Legislation Text

File #: 26-766, **Version:** 1

Adopt a resolution amending the List of Numbers and Classifications of Positions to add a 1.0 FTE Mental Health Services Manager (TBD), 2.0 FTE Mental Health Clinician (Licensed) (TBD), 1.0 FTE Mental Health Specialist II (TBD), 1.0 FTE Staff Analyst (TBD), 1.0 FTE Accountant (TBD), and 1.0 FTE Accounting Technician (TBD) and delete a 1.0 FTE Mental Health Clinical Supervisor and a 1.0 FTE Mental Health Nurse for Solano County to administer an independent Drug Medi-Cal Organized Delivery System

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 of Supervisors adopt a resolution amending the List of Numbers and Classifications of Positions to add a 1.0 FTE Mental Health Services Manager (TBD), 2.0 FTE Mental Health Clinician (Licensed) (TBD), 1.0 FTE Mental Health Specialist II (TBD), 1.0 FTE Staff Analyst (TBD), 1.0 FTE Accountant (TBD), and 1.0 FTE Accounting Technician (TBD) and delete a 1.0 FTE Mental Health Clinical Supervisor and a 1.0 FTE Mental Health Nurse for Solano County to administer an independent Drug Medi-Cal Organized Delivery System.

SUMMARY:

As presented to the Board of Supervisors on September 1, 2026, Solano County is preparing to assume direct responsibility for managing the system that provides substance use disorder treatment to Solano County residents covered by Medi-Cal. Since 2019, Partnership HealthPlan of California (Partnership) has performed this administrative role for Solano County and several other counties through a regional arrangement (Drug Medi-Cal Organized Delivery System or DMC-ODS). Partnership notified the County that it will stop providing these services effective December 31, 2026. Beginning January 1, 2027, Solano County Behavioral Health will directly manage the program and Solano County Behavioral Health is working with the California Department of Health Care Services (DHCS) on the transition.

The DMC-ODS program provides a range of treatment services based on the severity of a person's substance use disorder, from outpatient treatment through residential and other higher levels of care. The change in program oversight does not eliminate or replace the substance use disorder treatment services currently available to Medi-Cal members. Rather, it changes who is responsible for organizing, overseeing, and paying providers for those services from Partnership to the County. The County will now be responsible for maintaining an adequate network of treatment providers, ensuring residents can timely access appropriate care, monitoring the quality of services, meeting State and federal Medi-Cal requirements, processing and overseeing payments, and managing the program's financial reporting. Approximately 1,700 Solano County residents received treatment through this system in 2025.

The request before the Board today includes 7.0 FTE positions to establish the necessary staffing infrastructure to ensure continuity of services beginning January 1, 2027. In addition, it includes deleting two vacant positions that are no longer needed in the department for a net addition of 5.0 FTE positions.

FINANCIAL IMPACT:

The annual salary and benefit costs for the requested positions are approximately $1,234,643 with an estimated FY2026/27 cost of $720,208. A significant portion of these costs will be offset by funds currently budgeted and used to purchase administrative services for the DMC-ODS through Partnership. Following termination of the regional model, these resources can be redirected to support County-administered Drug Medi-Cal operations. In addition, counties can claim up to 15% of eligible Drug Medi-Cal services for administration. Actual costs will be evaluated during the Mid-Year Budget process and an Appropriation Transfer Request (ATR) will be processed at that time if necessary.

The staffing plan also deletes two vacant positions for a savings of $399,126 in other areas of Behavioral Health.

DISCUSSION:

Since 2019, Solano County and six other California counties have participated in a regional DMC-ODS administered by Partnership. Under this model, Partnership performs significant administrative functions on behalf of participating counties while substance use disorder treatment is delivered through a network of contracted providers.

Partnership will end administration of the regional Drug Medi-Cal Organized Delivery System effective December 31, 2026. On April 21, 2026, Solano County H&SS notified the California DHCS of its intent to transition to an independently administered county system. Since that time, H&SS Behavioral Health has been working with the DHCS through an expedited approval and readiness process to allow the County to assume responsibility beginning January 1, 2027.

The transition does not create a new substance use disorder treatment system or materially expand the existing continuum of care. Rather, it transfers administrative responsibility for the DMC-ODS from Partnership to Solano County. The County will maintain continuity with the existing provider network while assuming functions previously performed through the regional model.

As the DMC-ODS plan provider, Solano County will become directly responsible for managed care and regulatory functions, including provider network oversight, contract monitoring, member access, quality assurance, performance improvement, residential treatment authorization, network adequacy, timely access monitoring, state and federal reporting, evidence-based practice oversight, transition-of-care responsibilities, and cross-system coordination.

The County will also assume substantially greater fiscal responsibilities, including Drug Medi-Cal claims processing, provider reimbursement, resolution of rejected and denied claims, accounting, revenue reconciliation, expenditure monitoring, cost reporting, and financial reporting to the California DHCS.

The proposed staffing plan was developed to establish these core functions while maximizing the use of existing H&SS resources. The requested staffing represents the core administrative infrastructure necessary for Solano County to assume responsibility for the Drug Medi-Cal Organized Delivery System, including the following 7.0 FTE:

- Adding 1.0 FTE Behavioral Health Manager (TBD) to provide leadership for the system of care including leading the implementation and oversight;
- Adding 1.0 FTE Mental Health Specialist II (TBD) to support the Access Line to accept additional calls,

screen, refer, and coordinate requests for substance use disorder services;
- Adding 2.0 FTE Mental Health Clinicians (licensed) (TBD), one to support authorizations, bed management, provider compliance and network adequacy, and one to support quality assurance, outcome monitoring, and DMC-ODS programmatic and quality reporting;
- Adding 1.0 FTE Staff Analyst (TBD) to the Behavioral Health fiscal team to manage the budget units and fiscal tracking associated with the DMC-ODS;
- Adding 1.0 Accountant (TBD) to the Behavioral Health fiscal team to process contactor vendor claims, prepare fiscal reports, and reconcile revenues;
- Adding 1.0 FTE Accounting Technician (TBD) to the Behavioral Health fiscal team to prepare claims and reconcile payments.

In addition, this items requests deleting 1.0 FTE Mental Health Clinical Supervisor and a 1.0 FTE Mental Health Nurse which are no longer needed within the department, for a total of 5 FTE net new position.

ALTERNATIVES:

The Board could choose not to adopt the resolution establishing the requested positions. This alternative is not recommended because Partnership HealthPlan of California will discontinue administration of the regional Drug Medi-Cal Organized Delivery System on December 31, 2026. Without sufficient staffing to assume required managed care, fiscal, quality, access, and regulatory responsibilities, the County's ability to operate an independent Drug Medi-Cal Organized Delivery System beginning January 1, 2027, could be jeopardized, creating a risk of disruption to substance use disorder treatment for Solano County Medi-Cal beneficiaries.

The Board could approve fewer positions. This alternative is also not recommended because the proposed staffing reflects the core functions necessary to administer the system and already incorporates existing Health and Social Services resources through two add/delete actions and conversion of an existing limited-term position.

OTHER AGENCY INVOLVEMENT:

Health and Social Services Behavioral Health and Administrative Services/Fiscal have collaborated on the proposed staffing and transition plan. The Department has also coordinated with the California Department of Health Care Services regarding Solano County's transition to an independently administered Drug Medi-Cal Organized Delivery System.

The Department of Human Resources is reviewing the requested classifications and position actions, including the proposed add/delete actions and conversion of the limited-term position to regular status.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION