



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Behavioral Wellness
Department No.: 043
For Agenda Of: February 28, 2017
Placement: Departmental
Estimated Time: 1.5 hours
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Alice Gleghorn, PhD, Director
Director(s) Department of Behavioral Wellness 805-681-5220
Contact Info: John Doyel, Alcohol and Drug Program (ADP) Manager
805-681-4907
SUBJECT: ADP – Drug Medi-Cal Organized Delivery System Demonstration Waiver
Implementation Plan Overview

County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- A. Receive and file the Department of Behavioral Wellness Alcohol and Drug Program's (ADP) Implementation Plan design for the Drug Medi-Cal Organized Delivery System (DMC ODS) demonstration waiver pilot;
- B. Approve and authorize the Department of Behavioral Wellness to submit the Implementation Plan to the Department of Health Care Services (DHCS) by May 2017; and
- C. Determine that these activities are exempt from California Environmental Quality Act review per CEQA Guidelines Section 15378(b)(5) since the recommended actions are government administrative activities which do not involve commitment to any specific project which may result in potentially significant physical impact on the environment.

Summary Text:

On May 3, 2016 the BOS approved and authorized Behavioral Wellness to apply to DHCS to participate in the DMC ODS demonstration waiver. This item is on the agenda to update, inform, and file with the Board of Supervisors the Behavioral Wellness ADP DMC ODS Implementation Plan for clients with substance use disorders (SUD) or alcohol and other drug (AOD) problems.

Approval of the recommendation will allow Behavioral Wellness to submit the plan to DHCS by the May 2017 deadline for state and federal approval. If the state DHCS and the federal Centers for Medicare and Medicaid Services (CMS) approve Behavioral Wellness’s DMC ODS Implementation Plan, Behavioral Wellness will return to the Board to enter into an intergovernmental agreement between DHCS, CMS, and the county to provide DMC ODS services. Participation in the DMC ODS waiver program is a voluntary five year plan and the county may withdraw from the process at any point prior to signing the intergovernmental agreement. Once County participation is finalized through the Intergovernmental Agreement, funding for the DMC ODS expansion will be covered by the Drug Medi-Cal negotiated rates approved DHCS and CMS through state funds available pursuant to Title XIX and Title XXI of the Social Security Act for reimbursable covered services.

The County’s DMC ODS Implementation Plan provides for expanded DMC benefits relative to current DMC benefits, as follows:

Current DMC Benefits
Outpatient Group Counseling
Outpatient Individual Session for Assessment
Outpatient Individual Crisis Sessions
Outpatient Treatment Plan Review Session
Outpatient Discharge Planning Individual Session
Expanded ODS DMC Benefits
Non Perinatal Residential Treatment Services
Case management Sessions
Recovery Support Groups and or Individual Sessions (Aftercare)
Withdrawal Management
Regular individual Sessions (in addition to currently covered sessions)

Background:

As part of the Affordable Care Act (ACA), the state of California DHCS applied for a Medicaid waiver, a Section 1115 Demonstration Waiver, which was approved August 2015, to expand and enhance the DMC system in this state and to provide a continuum of care. The DMC ODS is a pilot program to test a new paradigm for the organized delivery of health care services for Medicaid eligible individuals with substance use disorder (SUD). This approach for the organized delivery of health care services for Medi-Cal enrollees with substance abuse disorders will demonstrate how organized substance use disorder care increases successful outcomes for DMC beneficiaries while decreasing other system health care costs. Although the current Administration issued an Executive Order addressing the ACA, it does not change the laws or regulations currently in place including Section 1332 which authorizes the Section 1115 Demonstration Waiver. However, we are cognizant of the possibility that changes may be made to the Affordable Care Act may affect the proposed DMC-ODS. Though it is difficult to speculate, if the ACA is repealed and the ODS Waiver is eliminated, then the current system of DMC care will remain intact and continue. Any partial reduction in state or federal funding will be addressed to maximize client care with available resources.

The DMC ODS is based on the idea that by providing a comprehensive continuum of SUD treatment services, the state will save money on health care costs for untreated SUDs through more local control and accountability, provide greater administrative oversight and utilization controls to improve care and efficient use of resources, use evidence based practices modeled after the American Society of Addiction Medicine (ASAM) standards for substance abuse treatment, and coordinate with other systems of care. The waiver gives Medi-Cal beneficiaries who need help with substance use disorders a

much better opportunity to get successful treatment for their individual needs. The DMC ODS should prevent recidivism and costly emergency services.

