



**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: October 12, 2021
Placement: Administrative
Estimated Time:
Continued Item:
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Pam Fisher, PsyD., Acting Director
Director(s) Department of Behavioral Wellness (805) 681-5220
Contact Info: John Doyel, Division Chief Alcohol and Drug Program
Department of Behavioral Wellness (805) 681-5220
SUBJECT: Behavioral Wellness Alcohol and Drug Program – California Department of Health Care Services Drug Medi-Cal Organized Delivery System Intergovernmental Agreement (No. 21-10034) FY 2021-2024

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence:

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- A. Approve, ratify, and authorize the Director of Behavioral Wellness or designee to execute the **Department of Health Care Services (DHCS) Drug Medi-Cal Organized Delivery System (DMC-ODS) Intergovernmental Agreement (No. 21-10034)** for the provision of Substance Use Disorder (SUD) treatment services in the amount of \$83,994,000 for the period of July 1, 2021 to June 30, 2024; and
- B. Determine that the above action is a government fiscal activity or funding mechanism which 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 approval of the Board of Supervisors (BOS) to approve, ratify, and authorize the Director of Behavioral Wellness (BWell) or designee to execute the Department of Health Care Services (DHCS) Drug Medi-Cal Organized Delivery System (DMC-ODS) Intergovernmental Agreement (No. 21-10034) to provide Substance Use Disorder (SUD) treatment services in the amount of \$83,994,000 for the period of July 1, 2021 to June 30, 2024. Approval of the

recommended action will allow Behavioral Wellness to provide mandated SUD services to Medi-Cal beneficiaries.

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), the state of California DHCS applied for a Medicaid waiver, a Section 1115 Demonstration Waiver approved on August 2015, to expand and enhance the DMC system in this state and to 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.”

Initially, on February 28, 2017, the BOS 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. The BOS approved the DHCS DMC-ODS multi-year Intergovernmental Agreement on October 16, 2018 for the period of December 1, 2018 through June 30, 2021 to provide mandated SUD services for clients and approved the First Amendment on January 28, 2020.

BWell is returning to the BOS to request approval of the multi-year DHCS Intergovernmental Agreement (DMC-ODS Agreement) to continue to provide DMC-ODS services for substance abuse disorders for Fiscal Years 21-24. 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. 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 from the previous DMC-ODS agreement include: requiring the County to provide additional information regarding nondiscrimination, grievance procedures, notification of language access available to beneficiaries; incorporates DHCS guidance previously issued through MHSUDS Information Notices; deletes the ability to provide courtesy dosing to visiting beneficiaries; and allows for telehealth appointments to the extent allowed by law or regulations.

Performance Measure:

The County participates 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	\$ 3,000,000	\$ 3,000,000
Federal	\$ 24,998,000	\$ 24,998,000	\$ 24,998,000
Fees			
Other:			
Total	\$ 27,998,000	\$ 27,998,000	\$ 27,998,000
Original Three-Year Total:	\$ 83,994,000		

Narrative: The maximum amount of the DMC-ODS agreement is \$83,994,000. 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. DHCS will revise the amounts through the contract amendment process for each new allocation.

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@co.santa-barbara.ca.us and a copy to Behavioral Wellness Contracts at bwellcontractstaff@co.santa-barbara.ca.us.

Attachments:

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

Authored by:

D. Morales