



# SAPC Finance Services Division Provider Updates

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## Value-Based Incentives Update

- **Updated:** Building Performance and Risk Metrics Activity (1A)
  - The activity **supports SAPC provider agencies in implementing a data aggregation tool/platform** that strengthens their ability to operate successfully in a value-based environment.
  - This activity is an extension of the foundational work completed by the PAC Data Workgroup.
  - It reflects SAPC's continued commitment to **data-informed decision-making and system improvement**.
  - It is designed with **flexibility for provider agencies** to participate to varying extents depending on how far along they are with exploration and implementation.

## Building Performance and Risk Metrics Activity (1-A) Milestones

### MILESTONE 1:

**Complete Data Source Inventory + Baseline Metrics Collection**  
(Due Nov 2025)

**Description:**

- Provider agencies will complete a **comprehensive inventory of data sources** used for **ten** SAPC-selected metrics pulled from the *PAC Metrics List*.
- Provider agencies will also **collect, analyze, and report baseline data** for **five** of those metrics to test the feasibility and effort required for manual reporting using current systems.

**Purpose:**

- To help identify current data capabilities and limitations, laying the groundwork for evaluating the need for a data aggregation tool.

### MILESTONE 2:

**Complete Data Aggregation Readiness Assessment and Plan**  
(Due Jan 2026)

**Description:**

- Provider agencies (including those with an existing platform) will complete a **data aggregation readiness assessment** and identify data infrastructure gaps.
- This milestone may directly inform the selection of appropriate data aggregation software and **ensure provider agencies are prepared for implementation and long-term data reporting needs**.

**Purpose:**

- To support provider agencies in making informed, strategic investments in data infrastructure and technology.

### MILESTONE 3:

**Purchase and Begin Implementation of Data Aggregation Software and Complete Implementation Plan**

**Description:**

- **Option 1:** Provider agencies that **have purchased or will purchase data aggregation software by March 2026** will demonstrate initial implementation and provide a detailed implementation/sustainability plan, including a timeline, milestones, resource needs, and rollout/investment strategies.
- **Option 2:** Provider agencies that **defer purchase after March 2026** will develop a projected implementation plan, outlining a timeline, milestones, and strategic steps required for future purchase and implementation.

**Purpose:**

- To ensure all provider agencies, regardless of current readiness to purchase, are equipped with an actionable plan for implementing and sustaining a data aggregation solution that supports long-term data reporting. 3

## Billing Updates

- **Reminder: Submit Billing Invoices by the 10<sup>th</sup> of Every Month**

**Why It Matters:**

- Contractual **Requirement**
- **Ensures** Timely Reimbursements
- **Improves** Cash Flow
- **Monitors** Fund Utilization for Program Compliance
- SAPC will **monitor timely submissions and contract utilization**
- May make **funding and contractual adjustments**
- Late or missing invoices **may result in denial of payment(s)**

- **Share of Cost**

- SAPC Finance has seen a sharp increase in the volume of services billed for Medi-Cal beneficiaries with an unmet Share of Cost.
- Services billed to DHCS for patients with **unmet Share of Cost** will be **denied** by the State and **recouped** by SAPC.
- It is the **provider agency's responsibility to ensure a patient's Share of Cost is met** before billing SAPC to avoid denials and comply with Medi-Cal rules.
- SAPC will be releasing a Share of Cost Informational Reference to consolidate available reference information provided by DHCS and DPSS.
  - Includes a collection of reference links to DHCS guidance on identifying Share of Cost amounts and reporting Share of Cost to Medi-Cal.

## Fiscal Reporting and Compliance Updates

- **SAPC Information Notice 25-07: Fiscal Compliance Reviews**

- **Supersedes:** SAPC Bulletin 18-09
- **Purpose:** Outlines funding and contractual requirements for all SAPC Treatment Provider Agencies
- Reduces the number of documents reviewed during fiscal compliance reviews
- Provider agencies' regulatory guidance on fiscal and accounting requirements
- **Attachment A:** List of Relevant Documentations

### **Take Action**

- **Review** Attachment A with your accounting staff for accuracy and availability
- **Check** prior Auditor-Controller's reports to confirm corrective actions are implemented
- **Contact** SAPC Finance Services Division for training and technical assistance

- **SAPC Information Notice 25-08: Fiscal Reporting**

- **Supersedes:** SAPC Information Notice 23-10
- **Purpose:** Expands instructions for completing Fiscal Reporting Tools
- **FY 2024-25 Fiscal Report Due: September 30, 2025**

## **Take Action**

- **Review** the updated instructions to ensure accurate and timely submission
- **Coordinate** between program and accounting staff to fully capture and allocate costs
- **Contact** SAPC Finance Services Division for training and technical assistance

- **Updated Auditor-Controller Handbook Review**
  - Los Angeles County Department of Auditor-Controller (A-C) released its **revised Contract Accounting and Administration Handbook** in July 2025
  - **Notice Sent to SAPC Provider Agencies: August 7, 2025**
  - **Key Updates:**
    - Clarifies and refines many sections
    - New Sections Include: **Cash and Revenue, Other Liquid Assets, Procurement, Information Technology, and Board of Directors' Fiduciary Responsibilities & Meetings**
  - A-C presentation is pending
  - Ensure appropriate staff are aware of the changes and begin making the necessary changes



## Finance Services Division Update – Contact

**Questions and/or More Information**

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