



# COUNTY OF SAN DIEGO

## AGENDA ITEM

# DRAFT

### BOARD OF SUPERVISORS

GREG COX  
First District

DIANNE JACOB  
Second District

KRISTIN GASPAR  
Third District

RON ROBERTS  
Fourth District

BILL HORN  
Fifth District

**DATE:** September 25, 2018

**XX**

**TO:** Board of Supervisors

**SUBJECT: STANDARD AGREEMENT FOR MEDI-CAL SPECIALTY MENTAL HEALTH SERVICES WITH THE CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES (DISTRICT: ALL)**

### OVERVIEW

Since July 21, 1998 (27), the Board of Supervisors (Board) has continuously approved a Standard Agreement for the Mental Health Plan (MHP) with the State of California to provide Specialty Mental Health Services to individuals who have Medi-Cal in San Diego County. The Standard Agreement specifies the Federal and State service requirements that counties must meet when providing these services and the requirements to be able to claim Federal Financial Participation revenues, which offset costs for services provided. As the administrator of the MHP, in FY2016-17, Behavioral Health Services served over 33,527 Medi-Cal clients, providing services including: rehabilitative mental health services, targeted case management, psychiatrist and psychologist services and Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) supplemental specialty mental health services,

To conform to revised State and Federal regulations, today's actions seek Board authority to:

- Amend the most recent Standard Agreement with California's Department of Health Care Services (DHCS) to reflect a revised end date, shifting from June 30, 2018 to June 30, 2017, as directed by the state.
- Ratify and extend the new Standard Agreement between DHCS and the County of San Diego with an effective date of July 1, 2017 to June 30, 2022.
- Approve and authorize future minor amendments to the Standard Agreement.

These actions support the countywide *Live Well San Diego* vision by enhancing access to services, promoting health and well-being in children, adults and families, and encouraging self-sufficiency, which promotes a healthy, safe and thriving region.

### RECOMMENDATION(S)

#### CHIEF ADMINISTRATIVE OFFICER

1. Approve and authorize the Clerk of the Board, upon receipt, subject to the approval of the Agency Director, Health and Human Services Agency, to amend the most recent Standard Agreement for the Mental Health Plan contract from the California Department

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of Health Care Services to reflect the revised end date from June 30, 2018 to June 30, 2017.

2. Authorize the Clerk of the Board to ratify and extend, upon receipt, subject to the approval of the Agency Director, Health and Human Services Agency, the proposed Standard Agreement for the Mental Health Plan contract from the California Department of Health Care Services beginning July 1, 2017 and ending June 30, 2022.
3. Approve and authorize the Clerk of the Board to execute amendments to the Standard Agreement for the Mental Health Plan contract from the California Department of Health Care Services to reflect minor changes to the contract, subject to the approval of the Agency Director, Health and Human Services Agency.

**FISCAL IMPACT**

Funds for this request are included in Fiscal Year 2018-20 Operational Plan for Health and Human Services Agency (HHSA) in the amount of \$103.1 million for Fiscal Year 2018-19 and \$102.8 million for Fiscal Year 2019-20. This agreement does not directly provide funding to HHSA, but authorizes reimbursement of costs incurred when providing services to Medi-Cal Specialty Mental Health clients. There will be no change in net General Fund cost and no additional staff years.

**BUSINESS IMPACT STATEMENT**

N/A

**ADVISORY BOARD STATEMENT**

At their meeting on September 6, 2018, the Behavioral Health Advisory Board voted to

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**BACKGROUND**

On July 21, 1998 (27) the Board of Supervisors approved a Standard Agreement with the California Department of Mental Health (DMH) to provide Medi-Cal Specialty Mental Health Services to eligible persons in San Diego County. Subsequent agreements were continuously approved until Fiscal Year (FY) 2011-12 when DMH functions were transitioned to the Department of Health Care Services (DHCS). The Standard Agreement specifies the Federal and State service requirements that counties must meet to be able to claim Federal Financial Participation revenue for the services provided. This revenue allows the County of San Diego to meet the mental health needs of our most vulnerable residents, the Medi-Cal eligible population. In San Diego County there are over 700,000 clients eligible for services including: rehabilitative mental health services, targeted case management, psychiatrist and psychologist services and Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) supplemental specialty mental health services. The Federal funding which San Diego County accesses through this Agreement ensures these mental health needs are addressed, allowing individuals to lead more healthy lives.