California is the first state in the country to take advantage of the new ruling by the federal Centers for Medicare & Medicaid Services (CMS). The DHCS DMC ODS pilot is in the first phase of implementation of the demonstration waiver and the first Counties approved for DMC ODS will provide services later in 2017. Behavioral Wellness is in the second Phase for application and implementation of DMC ODS pilot, with expected implementation by FY 18-19.

The DMC ODS pilot is authorized and financed under the authority of California’s Section 1115 waiver “Bridge to Reform Demonstration”. All costs for expanded services will be identified and included in the rate development process. The county will use these costs to support the requested rate, and submit to DHCS for preliminary approval, with final approval from CMS. The rates will be set to a level that will ensure sufficient access to available DMC ODS waiver services.

Attached is the Behavioral Wellness DMC ODS Implementation Plan for review. It was crafted and developed through a cohesive and collaborative process from input from county entities, community parties and key stakeholders. Behavioral Wellness will also meet with entities and impacted community parties during the implementation of this plan to continue ongoing coordination of services. Behavioral Wellness is an integrated mental health (MH) and SUD system of care. The DMC ODS implementation expands and enhances DMC benefits. Behavioral wellness will provide the following services upon year one of the ODS:

Service Type	Required, Optional and Provided
Case Management	<u>Required.</u> Will be provided directly by BW staff and selected outpatient treatment providers.
Early Intervention / Screening, Brief Intervention and Referral to Treatment (SBIRT)	Will be provided as part of ASAM Screening and in partnership with primary care providers.
Intensive Outpatient Treatment (IOT)	<u>Required.</u> Will be offered regionally, county wide.
Medication Assisted Treatment (MAT)	<u>Optional.</u> MAT will be provided in regionally within current MH clinics for clients with Severe and Persistent Mental Illness (SPMI) and SUD. Clients with mild to moderate mental health issues and severe SUD will receive services at contracted AOD treatment providers
Opioid Narcotic Treatment Program (NTP)	Required. Will be provided in North (Santa Maria) and South (Santa Barbara) County.
Outpatient Treatment Services	<u>Required.</u> Will be provided regionally, county wide for adults and adolescents.
Physician Consultation	<u>Required.</u> Will be provided by BW psychiatrists and MDs employed by contracted treatment providers
Recovery Services	<u>Required.</u> Will be provided throughout outpatient system of care.
Recovery Residence or Sober Living Environments (SLE)	<u>Optional.</u> A limited number of beds may be provided to otherwise homeless clients while said clients receive outpatient treatment services.

Residential Treatment Services	<p>3.1 Level <u>Required</u>, 1st year. (3.1 = minimum of 5 hours of treatment per week in a residential setting for clients with uncomplicated substance use disorder);</p> <p>3.3 & 3.7 required within 3 years (3.3 = a minimum of 5 hours of treatment per week but usually >5 hours with intensive mental health counseling component included for clients with complex co-occurring needs; 3.7 = same as 3.3 with medical (physical health) management for clients with medical needs).</p> <p>3.1 will be provided in each region. 3.3 – 3.7 (<u>Optional</u> 1st year) will be provided for a limited number of clients 1st year.</p>
Withdrawal Management Services	<p>1 Level <u>Required</u>. Will be provided at regional detoxification centers and regional BW MH clinics. 2 Level, <u>Optional</u>, may be provided to a limited number of clients.</p>

Although medication assisted treatment (MAT) is optional, it is considered an important treatment service and is clinically indicated to be part of the DMC ODS. Behavioral Wellness has already begun to establish this level of care. Recovery Residences or Sober Living Environments (SLE) also presents an optional but important service in the continuum of care, which may need to be expanded for clients who require housing assistance in order to support their wellness and recovery process. As funds allow, a limited number of Recovery Residences may be developed to address housing needs. Recovery Residences will only be provided to DMC-ODS clients who are engaged in outpatient, intensive outpatient or MAT services.

Included in the Plan are details on how clients move through the different levels of the continuum of care, from referral, assessment, authorization, placement and transition to other levels of care. It also describes how the case manager will help clients with the transition through levels of care to ensure successful care transitions for high-utilizers or individuals at risk of unsuccessful transitions. All modalities included in DMC by treatment providers will be required to be DMC certified. The County will contract with DMC certified providers, or Behavioral Wellness will provide county-operated services to all beneficiaries outlined in the Behavioral Wellness DMC ODS plan. It is expected that all current County of Santa Barbara Behavioral Wellness Mental Health clinics will become DMC certified as part of the DMC ODS process. Behavioral Wellness will conduct a competitive Provider Selection Process, as required as part of DMC ODS, to include a Request for Proposal (RFP) process for most if not all AOD treatment services.

