



## Legislation Text

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**File #:** 23-2114, **Version:** 1

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Health and Human Services Agency (HHS) recommending the Board:

- 1) Authorize the Chair to execute Amendment I to Agreement for Services 7928 for children's/youth Specialty Mental Health Services (SMHS) with New Morning Youth and Family Services, Inc., for the retroactive term start date of July 1, 2023, to revise the scope of services and rates to include Non-Mental Health Supportive Services and Goods as well as additional Provider Rate Taxonomies in adherence with new Medi-Cal billing requirements, with no changes to the maximum obligation or term of the Agreement;
- 2) Authorize the Chair to execute Amendment I to Agreement for Services 7937 for children's/youth SMHS Short-Term Residential Treatment Program with Summitview Child and Family Services, Inc., for the retroactive term start date of July 1, 2023, to revise the scope of services and rates to include Non-Mental Health Supportive Services and Goods as well as additional Provider Rate Taxonomies in adherence with new Medi-Cal billing requirements, with no changes to the maximum obligation or term of the Agreement;
- 3) Authorize the Chair to execute Amendment I to Agreement for Services 7938 for children's/youth SMHS with Summitview Child and Family Services, Inc., for the retroactive term start date of July 1, 2023, to revise the scope of services and rates to include Non-Mental Health Supportive Services and Goods as well as additional Provider Rate Taxonomies in adherence with new Medi-Cal billing requirements, with no changes to the maximum obligation or term of the Agreement;
- 4) Authorize the Chair to execute Amendment I to Agreement for Services 7940 for children's/youth SMHS with Sierra Child & Family Services, Inc., for the retroactive term start date of July 1, 2023, to revise the scope of services and rates to include Non-Mental Health Supportive Services and Goods as well as additional Provider Rate Taxonomies in adherence with new Medi-Cal billing requirements, with no changes to the maximum obligation or term of the Agreement;
- 5) Authorize the Chair to execute Amendment I to Agreement for Services 7944 for children's/youth SMHS with Stanford Youth Solutions doing business as Stanford Sierra Youth & Families, for the retroactive term start date of July 1, 2023, to revise the scope of services and rates to include Non-Mental Health Supportive Services and Goods as well as additional Provider Rate Taxonomies in adherence with new Medi-Cal billing requirements, with no changes to the maximum obligation or term of the Agreement;
- 6) Authorize the Purchasing Agent to execute amendments relating to these SMHS Agreements, contingent upon approval by County Counsel and Risk Management, which do not increase the maximum dollar amounts or terms of the agreements; and
- 7) Authorize the HHS Director, HHS Chief Assistant Director, and HHS Behavioral Health Director to execute programmatic, administrative, and fiscal documents relating to these agreements.

**FUNDING:** Federal and State Funding: 50% Federal Medi-Cal, 13% Realignment, and 37% Mental Health Services Act.

**DISCUSSION / BACKGROUND:**

The Mental Health Plan (MHP) in each county is responsible for providing or arranging for the provision of SMHS to local residents that are Medi-Cal beneficiaries. Medi-Cal is California's Medicaid program that provides public health insurance to low-income people, including families with

children, seniors, persons with disabilities, foster care, pregnant women, and low-income individuals diagnosed with specific diseases to cover needed health care services. Beneficiaries become eligible for SMHS when an identified mental health condition has a significant impact on the individual's life functioning.

The HHS Behavioral Health Division (BHD) acts as the MHP for the County of El Dorado and thereby has the obligation to provide eligible children, youth, and young adult residents with access to designated SMHS, in accordance with California Welfare and Institutions Code (WIC) Section 5600 et seq., 5775 et seq., 14000 et seq., and 17000 et seq. Mandated SMHS programs include outpatient mental health services such as medication therapeutic services, inpatient services such as acute psychiatric hospitalizations, and certain types of residential placements.

Beginning in early 2023, the Department of Health Care Services (DHCS) developed program and payment reform across the Medi-Cal program, called the California Advancing and Innovating Medi-Cal (CalAIM) initiative. CalAIM is the State's comprehensive plan to transform the Medi-Cal program and enable it to work more seamlessly with other social services. Under CalAIM, DHCS added new programs and made important reforms to many existing Medi-Cal programs, including SMHS, Substance Use Disorder (SUD), and Residential Treatment Programs, to improve the quality of life and health outcomes of Medi-Cal eligible individuals.

CalAIM transitioned Mental Health programs from a cost-based reimbursement model to a fee-for-service-based reimbursement model. DHCS established July 1, 2023, as the California counties' deadline for achieving said documentation and Medi-Cal payment reforms. Subsequently, as HHS BHD contracts with multiple licensed providers to deliver most of the SMHS for County residents, all of the existing SMHS contracts required new CalAIM contract language and new Medi-Cal billing rates, resulting in new agreements to be developed in a very tight deadline.

On August 15, 2023, the Board of Supervisors approved and executed five retroactive agreements for SMHS children and youth services in order to meet the CalAIM requirements (File ID: 23-0985): New Morning Youth and Family Services, Inc., Agreement 7928; Summitview Child and Family Services, Inc., Agreement 7937; Summitview Child and Family Services, Inc., Agreement 7938; Sierra Child & Family Services, Inc., Agreement 7940; and Stanford Youth Solutions doing business as Stanford Sierra Youth & Families Agreement 7944. After the first invoicing period occurred under these fully executed SMHS agreements, several discrepancies involving fiscal processing and missing Medi-Cal billing taxonomy codes/rates were identified that were not able to be assessed prior to contract execution.

Consequently, to incorporate the CalAIM fiscal processing and Medi-Cal billing required contract language, HHS BHD immediately began processing amendments to these agreements and is recommending the Board authorize the Chair to execute these amended agreements, for the retroactive effective date of July 1, 2023, with no change to the terms or maximum obligations of the agreements. These amended agreements ensure compliance with all Federal and State requirements and will continue to uphold parameters such as consistency in service delivery expectations, performance measures and outcomes, productivity, and funding.

**ALTERNATIVES:**

Should the Board decline to approve these recommendations, HHS would not have sufficient obligation of providers under contract for all mandated SMHS. Consequently, HHS would be out of

compliance with the County's responsibilities as the MHP and with the State's new CalAIM requirements.

**PRIOR BOARD ACTION:**

- 1) 01/12/22, 22-0157, HHSa CalAIM Presentation and Overview
- 2) 8/15/23, 23-0985, HHSa Specialty Mental Health Services (SMHS) Renewal Agreements (7928, 7937, 7938, 7940, 7944)

**OTHER DEPARTMENT / AGENCY INVOLVEMENT:**

County Counsel, Human Resources, and Risk Management

**CAO RECOMMENDATION:**

Approve as recommended.

**FINANCIAL IMPACT:**

There is no General Fund cost associated with this Agenda item. Sufficient appropriations for SMHS for Federal Medi-Cal, Realignment, and Mental Health Services Act were included in the Fiscal Year 2023-24 Budget and will be included in future budgets for the term of the agreements, as well as Medi-Cal reimbursement as appropriate.

**CLERK OF THE BOARD FOLLOW UP ACTIONS**

Clerk of the Board to obtain signature of Chair on Amendment I to Agreements for Services 7928, 7937, 7938, 7940 and 7944.

**STRATEGIC PLAN COMPONENT:**

Healthy Communities

**CONTACT**

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