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In FY 2012-13 DHCS finalized a successor Standard Agreement and issued it to counties for execution. The successor Standard Agreement was ratified by the Board of Supervisors on May 14, 2013 (6), extending the Standard Agreement through June 30, 2018.

In FY 2016-17 the Centers for Medicare and Medicaid Services (CMS) disseminated revisions to the federal managed care regulations effective July 1, 2017 as a condition of payment of Federal Financial Participation. In response, on May 29, 2018, DHCS issued an amendment to the Standard Agreement with the counties to reflect the CMS changes. In addition to amending the requirements, the State revised the end date of the current Standard Agreement from June 30, 2018 to June 30, 2017, and proposed a new Standard Agreement from July 1, 2017 through June 30, 2022.

If approved, today's actions would amend the most recent Standard Agreement to reflect the revised end date of June 30, 2017. In addition, the actions would ratify and extend the proposed Standard Agreement start date, beginning July 1, 2017 and ending June 30, 2022, and approve and authorize future minor amendments to the contract. If there are substantive changes to the contract requiring an amendment as a result of any legislative or legal action, or any changes in the County's delivery of Medi-Cal Specialty Mental Health Services pertaining to Medi-Cal expansion, an additional request will be submitted to your Board for authorization.

**LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN**

Today's proposed actions support the Building Better Health and Living Safely Initiatives in the County of San Diego's 2018-2023 Strategic Plan as well as the County's *Live Well San Diego* vision, as they help ensure the effective, efficient, and quality-driven provision of mental health treatment to vulnerable populations of mentally disabled children, youth, adults, older adults, and families while protecting public safety.

Respectfully submitted,

USE "INSERT PICTURE"  
FUNCTION TO INSERT  
SIGNATURE

Chief Administrative Officer

**ATTACHMENT(S)**

Standard Agreement for the Mental Health Plan (MHP) t

**REQUIRES FOUR VOTES:** ☐ Yes ☒ No

**WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED**

☐ Yes ☒ No

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**PREVIOUS RELEVANT BOARD ACTIONS:**

May 14, 2013 (6), ratified the Standard Agreement for the Mental Health Plan contract and revenue agreement from the DHCS beginning May 1, 2013 and ending June 30, 2018 January 29, 2013 (6); approved an interim contract and revenue agreement for the period from December 30, 2012 to no later than April 30, 2013; February 24, 2004 (12), authorized the execution of any Fiscal 2003-04 amendments that deal solely with the upcoming implementation by the State of revised federal Medicaid regulations; July 10, 2001 (13), authorized ongoing renewals and extension to the annual Managed Care Revenue Agreement; July 21, 1998 (27), approved an Implementation Plan for Phase II consolidation of Medi-Cal Specialty Mental Health Services and a two year revenue agreement with the State; February 18, 1997 (3), adopted a resolution communicating San Diego County's preliminary Statement of Intent to participate as a local Mental Health Plan in Phase II of the consolidation of Medi-Cal Managed Mental Health Services.

**BOARD POLICIES APPLICABLE:**

Board Policy B-29 Fees, Grants, Revenue Contracts-Department Responsibility for Cost Recovery

**BOARD POLICY STATEMENTS:**

Board Policy B-29 Fees, Grants, Revenue Contracts-Department Responsibility for Cost Recovery: Per Board Policy B-29 ratification for the revenue agreement with the California Department of Health Care Services for Medi-Cal Specialty Mental Health Services is requested as HHSA/Behavioral Health Services received revised contract term dates and the request to list statewide appropriation for the entire term.

**MANDATORY COMPLIANCE:**

N/A

**ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION  
NUMBER(S):**

506845, 506847

**ORIGINATING DEPARTMENT:** Health and Human Services Agency

**OTHER CONCURRENCE(S):** N/A

**CONTACT PERSON(S):**

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