



**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 25, 2024
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Antonette Navarro, LMFT, Director
Department of Behavioral Wellness, (805) 681-5220
Contact Info: Chris Ribeiro, Chief Financial Officer
Katie Cohen, Branch Chief of Clinical Operations
Department of Behavioral Wellness, (805) 681-5220

SUBJECT: CALM, Inc. First Amendment to the FY 2023–24 Services Agreement and FY 2024–25 Renewal Services Agreement for Mental Health Services

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve, ratify, and authorize the Chair to execute a First Amendment to the Agreement for Services of Independent Contractor with **CALM, Inc.** (a local vendor) (BC No. 23-062) to add contingency payment and cost settlement provisions and incorporate Medicare Practitioner billing and California Department of Health Care Services rate changes with no change to the total maximum contract amount of **\$3,825,745** for the period of July 1, 2023, through June 30, 2024;
 - i) Delegate to the Director of the Department of Behavioral Wellness or designee the authority to incorporate new codes and make fee-for-service rate changes or updates and to reimburse on a cost reimbursement basis for Medi-Cal fee-for-service programs per Exhibit B of the Agreement (BC No. 23-062) without altering the maximum contract amount and without requiring the Board’s approval of an amendment of the Agreement, subject to the Board’s ability to rescind this delegated authority at any time;
- b) Approve and authorize the Chair to execute a Renewal Agreement for Services of Independent Contractor with **CALM, Inc.** (a local vendor) for the provision of mental health services to children and youth for a total maximum contract amount not to exceed **\$3,870,810** for the period of July 1, 2024, through June 30, 2025;

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- i) Delegate to the Director of the Department of Behavioral Wellness or designee the authority to suspend, delay, or interrupt the services under the Renewal Agreement for convenience and make immaterial changes to the Renewal Agreement per Sections 20 and 26 of the Renewal Agreement, respectively; amend program service locations per Exhibits A-2, A-4, A-5, A-6, A-7, A-8; amend program staffing requirements per Exhibits A-2 through A-8; authorize additional services per Exhibit A-4; amend program hours of operation per Exhibit A-5; reallocate funds between funding sources with discretion, incorporate new codes and make fee-for-service rate changes or updates and to reimburse on a cost reimbursement basis for Medi-Cal fee-for-service programs, reallocate between contract allocations related to the incentive payment per Exhibit B; and amend the program goals, outcomes, and measures per Exhibit E, all without altering the maximum contract amount and without requiring the Board's approval of an amendment of the Renewal Agreement, subject to the Board's ability to rescind this delegated authority at any time; and

- c) Determine that the above actions are governmental fiscal activities or funding mechanisms that do not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment and are therefore not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4) of the CEQA Guidelines.

Summary Text:

This item is on the agenda to approve the first amendment to the fiscal year (FY) 2023-24 Service Agreement with Independent Contractor, CALM, Inc. (BC No. 23-062), to add contingency payment and contingency cost settlement provisions and to incorporate changes for Medicare practitioner billing and State rate changes, with no change to the maximum contract amount of **\$3,825,745** for the period of July 1, 2023, through June 30, 2024. It is also requested that the Board renew the Agreement for Services of Independent Contractor with CALM, Inc. to provide mandated specialty mental health services to children and youth, age 21 years and younger. The maximum contract amount is not to exceed **\$3,870,810** for July 1, 2024, through June 30, 2025. Approval of these recommended actions will allow Behavioral Wellness (BWell) to continue to provide specialty mental health services to children and youth with serious emotional disturbances, including therapy and rehabilitation services.

Background:

BWell provides a continuum of mental health and substance use disorder services to Santa Barbara County residents, in part, through contracted providers including Community-Based Organizations (CBOs). CALM, Inc., a local CBO, provides a variety of mental health services for children and youth from ages 0 to 21 years with serious emotional disturbances including rehabilitation and therapy services.

First Amendment to the Services Agreement for FY 2023-24:

During this fiscal year, BWell implemented a new electronic health record system, SmartCare, that CBOs are required to use for submitting claims for payment. The claiming functionality of the new SmartCare application was delayed by approximately 10 months resulting in limited to no data on the amount of services approved by Medi-Cal during this time period. CBOs rely on this data, in part, to track and adjust service delivery to ensure that their costs are being covered. BWell has determined that there is a need to amend the FY 2023-24 CALM, Inc. agreement to add contingency settlement terms specifically for FY 2023-24 which give CBOs the option for reimbursement based on cost or the fee-for-

service schedule. This is in consideration of the extenuating claiming issues and to ensure that there is compensation for services performed. BWell is also recommending adding contingency payment provisions to the agreement to reflect the change in payment terms should system implementation issues arise again. The contingency payment and settlement provisions do not alter the maximum contract amount set forth in Exhibit B.

Board Contract Exhibit B-3 (Entity Rates and Codes by Service Type) Changes:

The Exhibit B-3 identifies the fee-for-service rates for Medi-Cal specialty mental health services, which are based, in part, on State issued rates. BWell requires the ability to update contractor rates when new codes are added, rates are added or amended by the State, or for operational reasons.

Medicare Changes:

Starting January 1, 2024, Medicare began to cover mental health services for new practitioner types, including Marriage and Family Therapist, Clinical Psychologist, Clinical Social Worker, Professional Clinical Counselor, Nurse Practitioner, Physician Assistant, and Medical Doctor. This change necessitated an update to the contract to identify the contractor's role and responsibilities for clients that are eligible for both Medicare and Medi-Cal as well as the claims processing and payment parameters.

Renewal Services Agreement for FY 2024–25:

(BWell has contracted with CALM, Inc., since 1999. As a long-standing partner, CALM provides a variety of mental health services for children and youth with serious emotional disturbances including rehabilitation and therapy services. CALM's SPIRIT Full Service Partnership (FSP), provides a Child and Family Specialist to work in collaboration with BWell staff on three regional FSP Wraparound teams that serve children who are at greatest risk of out-of-home placement. CALM also provides Intensive In-Home (IIH) mental health services in home and community settings of child and youth clients and their families to improve client and family functioning. CALM's Pathways to Well-Being Program provides mental health assessments and services to children and youth in foster care and their families. CALM provides early childhood mental health prevention services through Mental Health Services Act (MHSA) Prevention and Early Intervention (PEI) funding, to children between zero and five years old and their families. CALM also provides early intervention mental health services to children ages 0-9 through MHSA PEI and Medi-Cal funding. Additionally, CALM provides short-term therapy to child clients and their families in an outpatient setting. BWell now requests Board approval of the contract renewal for FY 2024-25.

Performance Measure:

The Agreement with CALM has performance measures to monitor program implementation. Exhibit E – Program Goals, Outcomes, and Measures of the Agreement details the performance expectations for the Contractor. Program goals include:

- i. Reduce mental health and substance abuse symptoms resulting in reduced utilization of involuntary care and emergency rooms for mental health and physical health problems;
- ii. Assist clients in their mental health recovery process and with developing the skills necessary to lead healthy and productive lives in the community;
- iii. Provide mental health (and/or substance abuse) services for children and their families in order to prevent out-of-home and out-of-county placements;
- iv. Reduce mental health and substance abuse symptoms resulting in reduced utilization of involuntary care and emergency rooms for mental health and physical health problems;

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- v. Assist clients in their mental health recovery process and with developing the skills necessary to lead healthy and productive lives in the community; and
- vi. Provide mental health (and/or substance abuse) services for children and their families in order to prevent out-of-home and out-of-county placements.

Performance Measure:

Contract Renewals and Performance Outcomes:

FY 2023-24 Quarters 1, 2, and 3

III, Served 38.7 average clients, with discharge of 4.7 average.

Goals met: 5 out of 7

- 1. Incarcerations: 2% with goal of <5%
- 2. Admitted to Acute Psych Inpatient: 0% with goal of <5%
- 3. Stable/Perm Housing: 98% with goal of >95%
- 4. Purposeful Activity: 97% with goal of >95%
- 5. New out of primary home placements: 0% with goal of <5%

Goals not met: 2 out of 7

- 6. Discharge to Higher Level of Care: 17% with goal of <15%
- 7. Discharge to Lower Level of Care: 83% with goal of >85%

Spirit, served average of 26.3 clients, with 7 averaged discharges.

