



Fact Sheet:



Fiscal Operations

Background

The Fiscal Management and Accountability Branch (FMAB) supports the Department of Alcohol and Drug Programs (ADP) by accounting for, and reporting on, the funds that counties and providers claim for Drug Medi-Cal (DMC) and Negotiated Net Amount (NNA) contract services.

Specifically, FMAB:

- reconciles year-end cost reports for county NNA contracts, county combined NNA and DMC contracts, and direct provider contracts;
- processes and reconciles DMC claims and reports, processes and approves interim payment claims, and processes individual beneficiary claims;
- processes NNA or NNA/DMC contracts for counties and processes DMC contracts for direct providers; and
- maintains a DMC Payor's List and Master Provider File allowing DMC reimbursements to be made to specific providers and other publicly-funded treatment programs to be identified in the State's service delivery system.

Processing Year-End Cost Reports

Counties and direct contract providers are required to submit an annual year-end cost report, which identifies actual expenditures of funds allocated by ADP. For the fiscal year ending on June 30, cost reports are due to ADP on November 1 of that same calendar year. Staff in FMAB process and

reconcile those annual year-end cost reports. In doing so, instructions for completing cost reports are written and distributed to counties and direct contract providers; training and technical assistance is also provided to counties and direct contract providers; problems are researched and resolved; and recommendations for interim settlements and payments are made. The interim settlement is the settlement of actual allowable costs or expenditures as reported in the year-end cost report for alcohol and drug services and perinatal services, if applicable.

Processing DMC Claims

The DMC claims process provides the payment mechanism for federal and state funds dedicated to the DMC program. As services are provided to eligible Medi-Cal beneficiaries by DMC certified providers, claims are submitted to ADP from counties and direct contract providers for reimbursement. The claims are then reviewed and processed by FMAB staff. The process includes reconciling the results of claims that are approved, denied, or suspended. The FMAB staff also provide technical assistance to counties and providers in submitting their claims and process recoupment for services not in compliance with DMC requirements.

DMC claims are tracked by specific treatment modalities, individual providers, units of service billed and approved for payments, and regular or perinatal program services.

DMC funding is reimbursed to counties and direct contract providers after approved services are adjudicated through the Short-Doyle Medi-Cal system.

Processing NNA and DMC Contracts

Counties and direct providers are required to submit annual budgets. These budgets are reviewed to ensure compliance. Upon review and approval, contracts are established. Upon a fully executed contract, non-DMC federal and state funding is issued monthly in arrears. Training and technical assistance is provided to the counties and direct providers.

For additional information, please contact the Fiscal Management and Accountability Branch at (916) 323-2043.