



Legislation Text

File #: 18-1110, **Version:** 1

Health and Human Services Agency, recommending the Board:

- 1) Approve and authorize the Chair to sign Agreement 3190 (17-94580), and any related forms or documents, with the State of California, Department of Health Care Services, to reimburse the County for specialty mental health services provided for Medi-Cal eligible County residents, for a retroactive effective date of July 1, 2017 through June 30, 2022; and
- 2) Authorize the Chair to execute further documents relating to Agreement 3190, including amendments, that do not change the maximum dollar amount or term of the Agreement, and contingent upon approval by County Counsel and Risk Management.

FUNDING: Mental Health Services Act, Federal Financial Participation, and Realignment.

DEPARTMENT RECOMMENDATION:

Health and Human Services Agency (HHSA) recommending the Board approve Agreement 3190 (17-94580) with a retroactive effective date of July 1, 2017 through June 30, 2022, issued by the California Department of Health Care Services (DHCS). The Agreement confirms the County as the Mental Health Plan (MHP) provider, which makes it possible to provide needed and mandated specialty mental health services to eligible Medi-Cal County residents.

DISCUSSION / BACKGROUND:

Welfare and Institutions Code (WIC) Section 5897 directs the State to implement mental health services defined in WIC Section 5800 (Adult and Older Adult Mental Health System of Care Act), WIC Section 5840 (Prevention and Early Intervention Programs), and Section 5850 (The Children's Mental Health Services Act) through contracts with county mental health programs or with counties acting jointly. For many years, HHSA has contracted with the State to serve as the MHP provider for the County. As the MHP, there are mandated services required of the County, including inpatient and residential mental health treatment, as well as outpatient treatment services. Outpatient Specialty Mental Health Services for children have been provided by contracted Community Based Organization (CBO) providers since 2006-07, in conjunction with support and oversight by Mental Health staff, which include, but is not limited to, psychiatric medication support services, and after hours crisis intervention coverage.

Effective July 1, 2017, new and updated federal Medicaid Managed Care (MMC) regulations were enacted, and since that time DHCS has been working closely with the Centers for Medicare and Medicaid Services (CMS) to develop the attached agreement. This Agreement (17-94580) is retroactive to July 1, 2017 to ensure compliance with the MMC regulations, and is a non-financial agreement.

The current MHP Agreement 456-F1311 (12-89361) between the County and DHCS originally had a term of May 1, 2013 through June 30, 2018, and included a maximum obligation of \$8,113,337,000 covering all counties in the State in aggregate, thereby making it a revenue agreement.

On June 6, 2018 the counties received an amendment to their current MHP agreement which

retroactively terminates the current agreement effective June 30, 2017. In addition, each county received a new non-financial agreement that is retroactive to July 1, 2017 to ensure there is no gap in service coverage. Agreement 3190, as well as the Amendment 1 to the current MHP Agreement 456-F1311, were due back to DHCS by June 30, 2018.

On June 15, 2018, the County Behavioral Health Directors Association, the County Counsels' Association, and the California State Association of Counties communicated concerns about the new MHP contracts issued by DHCS, including the retroactive term and the zero dollar amount of the agreement. The retroactive term to June 30, 2017 implies that services provided during that year, which may or may not be in accordance with the new federal MMC regulations, may be subject to audit and ultimately denial of payment for services previously provided.

Subsequently, on or about June 27, 2018, HHSA received notice that DHCS had denied the request to reconsider both the Amendment and new Agreement. At that time HHSA took immediate action to process both documents and prepare for the next available Board agenda.

ALTERNATIVES:

In the event the Board declines to execute Agreement 3190 with DHCS, DHCS may designate another qualified entity to be the Mental Health Plan for the County of El Dorado (California Code of Regulations, Section 1810.305 (b)). In that event, HHSA would no longer be designated as the MHP, would no longer be obligated to provide Medi-Cal Managed Care services to the mental health population, and could no longer be reimbursed for mental health services through Medi-Cal.

OTHER DEPARTMENT / AGENCY INVOLVEMENT:

County Counsel, Risk Management, and Information Technologies.

CAO RECOMMENDATION:

It is recommended that the Board approve this item.

FINANCIAL IMPACT:

There is no Net County Cost associated with this Agenda item. Sufficient appropriations were included in the Fiscal Year 2018-2019 Budget, and will be included in future budgets for the term of the Agreement

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) Clerk of the Board to obtain signature of Chair on two (2) originals of Agreement 3190.
- 2) Clerk of the Board to return both original Agreements to HHSA, Contracts Unit, 3057 Briw Road, to obtain final signature.
- 3) Clerk of the Board to provide one certified Minute Order to HHSA, Contracts Unit, 3057 Briw Road.

STRATEGIC PLAN COMPONENT:

N/A

CONTACT

Patricia Charles-Heathers, Ph.D., M.P.A., Director