



Legislation Details (With Text)

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Title: Health and Human Services Agency (HHS) recommending the Board:
 1) Make findings that the provision of Drug Medi-Cal Organized Delivery System (DMC-ODS) Substance Use Disorder (SUD) services provided by Granite Wellness Centers are in the public's best interest and that there are specialty skills, qualifications, and equipment not expressly identified in County classifications involved in the performance of the work in accordance with El Dorado County Ordinance Code, Chapter 3.13.030(B);
 2) Approve and authorize the Chair to sign Amendment II to competitively bid Agreement for Services 7906 with Granite Wellness Centers (Granite), for the retroactive effective date of December 1, 2023, to update the billing rates (as shown in Amended Exhibit B-2 of the Agreement) to include perinatal rates for pregnant/parenting women and their children to receive SUD services, with no changes to the maximum obligation of \$2,841,732 or term of the Agreement;
 3) Authorize the Purchasing Agent to execute amendments relating to Agreement 7906, contingent upon approval by County Counsel and Risk Management, which do not increase the maximum dollar amount or term of the Agreement; and
 4) Authorize the HHS Director, or the Behavioral Health Director, to execute programmatic, administrative, and fiscal documents relating to Agreement 7906.

FUNDING: Federal Medicaid, Federal Substance Abuse Prevention and Treatment Block Grant (SABG), 2011 Realignment Drug Medi-Cal Organized Delivery Services (DMC-ODS), State General Fund, and California Assembly Bill (AB) 109 Treatment funds, available pursuant to Title XIX of the Social Security Act and Medicaid State Plan.

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - Counsel Approval Amendment 2, 7906 A2, 2. B - Partially Executed Amendment 2, 7906, 3. C - Amendment 1, 7906, 4. D - Agreement, 7906, 5. E - HHS - BHD Granite Wellness Retro Memo 050724.pdf, 6. Executed Agreement 7906

Date	Ver.	Action By	Action	Result
6/11/2024	1	Board of Supervisors	Approved	Pass

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 1) Make findings that the provision of Drug Medi-Cal Organized Delivery System (DMC-ODS) Substance Use Disorder (SUD) services provided by Granite Wellness Centers are in the public's best interest and that there are specialty skills, qualifications, and equipment not expressly identified in County classifications involved in the performance of the work in accordance with El Dorado County Ordinance Code, Chapter 3.13.030(B);
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upon approval by County Counsel and Risk Management, which do not increase the maximum dollar amount or term of the Agreement; and

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FUNDING: Federal Medicaid, Federal Substance Abuse Prevention and Treatment Block Grant (SABG), 2011 Realignment Drug Medi-Cal Organized Delivery Services (DMC-ODS), State General Fund, and California Assembly Bill (AB) 109 Treatment funds, available pursuant to Title XIX of the Social Security Act and Medicaid State Plan.

DISCUSSION / BACKGROUND:

The mission of the HHSa SUD Program is to provide an array of evidence-based services designed to prevent and reduce alcoholism and drug addiction through education, prevention, treatment, and counseling services offered directly through the HHSa Behavioral Health Division (BHD) SUD Program as well as through contracts with community agencies. Funding for these valuable services has varied over the years; however, since at least 1990, the County has received State and Federal funding through agreements with the State of California Department of Health Care Services (DHCS) to provide SUD treatment/residential services and prevention programs, including Drug Medi-Cal (State and Federal) and Federal Substance Abuse Prevention and Treatment Block Grants (SAPT).

On May 23, 2017, the Board of Supervisors (Board) authorized the County to “opt in” to the Federal 1115 Waiver for a DMC-ODS, which was a pilot program to test a new system for treating Medi-Cal eligible individuals (referred to as beneficiaries) with a SUD (File ID: 17-0525). By opting in to participate in this DMC-ODS Waiver program, the County is obligated to establish sufficient treatment capacity to meet the needs of the target population. On April 30, 2019, the Board approved and executed the County’s first DMC-ODS Waiver Funding Agreement No. 18-95146 with the DHCS which allowed the County to move forward with the DMC-ODS Waiver plan (File ID: 19-0525). Subsequently, HHSa, on behalf of the BHD SUD Program, began contracting with multiple Drug Medi-Cal (DMC) certified service providers throughout the region to meet the network adequacy requirements for the provision of SUD and Residential Treatment Programs to County beneficiaries (File ID: 19-0525). On September 21, 2021, the Board approved the renewal of DMC-ODS Funding Agreement No. 21-10027 (Fenix 5929) with DHCS, for a term continuing through June 30, 2024 (File ID: 21-1360).

On April 15, 2022, the Chief Administrative Office (CAO) Procurement and Contracts (P&C) Division, released RFP 22-952-042 to solicit multiple DMC-certified residential treatment providers for youth and adult clients, which included perinatal SUD treatment for pregnant and parenting women and their children. A proposal was received by Granite on July 13, 2022, that met the eligibility requirements of the RFP to provide SUD/Residential treatment services. On August 15, 2023, as a result of the RFP evaluative process, the Board awarded Granite’s proposal and authorized the Chair to execute Agreement 7906 for DMC-ODS services agreement with Granite for a three-year term, from July 1, 2023, through June 30, 2026 (File ID: 23-1370).

Amendment I to Agreement 7906 was executed on November 7, 2023, to update the Provider Rates included in the Agreement, with no change to the term or maximum obligation. Amendment II is being brought to the Board as HHSa was notified retroactively by Granite that the Provider Rates included in Amendment I did not include a rate for room and board for children who accompany their mothers into residential treatment for a SUD. Consequently, bringing this retroactive Amendment before the Board was unavoidable, as the services are mandated by the DHCS and align with the County’s obligations under the DMC-ODS Funding Agreement.

HHSA recommends the Board approve of this Amendment II to Agreement 7906 with the retroactive period beginning December 1, 2023, to allow HHSA to pay for retroactive services performed by Granite.

ALTERNATIVES:

Should the Board decline to approve this recommendation, Granite will no longer accept County referrals for children to enter the perinatal SUD treatment with their mothers. HHSA would continue to seek vendors who can accept perinatal and parenting mothers into residential treatment, but Granite is currently the only vendor that HHSA contracts with for this service. The County may receive a corrective action plan from DHCS if HHSA is unable to secure this mandated service for County Medi-Cal beneficiaries.

PRIOR BOARD ACTION:

- 1) 05/23/2017, 17-0525, HHSA Federal 1115 Waiver for DMC ODS
- 2) 04/30/2019, 19-0525, HHSA CA DHCS Agreement 18-95146
- 3) 09/21/2021, 21-1360, HHSA - Agmt 21-10027 DHCS, F-5929
- 4) 08/15/2023, 23-1370, HHSA New CalAIM Drug Medi-Cal Organized Delivery System (DMC-ODS) Agreements

OTHER DEPARTMENT / AGENCY INVOLVEMENT:

Approved by County Counsel, Human Resources, and Risk Management.

CAO RECOMMENDATION:

Approve as recommended.

FINANCIAL IMPACT:

There is no Net County Cost associated with this Agenda item. Sufficient appropriations for the DMC-ODS Program for Federal Medicaid, Behavioral Health Realignment, and State General Funds are included in the Fiscal Year (FY) 2024-25 Budget request and will be included in the subsequent FY budgets.

CLERK OF THE BOARD FOLLOW UP ACTIONS:

Clerk of the Board to obtain signature of Chair on one original Amendment II to Agreement for Services 7906.

STRATEGIC PLAN COMPONENT:

N/A

CONTACT:

Olivia Byron-Cooper, MPH, Director, Health and Human Services Agency