



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: June 16, 2020
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Director(s): Alice Gleghorn, Ph.D. Director
Department: Department of Behavioral Wellness, 684-5220
Contact Info: Christie Boyer, CPA Associate Director of Finance, 681-5231
SUBJECT: Behavioral Wellness –Amendment to the FY 19/20 Mental Health County
Maximum Allowable Rate

County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to form:

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- A. Approve and authorize the Director of the Department of Behavioral Wellness to execute amendments to the Behavioral Wellness' Mental Health (MH) agreements listed below in accordance with the attached template amendment, to remove the County Maximum Allowable (CMA) rate for Fiscal Year 2019-2020, with no change to the maximum contract amounts, for the following MH providers:
1. Casa Pacifica – FY 18/20
 2. Child Abuse Listening and Mediation, Inc. – FY 18/20
 3. Community Action Commission – FY 19/22
 4. Council on Alcoholism and Drug Abuse – FY 18/21
 5. Crestwood CRT – FY 18/20
 6. Family Service Agency – FY 18/21
 7. Good Samaritan Shelter, Inc. – FY 18/21
 8. Mental Wellness Center – FY 18/20
 9. PathPoint – FY 19/22
 10. Psynergy – FY 17/20
 11. Telecare Corporation CRT – FY 19/20
 12. Transitions Mental Health Association – FY 18/20

- B. Delegate to the Director of the Department of Behavioral Wellness, or designee, the authority to increase or remove the CMA rate from MH agreements for Fiscal Year 2020-2021 without requiring a formal amendment, subject to the Board's authority to rescind this delegated authority at any time;
- C. Determine that these activities are exempt from California Environmental Quality Act (CEQA) review per CEQA Guidelines Section 15378(b)(4), as government fiscal activities that do not involve commitment to a specific project that may result in a potentially significant physical impact on the environment.

Summary Text:

This item is on the agenda to request the Board of Supervisors (Board) approve and authorize the Director of Behavioral Wellness (BeWell) to execute amendments to the above-listed Mental Health (MH) agreements, in accordance with the attached template, to remove the County Maximum Allowable (CMA) rate for Fiscal Year (FY) 2019-2020, with no change to the maximum contract amounts, and to delegate to the BeWell Director, or designee, the authority to increase or remove the CMA rate for FY 2020-2021. Due to the current COVID-19 pandemic, many Community Based Organizations (CBOs) are experiencing increased costs to provide services to County's clients through no fault of their own. Approval of the recommended actions would allow these CBOs to be compensated at the lower of their actual costs or their published charges for services for FY 2019-2020 in accordance with the federal financial participation (FFP) process without being limited to the rates set by the CMA.

Background:

BeWell provides a continuum of mental health services to Santa Barbara County residents, in part through contracted providers, including CBOs. CBOs currently deliver 50% of the outpatient MH services to County clients. The CMA rate was established in FY 2012-2013 after the Department of Health Care Services (DHCS) removed the State Maximum Allowable (SMA) rate limitation for mental health services. The CMA rate was based on the last schedule of the SMA rates and was kept as a local restriction to ensure that contractors deliver service at a cost-effective rate. BeWell monitors contractor costs, rates, and service levels quarterly through a rate review process and recommends adjustments when necessary.

After careful and thorough consideration, executive management at BeWell has concluded that removing the CMA rate for FY 2019-2020 is warranted and in the best interest of the County due to the current COVID-19 pandemic which is having an unprecedented effect on the CBOs ability to deliver services at the same productivity levels. Given the increased amounts of leave time and change in operational models that the CBOs are experiencing due to COVID-19, the existing productivity levels (as implied by the current CMA) are no longer appropriate. BeWell worked with the CBOs to redesign their operations to suit this new normal and will continue to work with the CBOs as the situation evolves. Removal of the CMA rate would allow these CBOs to recover the lower of their actual costs or their published charges for FY 2019-2020 in accordance with the federal financial participation (FFP) process.

The effects to the County would be minimal, as any County matching funds to the federal programs are already accounted for in the adopted budget and in existing contracts.

Approval of the recommended actions would allow the CMA rate in Exhibit B-1 to be removed for each of the listed MH CBOs, without needing to bring each individual contract to the Board. With approval of the Board, BeWell will amend each agreement listed above to remove the CMA rate. For contracts put into place for FY 2020-2021, the BeWell Director would have the ability to either increase or remove the CMA rate if necessary.

Fiscal and Facilities Impacts:

Budgeted: There are no budget impacts. The adopted FY 2019-2020 budget is based on maximum contract amounts and this amendment does not alter existing contract maximum amounts. For FY 2020-2021 agreements, the maximum contract amounts will be set within the limits of the proposed budget.

Fiscal Analysis:

Behavioral Wellness will utilize existing matching funds (Realignment, MHSA) to provide a maximum 50% match to FFP funds received from the removal of the CMA limitation. Matching funds will not be in excess of amounts already considered in the adopted or proposed budget.

Key Contract Risks:

As with any contract funded by State and Federal sources, there is a risk of future audit disallowances and repayments. Behavioral Wellness contracts include language requiring contractors to repay any amounts disallowed in audit findings, minimizing financial risks to the County.

Special Instructions:

Please email one (1) minute order to Denise Morales at dmorales@co.santa-barbara.ca.us and one to bwellcontractsstaff@co.santa-barbara.ca.us.

Attachments:

Attachment A: MH CMA Amendment Template FY 2019-2020

Authored by:

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