Assistance Agreement with the Department of Human Services (DHS) for mental health treatment, alcohol and drug treatment, and developmental disabilities services needs to be approved; needs to have authority delegated to the County Administrator for signature; and requires appointment of a County Financial Assistance Administrator. The agreement also requires the County Administrator to be authorized to delegate authority for the acceptance revisions to the agreement through the eXPRS system.

**III. DISCUSSION**

A. Background/Analysis:

The DHS Financial Assistance Agreement (FAA) is the biennial revenue document for mental health, developmental disability, alcohol and other drug and services provided by the County and subcontractors. The 2007/2009 agreement provides \$20,658,854 in funding for developmental disabilities services, \$26,115,651 in funding for mental health services and \$6,490,286 for alcohol and other drug services. The agreement also includes \$346,210 in funding for local administration of these funds. Due to the amount of the

agreement, the agreement must be approved by the Board and the County Administrator must be delegated authority to sign the agreement.

The FAA also requires the county to, by a duly adopted order or resolution of the County Board of Commissioners, appoint a county officer to administer the Agreement. This resolution needs to authorize the County Financial Assistance Administrator to amend the award, on behalf of county, by execution and delivery of amendments to this agreement in the name of county. Unless the authorizing resolution clearly vests such authority in the County Financial Assistance Administrator, DHS will not treat the County Financial Assistance Administrator as authorized to amend, on behalf of county, any part of this Agreement other than the Financial Assistance Award.

This board order may also authorize the County Administrator as the County Financial Assistance Administrator to authorize others to act as the local security administrator for changes to the agreement through the eXPRS system. These changes include Service Element Prior Authorizations (SEPAs), Provider Prior Authorizations, (PPAs) and Client Prior Authorizations (CPAs).

eXPRS is an on-line, real time payment system for providers and counties that receive funding through Department of Human Services. The State implemented Phase 1 of the eXPRS payment system in July 2005, which included payments for developmental disability services. The original plan was to roll out subsequent phases of eXPRS for services other than developmental disabilities. The State has decided against an expanded implementation of eXPRS at this time. However, modifications to developmental disability allocations continue to happen through the eXPRS system.

Changes in funding for service elements paid through the eXPRS system do not come down through written amendment, but instead are sent electronically to the County as SEPAs. These changes fall within the delegated authority of the County Administrator per Lane Manual 21.147(2). Quick turnaround on approving the SEPAs is critical. Providers will not be able to bill for the services contained in the SEPA until the SEPA has been accepted by the County and the allotment for that provider has been increased. Delays in accepting the SEPAs will further increase the number of days between providing a service and receiving payment.

Once a SEPA has been accepted by the County, a Provider Prior Authorization (PPA) must be created and approved. This pre-authorizes the amount that is paid to a provider for services within a service element. The PPA is created by the County and accepted by the provider agency, similar to a contract amendment. These changes fall within the delegated authority of the County Administrator. Funds authorized through the PPA are further designated through Client Prior Authorization (CPA) which limits the amount that can be paid out for services delivered by a specific provider to a specific client. CPAs

are created by the County. Prior to eXPRS, this function was managed by a combination of Health & Human Services program and administrative staff.

Health & Human Services worked with County Counsel on a subsequent process for the delegation of these functions by the County Administrator to the Director of Health & Human Services. Authority to approve acceptance of SEPAs has been delegated by the County Administrator to the Director of Health and Human Services and the Assistant Director of Health and Human Services. Authority to modify contractor allocations through PPAs has been delegated by the County Administrator to the Director, Assistant Director and Administrative Services Manager of Health and Human Services. Authority to approve CPAs has been delegated to the Program Services Coordinator and Sr. Accounting Clerk.

B. Alternative/Options

1. To approve the agreement, to appoint the County Administrator or his authorized designee as the County Financial Assistance Administrator for the FY 07/09 DHS Financial Assistance Agreement and to authorize the County Administrator as the County Financial Assistance Administrator to authorize others to approve Service Element Prior Authorizations (SEPAs), Provider Prior Authorizations (PPAs), and Client Prior Authorizations (CPAs) on behalf of the County as the County Authorized Signatory.
2. Not to approve the agreement or appoint the County Administrator or his authorized designee as the County Financial Assistance Administrator for the FY 07/09 DHS Financial Assistance Agreement and not to authorize the County Administrator as the County Financial Assistance Administrator to authorize others to approve Service Element Prior Authorizations (SEPAs), Provider Prior Authorizations (PPAs), and Client Prior Authorizations (CPAs) on behalf of the County. This would result in a loss of services for the community.
3. To approve the agreement, to appoint the County Administrator or his authorized designee as the County Financial Assistance Administrator for the FY 07/09 DHS Financial Assistance Agreement but not to authorize the County Administrator as the County Financial Assistance Administrator to authorize others to approve Service Element Prior Authorizations (SEPAs), Provider Prior Authorizations (PPAs), and Client Prior Authorizations (CPAs) on behalf of the County. This would result in a delay in payment for developmental disabilities providers and would require the County Administrator to be responsible for approval of all components within the eXPRS system as the County Authorized Signatory.

C. Recommendation

To approve #1 above.

**IV. IMPLEMENTATION/TIMING**

Upon approval by the Board, the FAA will be routed for signature, the County Administrator or his authorized designee will be appointed as the County Financial Assistance Administrator for the FY 07/09 DHS Financial Assistance Agreement. The Department of Health & Human Services will continue to approve SEPAs, CPAs and PPAs as delegated by the County Administrator.

**V. ATTACHMENTS**

Board Order

**BOARD OF COUNTY COMMISSIONERS, LANE COUNTY, OREGON**

**ORDER:**            ) IN THE MATTER OF APPROVING THE DEPARTMENT OF  
                          ) HUMAN SERVICES FINANCIAL ASSISTANCE AGREEMENT  
                          ) FOR THE PERIOD JULY 1, 2007 THROUGH JUNE 30, 2009 AND  
                          ) APPOINTING THE COUNTY ADMINISTRATOR OR HIS  
                          ) AUTHORIZED DESIGNEE AS COUNTY FINANCIAL  
                          ) ASSISTANCE ADMINISTRATOR FOR THE AGREEMENT

WHEREAS, the State of Oregon has allocated funds for the 2007/2009 biennium to Lane County for developmental disability, mental health and alcohol and other drug services through the 2007/2009 Financial Assistance Agreement; and

WHEREAS, the amount of the 2007/2009 Financial Assistance Agreement is beyond the delegated signature authority of the County Administrator; and

WHEREAS, one requirement of the agreement is the appointment of a County Financial Assistance Administrator for the FY 07/09 Financial Assistance Agreement; and

WHEREAS, the Financial Assistance Agreement is modifying the authorization and payment process for selected service elements; and

WHEREAS, in order for the County Administrator, as the County Financial Assistance Administrator, to delegate authority for the approval of Service Element Prior Authorizations (SEPAs), Provider Prior Authorizations (PPAs) and Client Prior Authorizations (CPAs) he must be authorized to do so through this order.

NOW THEREFORE, IT IS HEREBY ORDERED that the Board of County Commissioners accept the agreement and delegate authority to the County Administrator to sign the 2007/2009 Financial Assistance Agreement in the amount of \$53,611,001 for the period 7/1/07 through and including 6/30/09; and further

ORDERED that the Board of County Commissioners appoint the County Administrator or his authorized designee as the County Financial Assistance Administrator for the FY 07/09 DHS Financial Assistance Agreement; and further

ORDERED that the County Administrator, as the County Financial Assistance Administrator, is authorized to delegate approval of Service Element Prior Authorizations (SEPAs) to the County Authorized Signatory as documented by a letter of delegation; and further

ORDERED that the County Administrator, as the County Financial Assistance Administrator, is authorized to delegate authority to the County Security Administrator who shall authorize staff to submit and modify, Provider Prior Authorizations (PPAs) and Client Prior Authorizations (CPAs) and Disbursement, as documented by a letter of delegation.

DATED this \_\_\_\_\_ day of June 2007.

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Faye Stewart, Chair  
Board of County Commissioners

APPROVED AS TO FORM  
Date 5/25/07 lane county  
J. Hendlaw  
OFFICE OF LEGAL COUNSEL