



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: November 29, 2022
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Antonette Navarro, LMFT, Director
Director(s) Department of Behavioral Wellness, (805) 681-5220
Contact Info: Melissa Wilkins, MPH, CADC-II, CCPS, Division Chief Alcohol
and Drug Programs, Department of Behavioral Wellness, (805)
681-5220
SUBJECT: Behavioral Wellness Alcohol and Drug Program – First Amendment to the
California Department of Health Care Services Drug Medi-Cal Organized
Delivery System Intergovernmental Agreement (No. 21-10034 A01) FY 2021-
2024

County Counsel Concurrence

As to form:

Other Concurrence:

As to form:

Auditor-Controller Concurrence

As to form:

Recommended Actions:

That the Board of Supervisors:

- A. Approve, ratify, and authorize the Director of Behavioral Wellness or designee to execute the First Amendment to the **Department of Health Care Services (DHCS) Drug Medi-Cal Organized Delivery System (DMC-ODS) Intergovernmental Agreement** (No. 21-10034 A01) to update the terms and conditions for compliance with California Advancing and Innovating Medi-Cal (CalAIM), add Peer Support Service and Contingency Management Services, and increase the contract amount by \$724,000 (\$362,000 for year two and three) for a total maximum contract amount of **\$84,718,000** for the period of July 1, 2021 to June 30, 2024 (Attachment A); and
- B. Determine that the above action is a government fiscal activity or funding mechanism that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment and is therefore not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4) of the CEQA Guidelines.

Summary Text:

The above-referenced item is on the agenda to request the Board of Supervisors (Board) to approve, ratify, and authorize the Director of Behavioral Wellness (BWell) or designee to execute the DHCS DMC-ODS Intergovernmental Agreement (No. 21-10034 A01) to update the terms and conditions for compliance with California Advancing and Innovating Medi-Cal (CalAIM), add Peer Support Service and Contingency Management Services, and increase the contract amount by \$724,000 (\$362,000 for year two and three) for a total maximum contract amount of \$84,718,000 for the period of July 1, 2021 to June 30, 2024.

Background:

DHCS allocates state and federal funding to counties for SUD treatment services available to Medi-Cal beneficiaries pursuant to Title XIX and Title XXI of the Social Security Act. As part of the Affordable Care Act (ACA), through the state of California DHCS applied for a Medicaid waiver, and a Section 1115 Demonstration Waiver was approved in August 2015 to expand and enhance the DMC system in this state and provide a continuum of care. The DMC-ODS pilot is a voluntary pilot program which offers California counties the opportunity to expand access to high quality care for Medi-Cal members, authorized and financed under the authority of California’s Section 1115 waiver “Bridge to Reform Demonstration.”

DMC-ODS Medi-Cal beneficiaries who need help with substance use disorders have more opportunities to obtain successful treatment for their individual needs if the County participates in SUD services through the DMC-ODS Agreement. The DMC-ODS prevents recidivism and costly emergency services and provides for automatic mandatory enrollment of all Medi-Cal beneficiaries. The DMC-ODS Agreement requires the County to ensure the availability and accessibility of adequate numbers of facilities, service locations, service sites, and professional, allied, and supportive personnel to provide medically necessary services, and ensure the authorization of services for urgent conditions.

Initially, on February 28, 2017, the Board approved and authorized BWell to submit the DMC-ODS Implementation Plan to DHCS in order to participate in the state Medicaid demonstration waiver for SUD services. On October 12, 2021 the Board approved the DHCS DMC-ODS multi-year Intergovernmental Agreement (No. 21-10034) for FY 21-24 for the period of July 1, 2021 through June 30, 2024 to provide mandated SUD services for clients. BWell is returning to the Board to request approval of the first amendment to the multi-year DHCS Intergovernmental Agreement DMC-ODS Agreement (No. 21-10034 A01) to update the terms and conditions as well as to increase the budget for the ongoing provision of Substance Use Disorder (SUD) treatment services.

BWell provides the following services: Case Management services to navigate the transitions between treatment levels and coordinate with supportive services such as housing, physical health care, and employment; Intensive Outpatient Treatment (IOT); Medication Assisted Treatment (MAT) services (additional medications available to help with the withdrawal and cravings associated with substance use disorders); Opioid Narcotic Treatment Program (NTP); Physician Consultation; Recovery Support services (to assist in the maintenance of long-term recovery after the treatment episode); and Residential Treatment services to all beneficiaries, both perinatal and non-perinatal, requiring higher levels of care.

Examples of changes to the original DMC-ODS Agreement include the addition of language for the Federal Financial Participation loss of legal authority, updates to BWell Program Specifications, and the addition of Peer Support and Contingency Management services for clients. While services provided by peers can currently be claimed under the provider type "other qualified provider," the recovery services provided by peers can now be claimed within the DMC-ODS programs. DHCS added peers as a unique provider type within specific reimbursable services and allowed counties to opt-in to provide this valuable resource. The contingency management pilot program provides motivational incentives for non-use of stimulants as evidenced by negative drug tests.

Performance Measure:

The County participates in, and provides 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 focuses 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 require quarterly reporting. The following data elements are incorporated into the external quality review organization (EQRO) protocol, including but 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; and
- g. Treatment engagement and successful completion of treatment planning.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>FY 21-22</u>	<u>FY 22-23</u>	<u>FY 23-24</u>
General Fund			
State	\$ 3,000,000	\$ 3,160,000	\$ 3,160,000
Federal	\$ 24,998,000	\$ 25,200,000	\$ 25,200,000
Fees			
Other:			
Total	\$ 27,998,000	\$ 28,360,000	\$ 28,360,000
Three-Year Total:			\$ 84,718,000

Narrative: The maximum amount of the DMC-ODS Agreement is \$84,718,000. DHCS revised the amount through the contract amendment process for this new allocation. Additionally, DHCS intends to provide payments to participating counties for a state share of the costs for program implementation, subject to annual state budget appropriation. The State General Fund amounts are based on biannual Department of Managed Care estimates.

Key Contract Risks:

The funding for the DMC-ODS Agreement is subject to congressional and state appropriation of funds. If the funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, DHCS has the option to either cancel the DMC-ODS Agreement with no liability occurring to DHCS or offer an amended agreement to County to reflect the reduced amount. DHCS may also cancel the DMC-ODS Agreement without cause upon 90 days' notice to County. County's contracts with providers also allow for termination for convenience. As with any agreement funded by state and federal sources, there is a risk of future audit disallowances and repayments. Behavioral Wellness' contracts with providers include language requiring contractors to repay any amounts disallowed in audit findings, minimizing financial risks to the County. In addition, DHCS requires the County to comply with network adequacy standards, developed by DHCS including those set by statute. This could potentially create an obligation that the County comply with standards that are presently unknown.

Staffing Impacts:

At this time there is no impact to staffing. The DMC-ODS administrative allowances and reasonable negotiated reimbursement rates will more than fund the infrastructure and provide additional cost savings.

Special Instructions:

Please provide a copy of the Minute Order via email to Denise Morales at dmorales@sbcbswell.org and a copy to Behavioral Wellness Contracts at bwellcontractstaff@sbcbswell.org.

Attachments:

Attachment A: DHCS DMC ODS FY 21-24 Agreement No. 21-10034 A01

Attachment B: DHCS DMC ODS FY 21-24 Agreement No. 21-10034

Authored by:

D. Morales