Participation in the DMC ODS waiver program is voluntary and the county may withdraw from the process at any point prior to signing the intergovernmental agreement. Participation in the DMC ODS will be elective for five years. If the County elects not to continue with the DMC ODS waiver, the County’s DMC beneficiaries receive only those drug and substance use disorder treatment services outlined in the approved state plan. If the County opts out of the DMC ODS waiver they will no longer benefit from the higher reimbursement rates or from the IMD exclusion.

Upon approval of the BOS, Behavioral Wellness will submit the Implementation Plan to DHCS by the May 2017 deadline. If DHCS and CMS approve Behavioral Wellness's Implementation Plan, Behavioral Wellness will return to the Board to enter into an intergovernmental agreement with DHCS and CMS to provide DMC ODS services. It is anticipated that the DMC ODS services will be in place one year from the time of implementation plan approval. Provider Selection Process will take place and the BOS will approve of the new DMC ODS contracts. If DMC ODS is approved by DHCS and CMS, Behavioral Wellness's implementation of DMC ODS is expected to begin FY 2018-2019.

Performance Measure:

The county will participate in providing data and information to the University of California, Los Angeles (UCLA) Integrated Substance Abuse Programs, through an existing contract with DHCS for the DMC-ODS evaluation. The evaluation process, included in the Intergovernmental Agreement, will focus on four key areas of evaluation: (1) access, (2) quality, (3) cost, and (4) integration and coordination of care, to measure and monitor the outcomes from the DMC ODS waiver, which will require quarterly reporting. The following data elements will be incorporated into the external quality review organization (EQRO) protocol, including but are not limited to:

- a. Appropriate level of care after referral and assessment;
- b. Number of days to first DMC-ODS service/follow-up appointments at appropriate level of care after referral and assessment
- c. Existence of a 24/7 telephone access line with prevalent non-English language(s)
- d. Access to DMC-ODS services with translation services in the prevalent non-English language(s)
- e. Number, percentage of denied and time period of authorization requests approved or denied;
- f. Proper placement of clients in treatment levels at any given time;
- g. Treatment engagement and successful completion of treatment planning.

In addition, The Behavioral Wellness Quality Improvement Committee will review the following data at a minimum on a quarterly basis since EQRO site reviews will begin after county implementation. With regard to overdose (OD) services, performance measures will include the number of individuals educated about overdose harm reduction, the number of individuals trained to reverse an OD and the actual number of OD reversals or lives saved as a result of the OD Policies & Procedures.

Fiscal and Facilities Impacts:

Budgeted: Behavioral Wellness will develop cost based rates for each covered service, which are subject to state and federal approval. These county-specific negotiated rates are based on several criteria as required in the fiscal guidance that has been provided in MHSUDS INFORMATION NOTICE NO: 15-034 and MHSUDS INFORMATION NOTICE NO: 16-006. Once the rates are set the DMC ODS is budget neutral.

Fiscal Analysis:

Narrative: Subject to annual state budget appropriation, DHCS intends to provide payments to participating counties for a state share of the costs for program implementation. We anticipate DHCS's support to blend and braid funding streams and to allow integration to proceed with reasonable flexibility.

The county will use the projected actual cost for services based on the most recent prior FY cost report data, where these services were previously available, with adjustments for increased projected beneficiary counts and the resulting projected increase in units of service (projected utilization) that will result from participation in the pilot. In the cases where the services have not been previously available, the county will project staff hours for providing the services and calculate a projected cost per unit. Additional adjustments can be applied for inflation, using an approved government inflation factor, in similar manner to the county interim rate development.

Key Contract Risks:

At this time there is no risk to the County to submit the ODS Implementation Plan. However, the established rates must conform to 42 USC § 1396b(w)(6) and 42 CFR § 433.51, and all certified public expenditures will be subject to annual reconciliation and cost settlement consistent with Federal and State requirements.

Staffing Impacts:

At this time there is no impact to staffing. Although the DMC ODS may require some additional administrative infrastructure, it is not anticipated to increase costs to the County. We anticipate that the DMC ODS administrative allowances and reasonable negotiated reimbursement rates will more than fund the infrastructure and in fact provide additional cost savings.

Legal Positions:

FTEs:

Special Instructions:

Please provide a scanned copy of the minute order via email to: admhscontractsstaff@co.santa-barbara.ca.us.

Attachments:

- Attachment A: ODS PowerPoint Presentation
- Attachment B: ODS Implementation Plan
- Attachment C: ODS Minute Orders May 3, 2016

Authored by:

DMorales

cc: