



Ohio Department  
of Mental Health

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Columbus, Ohio 43215

Sandra Stephenson, Director

**Ohio**

Department of Alcohol &  
Drug Addiction Services

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Policy Memo: C-06-09-08

Ted Strickland, Governor

**TO:** Executive Directors, ADAMHS/ADAS/CMHS Boards  
Chief Financial Officers, ADAMHS/ADAS/CMHS Boards  
Executive Directors, Medicaid Participating Alcohol and other Drug Treatment Programs  
Executive Directors, Medicaid Participating Community Mental Health Centers

**FROM:** Angie Bergefurd, Assistant Deputy Director, ODMH *AB*  
Douglas L. Day, Medicaid Administrator, ODADAS *DLD*

**DATE:** Sent Via e-Mail on June 2, 2009 to ADAMHS/ADAS/CMHS Boards  
Sent by USPS to Medicaid Participating Alcohol and other Drug Treatment Programs  
Sent by USPS to Medicaid Participating Community Mental Health Centers

**RE:** Provider Vendor Status and the Community Behavioral Health Medicaid Program

The Ohio Department of Alcohol and Drug Addiction Services (ODADAS) and the Ohio Department of Mental Health (ODMH) have received inquiries regarding the determination of "Subrecipient vs. Vendor" relationship at the provider agency level. Effective July 1, 2008 (State Fiscal Year 2009), both Departments, in accordance with the definition in our respective Interagency Agreement with the Ohio Department of Job and Family Services (ODJFS) have clearly identified the status of providers, for Medicaid (Catalog of Federal Domestic Assistance [CFDA] 93.778) and the State Children's Insurance Program (SCHIP [CFDA 93.767]), as vendors. This means that at the provider agency level, these two CFDA numbers passed through ODADAS or ODMH would no longer be considered as Federal Awards when it reaches the provider; therefore, for Medicaid and SCHIP purposes only, they are not subject to the Office of Management and Budget (OMB) Circular A-133 audit requirements. Please note that if a provider agency received federal pass through dollars from ODADAS or ODMH other than Medicaid or SCHIP, the funding is still considered a Federal Award and the provider agency may be subject to OMB Circular A-133, this is particularly true if the provider agency is receiving federal Substance Abuse Prevention and Treatment (SAPT) block grant funding (CFDA 93.959).

ADAMHS/ADAS/CMHS Boards are, in accordance with the definition in the respective Interagency Agreement, still subrecipients; Medicaid and SCHIP are still considered Federal Awards at their level and ADAMHS/ADAS/CMHS Boards are subject to OMB Circular A-133 requirements.

ODADAS and ODMH are also working on other updates, such as revised audit guidelines and working with the Auditor of State on updates to the Federal Award Compliance Control Records (FACCRs), which will support these types of relationships under the Community Behavioral Health Medicaid Program. If you have any questions, please contact either Chiwayi Lin at ODMH (614) 466-8091 or Tracy Gladen at ODADAS (614) 728-2163.

c: Cheri Walter, CEO, the Ohio Association of County Behavioral Health Authorities  
Penny Wyman, the Ohio Association of Child Caring Agencies  
Hubert Wirtz, CEO, the Ohio Council of Behavioral Health and Family Services Providers  
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