



# Board Agenda Item 38

DATE: June 21, 2022

TO: Board of Supervisors

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

SUBJECT: Agreement with Beacon Health Options of California, Inc.

RECOMMENDED ACTION(S):

**Approve and authorize the Chairman to execute an Agreement with Beacon Health Options of California, Inc., to provide substance use disorder residential authorizations, effective July 1, 2022, not to exceed five consecutive years, which includes a three-year base contract and two optional one-year extensions, total not to exceed \$5,842,200.**

There is no additional Net County Cost associated with the recommended action, which will allow the Department of Behavioral Health to continue authorizing substance use disorder residential services for persons who are assessed as needing that level of care. The authorization of substance use disorder residential services is a requirement of the Drug Medi-Cal Organized Delivery System (DMC-ODS) as well as the Department of Health Care Services (DHCS). The recommended agreement will be funded with Behavioral Health Realignment Funds. This item is countywide.

ALTERNATIVE ACTION(S):

If your Board does not approve the recommended action, substance use disorder residential authorizations will not be implemented, placing the Department out of compliance with DHCS requirements.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum compensation is \$5,842,200 and will be offset with Behavioral Health Realignment Funds. Sufficient appropriations and estimated revenues will be included in the Department's Org 5630 FY 2022-23 Recommended Budget and in subsequent budget requests for the duration of the agreement.

DISCUSSION:

Substance use disorder residential authorizations for the County contracted substance use disorder residential providers is required by DHCS for persons seeking treatment services, pursuant to the Intergovernmental Agreement with the DHCS (Agreement No. 21-10028).

On December 20, 2021, the Department coordinated with the Internal Services Department - Purchasing Division to issue Request for Proposals #22-032 for a vendor that could provide Mental Health Concurrent Reviews and Substance Use Disorder Residential Authorizations. The RFP closed on January 27, 2022, and one response was received, which was subsequently reviewed by a committee comprised of the following Department staff: a division manager, a quality improvement coordinator, a clinical supervisor, a staff analyst, and a substance abuse specialist from the Department Social Services. The Department

ultimately recommended funding only the substance use disorder residential authorization portion of the RFP. The review committee recommended the Beacon Health Options of California Inc. (Beacon) proposal for award based on a combination of their experience providing similar services in other counties throughout California as well as their familiarity with the County.

Substance use disorder residential authorizations are required by DHCS to confirm that persons seeking these services are placed into the appropriate level of care and receive necessary treatment. The authorization process consists of a licensed practitioner of the healing arts such as a licensed clinical social worker or licensed marriage and family therapy, confirming medical necessity and placement according to the American Society of Addiction Medicine (ASAM) criteria. Beacon is the current provider of these services through Agreement No. 18-695, approved by the Board on May 25, 2021. The recommended agreement will allow Beacon to continue providing this service as well as collaborate with the County's contracted residential providers.

REFERENCE MATERIAL:

BAI #42, June 22, 2021  
BAI #37, May 25, 2021

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with Beacon

CAO ANALYST:

Sonia M. De La Rosa