



## Legislation Text

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**File #:** 19-0811, **Version:** 1

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

- 1) Approve the use of the attached Drug Medi-Cal Organized Delivery System (DMC-ODS) services boilerplate agreement thereby ensuring HHS's Substance Use Disorder program enters into agreements with State Drug Medi-Cal-certified providers for the provision of substance use disorder services, using standardized language in an expedited process; and
- 2) Approve and authorize the Director of HHS to sign DMC-ODS services agreements with DMC-certified providers, contingent upon approval by Counsel, Human Resources, and Risk Management.

**FUNDING:** Estimated 70% Federal Medi-Cal with 25% matched funding from 2011 Behavioral Health Realignment and 5% State General Fund for Residential and Outpatient Intensive Treatment services for the expanded population.

**DISCUSSION / BACKGROUND:**

On May 23, 2017, the Board authorized the County to "opt in" to the Federal 1115 Waiver for a Drug Medi-Cal Organized Delivery System (DMC-ODS) (File ID: 17-0525).

On April 30, 2019, the Board approved Funding Agreement 18-95146 (File ID: 19-0525) with California Department of Health Care Services, which allowed the County to move forward with the DMC-ODS Waiver plan and begin contracting with Drug Medi-Cal (DMC)-certified service providers. By opting in to participate in this program, the County is obligated to establish sufficient capacity to meet the needs of the target population. In accordance with the requirements of the DMC-ODS funding Agreement, the County must comply with 42 Code of Federal Regulations (CFR) Section 438.207 and maintain a network of providers that is sufficient in number, mix, and geographic distribution to meet the needs of the anticipated number of beneficiaries in the service area.

In preparation for the DMC-ODS program, the Health and Human Services Agency (HHS) initiated a Request for Qualifications (RFQ) 19-918-004 on July 10, 2018 to ensure standardized service agreements for DMC-ODS providers that meet the requirements of the DMC-ODS funding. This RFQ remains open to maximize the opportunity to contract with DMC-certified service providers to meet the need of clients in El Dorado County.

The attached boilerplate was designed in accordance with the DMC-ODS funding requirements, and was developed to allow for expedited processing of agreements with DMC-certified providers who have successfully met the requirements of RFQ 19-918-004. Authorizing the Director of HHS to execute boilerplate agreements as qualified vendors become available will expedite the Program's ability to establish a network of providers in accordance with 42 CFR 438.207. Contracted service agreements will not exceed the budgeted amount approved by the Board.

DMC-ODS services are expanded beyond those currently provided, as demonstrated below:

Benefits available from both the New DMC-ODS Waiver Benefits as well as (current) standard Drug Medi-Cal Benefits:

- 1) Outpatient Services
- 2) Intensive Outpatient Services
- 3) Narcotic Treatment Program Services

Additional benefits available from the New DMC-ODS Waiver:

- 1) Residential Treatment services through DMC-ODS have no bed limitation and multiple levels of care; however, standard DMC Benefits are limited to perinatal clients in facilities with less than 16 beds.
- 2) Withdrawal Management services through DMC-ODS is a continuum of care; however, standard DMC Benefits are limited to Inpatient Hospital Detoxification.
- 3) Recovery Services, Case Management, Physician Consultation, Additional Medication-Assisted Treatment, and Partial Hospitalization benefits are provided through DMC-ODS; however, none of these services are provided by standard DMC Benefits.

**ALTERNATIVES:**

- 1) The Board could decline to approve the DMC-ODS provider boilerplate for the Drug Medi-Cal Organized Delivery System services, in which case each agreement would be developed individually, resulting in a delayed transition to DMC-ODS services, and resultant delayed increase to the current network and level of services provided by the Alcohol and Drug Program.
- 2) The Board could also decline to authorize the Director of HHSA to sign DMC-ODS services agreements, resulting in each agreement (524 pages in length) being brought to the Board as a separate item. This would also result in a delay in the implementation of increased level of services by the Alcohol and Drug Program.

**PRIOR BOARD ACTION:**

- 1) 17-0525 05/23/17; Approved participation in the DMC-ODS Waiver plan.
- 2) 19-0027 01/29/19; Approved MOU with California Health and Wellness for Medi-Cal Managed Care Services (a requirement of the DMC-ODS Waiver).
- 3) 19-0125 02/06/19; Approved MOU with Anthem Blue Cross for Medi-Cal Managed Care Services (a requirement of the DMC-ODS Waiver).
- 4) 19-0525 04/30/19; Approved DHCS Agreement 18-95146.

**OTHER DEPARTMENT / AGENCY INVOLVEMENT:**

Approved by County Counsel, HR, and Risk Management.

**CAO RECOMMENDATION:**

It is recommended that the Board approve this item.

**FINANCIAL IMPACT:**

Services provided under the DMC-ODS program will be funded by Medicaid Federal Financial Participation (FFP) funds that will be matched with 2011 Behavioral Health Realignment funds. Since many of the individuals in need of these services are Medi-Cal beneficiaries, it is estimated that 90-95% of the services provided will be covered by Drug Medi-Cal and the remainder would be paid out of Behavioral Health Realignment. The County has negotiated rates with the State Department of Health Care Services.

2011 Realignment funds would provide the match from the Behavioral Health Subaccount. It should be noted that 2011 Realignment is funded by a dedicated portion of statewide sales tax, and as long as statewide sales tax continues to grow, "Growth" dollars are available to be allocated to counties. Growth funds are allocated by formula to counties, 50% weighted by approved County claim amounts, and 50% weighted toward the County's share of Statewide Medi-Cal beneficiaries. Should 2011 Realignment funds decline, HHSA would first identify appropriate backup funding (e.g. MHSA Full Service Partnership funding for qualified clients) before requesting General Fund.

#### **CLERK OF THE BOARD FOLLOW UP ACTIONS**

Following Board approval, Clerk of the Board to provide one (1) certified Minute Order to HHSA Contracts at 3057 Briw Road, Suite B.

#### **STRATEGIC PLAN COMPONENT:**

Goal #1 - "Public Safety: Protects the community, prevents crime, enforces the law, administers justice, provides rehabilitative services, and promptly responds to emergency and calls for service."

Goal #5 - "Healthy Communities: Improved health, well-being, and self-sufficiency of El Dorado County communities, residents, and visitors."

#### **CONTACT**

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