



Agenda Submittal

Agenda #: 27 **Status:** Approved
Type: Contract **Department:** Health and Social Services
File #: 18-587 **Contact:** Gerald Huber, 784-8400
Agenda date: 8/28/2018 **Final action:** 8/28/2018
Title: Consider an amendment to modify the expiration date of the prior Mental Health Plan contract between Solano County Health and Social Services and the California Department of Health Care Services to May 1, 2013 through June 30, 2017; Consider approval of a contract between Solano County Health and Social Services and the California Department of Health Care Services to provide mental health services under the Medi-Cal Mental Health Plan for FY2017/18 through FY2021/22; and Authorize the Director of Health and Social Services to sign the contract and contract amendment and any administrative amendments issued by the State
Governing body: Board of Supervisors
District: All
Attachments: 1. A - Mental Health Plan Contract Amendment, 2. B - Link to Original Contract and Renewal, 3. Minute Order

Date	Ver.	Action By	Action	Result
8/28/2018	1	Board of Supervisors	Approved	

Published Notice Required? Yes ___ No X ___
Public Hearing Required? Yes ___ No X ___

DEPARTMENTAL RECOMMENDATION:

The Department of Health and Social Services (H&SS) recommends that the Board consider and approve an amendment to modify the expiration date of the prior Mental Health Plan contract between Solano County Health and Social Services and the California Department of Health Care Services to May 1, 2013 through June 30, 2017; Consider approving a contract between Solano County Health and Social Services and the California Department of Health Care Services to provide mental health services under the Medi-Cal Mental Health Plan for FY2017/18 through FY2021/22; and Authorize the Director of Health and Social Services to sign the contract and contract amendment and any administrative amendments issued by the State.

SUMMARY:

The State Department of Health Care services (DHCS) recently issued its renewal contract to counties' Mental Health Plan contracts. The term of the contract began retroactively on July 1, 2017 through June 30, 2022. DHCS also issued an amendment to the prior contract, amending the dates to expire on June 30, 2017 to eliminate two contracts covering the same time frame. The State's delay in issuing the current contract and the amendment to the prior contract was caused by numerous new obligations promulgated by the Centers for Medicare and Medicaid Services' (CMS) revisions to the managed care regulations applicable to Prepaid Inpatient Health Plans (PIHPs) in the Federal Register, Vol. 81, No. 88, May 6, 2016, referred to as the Final Rule. The County Mental Health Plan is considered a PIHP under the managed care rules definitions. As a condition of payment for federal financial participation [42 CFR 438.802(a)], CMS required all State Medicaid agencies revise the contents of their contracts with their respective Plans. CMS has approved the issued version of the MHP contracts.

The Mental Health Plan contract outlines the County's ongoing responsibilities associated with delivery of specialty mental health services for Solano County's Medi-Cal beneficiaries in accordance with the California Code of Regulations Title 9, Title 42 Code of Federal Regulations, and the DHCS State Plan approved by CMS, referred to as the "waiver" authorized under Section 1915 of the Social Security Act. CMS approved the current waiver on July 1, 2015 for a five-year period, which also included Special Terms and Conditions that included more State oversight and transparency of program integrity, monitoring and compliance on the part of both the State and Counties.

Another change to the DHCS contract is that it is a "zero dollar" contract, because there is technically no maximum amount of services that can be delivered, as long as the MHP has the funds for local match that are necessary to draw down federal dollars. The prior contract amendment includes the statewide total for Mental Health Plan contracts. The authority to be paid is in accordance with Chapter 3, Part 2, Division 5 of the Welfare and Institution Code along with Sections 5600, 5750, 5650, and Government Code Sections 11138, 14705 and 14718.

FINANCIAL IMPACT:

As the Mental Health Plan for Medi-Cal beneficiaries, Solano County can claim for federal reimbursement for Medi-Cal direct services, administration of the Mental Health Plan and quality assurance activities. Federal reimbursement can vary between 50-95% depending on the client's Medi-Cal aid code and/or program activity. The FY2018/19 Adopted Budget includes \$18.2M in anticipated federal monies to offset Mental Health Plan expenditures.

DISCUSSION:

Operation of the County Mental Health Plan under this contract obligates the County to the requirements and scope of specialty mental health services that the County must either provide or arrange for on behalf of eligible Medi-Cal beneficiaries of Solano County. Services are delivered in accordance with the County's Implementation Plan. This requires service accessibility 24 hours a day, seven days a week. The contract outlines the wide variety of service types that may be offered based upon individualized medical necessity to beneficiaries (and as resources are available, to indigent residents): mental health outpatient services, medication support services, day treatment intensive, day rehabilitation, crisis intervention, crisis residential services, psychiatric health facility services, psychiatric inpatient services, and targeted case management. In addition, these services are required to be available and provided as medically necessary to beneficiaries under the age 21: intensive care coordination, intensive home based services, therapeutic behavioral services, and therapeutic foster/family care. These services were previously only available on a subset of youth defined by the Katie A lawsuit. The Mental Health Plan is required to ensure that beneficiaries receive all medically necessary covered services and that the services are sufficient in amount, duration, or scope to reasonably achieve the purpose for which the services are furnished.

The Mental Health Plan includes detailed obligations regarding beneficiary protections and access to appropriate services which expanded under the CMS Final Rule - including network adequacy requirements, timely access to services, timely concurrent review and authorization of services delivered, availability of second opinions, timely responses to grievances, and choice of provider, among other administrative requirements detailed in the contract. Implementation of the new regulations have been promulgated through Information Notices in which the State outlines its interpretation of the Federal requirements and the State's expectations associated with the implementation of each new element. The State has been analyzing the requirements and informing counties over the past year and anticipates continuing to implement the additional requirements through 2018.

ALTERNATIVES:

The Board could choose not to approve this contract. This is not recommended because this contract covers

the array of critical specialty mental health services that the County of obligated to provide to Solano County Medi-Cal beneficiaries and enables Federal Financial Participation revenue for these services. These services are critical to the health of individuals with severe mental illness.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed the contracts. This contract also affects numerous subcontractors of Solano County that provide mental health services under the County's oversight as the Mental Health Plan.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION