



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: May 16, 2023
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
Director(s) Department of Behavioral Wellness, 805-681-5220
Contact Info: Jamie Huthsing, LMFT, Division Chief of Quality Care
Management, Department of Behavioral Wellness, 805-681-5220
SUBJECT: Behavioral Wellness – Memorandum of Understanding (MOU) with Santa Barbara San Luis Obispo Regional Health Authority DBA CenCal Health Regarding Sharing the Costs of Residential Care and Partial Hospitalization of Common Medi-Cal Members with Eating Disorders for the Period of January 1, 2022 through June 30, 2022

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- A. Approve, ratify, and authorize the Director of the Department of Behavioral Wellness (BWell), or designee, to execute a Memorandum of Understanding (MOU) with **Santa Barbara San Luis Obispo Regional Health Authority DBA CenCal Health**, effective May 16, 2023, regarding sharing the costs of residential care and partial hospitalization of common Medi-Cal members with eating disorders for the period of January 1, 2022 through June 30, 2022, resulting in a one-time payment of **\$100,279** from CenCal Health to BWell (Attachment A);
- B. Delegate to the Director of the Department of Behavioral Wellness or designee the authority to make immaterial changes to the MOU without requiring the Board’s approval of an amendment of the MOU, subject to the Board’s ability to rescind this delegated authority at any time; and
- C. Determine that the above action is a government funding mechanism or other government fiscal activity, which does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment, and is an organizational or

administrative activity of the government that will not result in direct or indirect physical changes in the environment and is therefore not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4) and (b)(5) of the CEQA Guidelines.

Summary Text:

The Department of Behavioral Wellness (BWell) requests approval of the recommended actions to execute a Memorandum of Understanding (MOU) with Santa Barbara San Luis Obispo Regional Health Authority DBA CenCal Health (Attachment A), regarding sharing the costs of residential care and partial hospitalization of common Medi-Cal members with eating disorders for the period of January 1, 2022 through June 30, 2022.

CenCal Health agrees to contribute fifty percent (50%) of the claims paid by BWell for the period of January 1, 2022, through June 30, 2022. BWell's claims for payment for this time period total \$200,558, and CenCal Health has agreed to submit a one-time payment to BWell in the amount of **\$100,279** within sixty (60) days of the effective date of the MOU. Approval of the recommended actions will allow BWell to be reimbursed 50% for the costs of residential care and partial hospitalization of common Medi-Cal members with eating disorders for the period of January 1, 2022 through June 30, 2022.

Background:

DHCS released Behavioral Health Information Notice 22-009 (BHIN 22-009) and All Plan Letter 22-003 (APL 22-003) on March 16, 2022 and March 17, 2022, respectively. DHCS BHIN 22-009 provides Mental Health Plans (MHPs) with clarification and guidance regarding their responsibility to provide medically necessary covered specialty mental health services (SMHS) to beneficiaries who are diagnosed with feeding and eating disorders. Corresponding guidance to Medi-Cal Managed Care Health Plans (MCPs) is contained in DHCS APL 22-003.

As required by DHCS, BWell (the MHP) and CenCal Health (the MCP) entered into an MOU effective July 1, 2022 (Attachment B), which documents the division of financial responsibility, includes a requirement that any medically necessary service requiring shared responsibility (such as partial hospitalization and residential treatment for eating disorders) requires coordinated case management and concurrent review by both the MCP and the MHP, and specifies procedures to ensure timely and complete exchange of information by both the MHP and the MCP for the purposes of medical and behavioral health care coordination to ensure the beneficiary's medical record is complete and the MCP can meet its care coordination obligations.

BWell (the MHP) and CenCal Health (the MCP) share a joint responsibility to provide medically necessary services to Medi-Cal beneficiaries with eating disorders. The MCP is responsible for the physical health components of eating disorder treatment and Non-Specialty Mental Health Services (NSMHS), and the MHP is responsible for Specialty Mental Health Services (SMHS). Individual responsibilities of the MCP include inpatient hospitalization for members with physical health conditions, payment for emergency room professional services, and the medically necessary physical health components in cases of partial hospitalization. Individual responsibilities of the MHP include arrangement and payment for medically necessary psychiatric inpatient hospitalization and outpatient SMHS, and the medically necessary SMHS components for partial hospitalization and residential eating disorder programs.

The DHCS-mandated MOU regarding BHIN 22-009 and APL 22-003 (Attachment B) has an effective date of July 1, 2022, resulting in the costs of services to Medi-Cal beneficiaries with eating disorders since July 1, 2022 being shared 50/50 between BWell and CenCal. However, prior to July 1, 2022,

BWell covered 100% of the costs, including a total of \$200,558 for the period of January 1, 2022 through June 30, 2022. CenCal Health has agreed to issue a one-time payment to BWell for 50% of the costs for the period of January 1, 2022 through June 30, 2022, which is outside of the scope of the existing MOU regarding BHIN 22-009 and APL 22-003. BWell requests Board approval to codify this payment of \$100,279 via a new, one-time MOU with CenCal Health (Attachment A).

Fiscal and Facilities Impacts:

Prior to July 1, 2022, Behavioral Wellness covered 100% of the cost of medically necessary services to Medi-Cal beneficiaries with eating disorders. As a result of this MOU, the costs for January 1, 2022 through June 30, 2022 will be shared 50/50 with CenCal Health, relieving half of Behavioral Wellness' cost burden.

Key Contract Risks:

Should disputes arise between parties that cannot be resolved at the MHP and MCP level, MHPs are required to follow the dispute resolution process contained in BHIN 21-034 (“Dispute Resolution Process Between Mental Health Plans and Medi-Cal Managed Care Health Plans”), including subsequent revisions to BHIN 21-034. MCPs are required to follow a parallel dispute resolution process contained in APL 21-013.

Special Instructions:

Please return one (1) Minute Order to bethle@sbcbswell.org and to bwelcontractsstaff@sbcbswell.org.

Attachments:

Attachment A: CenCal Health MOU – Shared Costs for January 1, 2022 through June 30, 2022
Attachment B: CenCal Health MOU Re: BHIN 22-009 and APL 22-003 – Services to Medi-Cal Beneficiaries with Eating Disorders (Effective July 1, 2022)

Authored By:

B. Le