



Board Agenda Item 26

DATE: November 4, 2025

TO: Board of Supervisors

SUBMITTED BY: Susan L. Holt, Director, Department of Behavioral Health

SUBJECT: Participation Agreement for Credentialing and Recredentialing for California County Behavioral Health Plans

RECOMMENDED ACTION(S):

- 1. Under Administrative Policy No. 34 for competitive bids or requests for proposals (AP 34), determine that an exception to the competitive bidding requirement under AP 34 is satisfied and a suspension of competition is warranted due to unusual or extraordinary circumstances, and that the best interests of the County would be served by entering into an agreement with the California Mental Health Services Authority as it is a Joint Powers Authority that administers a low-cost credentialing database among multiple counties in the State; and**
- 2. Approve and authorize the Chairman to execute a Participation Agreement with the California Mental Health Services Authority for a provider credentialing database, effective upon execution through June 30, 2026, total not to exceed \$166,966.**

There is no additional Net County Cost associated with the recommended actions. Approval of the recommended actions will allow the Department to participate in the Credentialing and Recredentialing for California County Behavioral Health Plans Program offered by the California Mental Health Services Authority (CalMHSA). The Program will support California County Mental Health Plans (MHPs), Drug Medi-Cal Organized Delivery System (DMC-ODS) Plans, and Drug Medi-Cal (DMC) State Plans to comply with the Centers for Medicare and Medicaid Services (CMS) and the Department of Health Care Services (DHCS) uniform provider credentialing and recredentialing requirements as per DHCS Mental Health and Substance Use Disorder Services (MHSUDS) Information Notice (IN) Number 18-019. This item is countywide.

ALTERNATIVE ACTION(S):

Should the Board not approve of the recommended actions, the Department would continue to utilize internal staff to process credential applications. Manual processing and tracking increase administrative burden, increase errors, cause delays, and reduce oversight efficiency.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

It is requested that the County find under AP 34 that an exception to the competitive bidding requirement is satisfied, and a suspension of competition is warranted due to unusual or extraordinary circumstances as CalMHSA is a Joint Powers Authority that administers a low-cost credentialing database among multiple counties in the State. In the Department's research, it was determined that CalMHSA offered the best cost for this service which is standardized among multiple counties. The General Services Department - Purchasing concurs with the Department's assessment that this satisfies the exception to the competitive bidding process required by AP 34.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The maximum amount of the agreement (\$166,966) will be fully offset with Realignment funds. Sufficient appropriations and estimated revenues are included in the Department's Org 5630 FY 2025-26 Adopted Budget.

DISCUSSION:

In accordance with the DHCS Behavioral Health Information Notice 18-019, the Department is required to complete uniform provider credentialing and re-credentialing for all network providers. Counties must ensure that each of its network providers is qualified in accordance with current legal, professional, and technical standards, and is appropriately licensed, registered, waived, and/or certified. These providers must be in good standing with the Medicaid/Medi-Cal programs. Any provider excluded from participation in Federal health care programs, including Medicare or Medicaid/Medi-Cal, may not participate in any County's provider network. Network providers include county-owned and operated providers (Behavioral Health Plan employees) and contracted organizational providers, provider groups, and individual practitioners. Additionally, DHCS requires counties to verify and document (re-credential) at a minimum every three years that each network provider that delivers covered services continues to possess valid credentials, including verification of each of the credentialing requirements.

The Department seeks to modernize its credentialing processes by signing a participation agreement with CalMHSA, which will provide a secure, cloud-based credentialing platform to support credentialing and oversight of mental health and substance use disorder providers.

The platform will enable:

- Online submission of credentialing and recredentialing applications
- Automated verification of licenses and sanctions
- Workflow management for multi-level staff reviews
- Recredentialing reminders
- Generation of approval or denial letters

CalMHSA, a Joint Powers Authority, will administer the agreement on behalf of multiple counties, creating economies of scale and statewide standardization.

The agreement varies from the standard county template as it was drafted by CalMHSA and is utilized by CalMHSA to execute Participation Agreements with different counties and is consistent statewide.

OTHER REVIEWING AGENCIES

The Fresno County Behavioral Health Board was notified of the recommended Agreement at their September 2025 meeting.

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition Acquisition Request
On file with Clerk - Participation Agreement with CalMHSA

CAO ANALYST:

Ronald Alexander, Jr.