All 7 goals met:

- 1. Incarcerated: 0% with goal of <5%
- 2. Admitted to Acute Psych Inpatient: 0% with goal of <5%
- 3. Stable/Perm Housing: 100% with goal of >95%
- 4. Purposeful Activity: 99% with goal of >95%
- 5. DC to Higher LOC: 7% with goal of <15%
- 6. DC Lower LOC: 93% with goal of >85%
- 7. New out of primary home placements: 0% with goal of <5%

Pathways, served average of 32 clients with 9 averaged discharges.

All 7 goals met:

- 1. Incarcerated: 0% with goal of <5%
- 2. Admitted to Acute Psych Inpatient: 0% with goal of <5%
- 3. Stable/Perm Housing: 100% with goal of >95%
- 4. Purposeful Activity: 99% with goal of >95%
- 5. DC to Higher LOC: 10% with goal of <15%
- 6. DC Lower LOC: 90% with goal of >85%
- 7. New out of primary home placements: 0% with goal of <5%

Managed Care, served average of 30.7 clients with 7 averaged discharges.

All 7 goals met:

- 1. Incarcerated: 0% with goal of <5%
- 2. Admitted to Acute Psych Inpatient: 0% with goal of <5%
- 3. Stable/Perm Housing: 100% with goal of >95%
- 4. Purposeful Activity: 99% with goal of >95%
- 5. DC to Higher LOC: 10% with goal of <15%

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6. DC Lower LOC: 90% with goal of >85%
7. New out of primary home placements: 0% with goal of <5%

ECSMH, Served average of 217.3 clients, with 78.3 averaged discharges.

All 5 goals met:

1. Stable/Perm Housing: 100%, with goal >95%
2. Purposeful Activity: 100%, with >95%
3. DC Higher LOC: 0%, with <15%
4. DC Lower LOC: 100%, with >85%
5. New out of home primary placement: 0% with <5%

ECMH, served average of 63.7 clients, with 19./3 averaged discharges

All 5 goals met:

1. Stable/Perm Housing: 100%, with >95%
2. Purposeful Activity: 100%, with >95%
3. DC Higher LOC: 0%, with <15%
4. DC Lower LOC: 100%, with >85%
5. New out of home primary placement: 0%, with <5%

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>FY 24-25</u>	<u>Total</u>
General Fund		
State	\$ 694,458	\$ 694,458
Federal		
Fees		
Other: Medi-Cal Patient Revenue	\$ 3,176,352	\$ 3,176,352
Total	\$ 3,870,810	\$ 3,870,810

Narrative:

The above-referenced Agreement is funded with a combination of State and federal funds. With the transition to CalAIM Payment Reform, the fee-for-service portion of the contract will be funded with Medi-Cal Patient Revenue which primarily consists of federal funds. The amount of federal funds is contingent on the client's aid code and the State issued rate for the service. The Non-Medi-Cal portion of the contract is funded by MHSA funding and State Realignment. Funding associated with this contract was included in the FY 2024-25 Recommended Budget and will also be included in future budgets presented to the Board.

Key Contract Risks:

As with any contract funded with State and Federal sources, there is a risk of future audit disallowances and repayments. The contract includes language requiring the contractor to repay any amounts disallowed in audit findings, minimizing financial risks to County.

Special Instructions:

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Please email one (1) Minute order and one (1) copy of each executed Agreement to M. Simon-Gersuk at msimongersuk@sbcbswell.org and to the BWELL Contracts Division at BWELL contractsstaff@sbcbswell.org.

Attachments:

Attachment A: CALM, Inc. First Amendment FY 2023-2024 BC No. 23-062

Attachment B: CALM, Inc. FY 2024-2025 Agreement

Attachment C: CALM, Inc. FY 2023-2024 BC No. 23-062 Executed Agreement

Authored by:

Deidre Baker & M. Simon-Gersuk