



## Legislation Text

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**File #:** 22-0553, **Version:** 1

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

- 1) Award Request for Proposal 22-952-009 to the proposal identified as appropriate by the evaluation panel, Shamanic Living Center, dba Recovery In Action (RIA), to provide Drug Medi-Cal Organized Delivery System Level 1.0 Outpatient and 2.1 Intensive Outpatient Services for adults in El Dorado County; and
- 2) Authorize HHS to negotiate a three (3) year Agreement for Services with RIA, for an estimated budget not to exceed \$1,500,000 for the term of the Agreement, for Fiscal Years 2022-23, 2023-24, and 2024-25, and return to the Board for approval of the agreement upon completion of the negotiations.

**FUNDING:** Federal Medicaid, Federal Substance Abuse Prevention and Treatment Block Grant (SABG), 2011 Realignment Drug Medi-Cal Organized Delivery System (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:**

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). Since that time, the Health and Human Services Agency (HHS) has developed service agreements with providers to provide substance use disorder (SUD) services for County clients in accordance with the terms and conditions of the DMC-ODS agreement between the State and County of El Dorado (County).

The County’s DMC-ODS is a managed care plan as defined under 42 Code of Federal Regulations (CFR) Section 438.2 as a Prepaid Inpatient Health Plan (PIHP). As a PIHP delivering Medicaid services, the County and its network of contracted providers, must adhere to Medi-Cal Managed Care laws and regulations governed by the Center for Medicare & Medicaid Services. These regulations include many requirements designed to ensure that DMC eligible adults and adolescents residing in the County receive high quality services without barriers to access.

In adherence with the DMC-ODS Agreement, the County is required to develop 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. Outpatient treatment services are intended to treat clients experiencing alcohol and/or drug use disorders by helping them: a) Reduce substance abuse usage and/or achieve a substance-free life; b) Maximize multiple aspects of life functioning; c) Prevent or reduce the frequency and severity of drug and alcohol relapse; and, d) Improve their overall quality of life. SUD outpatient treatment providers must have and maintain an active Drug-Medical (DMC) certification for the facility where services are provided, issued by the Department of Health Care Services (DHCS) of a substance abuse treatment program for the contracted American Society of Addiction Medicine (ASAM) Level of Care.

In order to solicit DMC-certified outpatient service providers for youth and adult clients in the County, the Chief Administrative Office (CAO) Procurement and Contracts Division, released Request for

Proposal (RFP) No. 22-952-009 on October 29, 2021 for ASAM Level 1.0 Outpatient and 2.1 Intensive Outpatient Services. One single proposal was received by Shamanic Living Center, dba Recovery In Action (RIA), that met the requirements of the RFP for adult outpatient services, and this proposal was evaluated by a panel of three (3) evaluators with knowledge of HHSA's DMC-ODS outpatient treatment needs. As a result of the RFP evaluative process, HHSA recommends entering into an Agreement for Services for a three-year term, and is requesting the Board approve the award of this RFP to the qualified proposer, RIA, to provide DMC-certified outpatient treatment services in the County. RIA is a DMC-certified outpatient treatment provider established in Diamond Springs specializing in clinic/center (rehabilitation, substance use disorder).

HHSA will return to the Board with the final Agreement for Services for approval.

**ALTERNATIVES:**

Should the Board decline to award RFP 22-952-009, HHSA would continue to provide services through existing contracts; however, it could result in difficulty meeting the needs of the community, and could result in HHSA being out-of-compliance with the DMC-ODS Waiver Plan authorized by the Board in 2017.

**PRIOR BOARD ACTION:**

05/23/17, Item No. 17-0525, Agenda No. 13, Board approved participation in the DMC-ODS Waiver plan.

**OTHER DEPARTMENT / AGENCY INVOLVEMENT:**

Chief Administrative Office, Procurement and Contracts Division.

**CAO RECOMMENDATION:**

Approve as recommended.

**FINANCIAL IMPACT:**

There is no financial impact related to the award of the RFP, as the agreement to be negotiated will be brought to the Board for approval once finalized. Services provided under the DMC-ODS program will be funded by Medicaid Federal Financial Participation (FFP) funds that will be matched with Behavioral Health Realignment and AB-109 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. For the agreement to be negotiated, sufficient appropriations for Federal Medicaid, Behavioral Health Realignment, and State General Funds are included in the Fiscal Year 2022-23 budget request and will be included in subsequent fiscal year budget requests, upon approval of the final Agreement.

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

No action required.

**STRATEGIC PLAN COMPONENT:**

"Healthy Communities, Improved Health, Well-being, and Self-sufficiency of El Dorado County communities, residents, and visitors."

**CONTACT**

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