



# Board Agenda Item 42

DATE: June 22, 2021

TO: Board of Supervisors

SUBMITTED BY: Dawan Utecht, Director, Department of Behavioral Health

SUBJECT: Drug Medi-Cal Agreement with the Department of Health Care Services

RECOMMENDED ACTION(S):

**Approve and authorize the County Behavioral Health Director/Alcohol and Other Drug Program Administrator to execute Drug Medi-Cal Agreement No. 21-10028 with the California Department of Health Care Services, including required certifications, for revenue to provide substance use disorder treatment services to Fresno County residents, effective July 1, 2021 through June 30, 2024 (\$209,216,883).**

Approval of the recommended action will enable the County to participate in the Drug Medi-Cal Organized Delivery System (DMC-ODS) and receive State and Federal DMC funds through the California Department of Health Care Services (DHCS) to finance substance use disorder treatment services, with no increase Net County Cost. Agreements related to the expenditure of funds would be brought to your Board for approval and execution by the Chairman. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended action is not approved, the agreement and related documents would be brought to the Board for approval; however, due to DHCS deadlines, documents may not be submitted timely, jeopardizing the County's participation in the DMC-ODS, which would jeopardize State, Federal, and Behavioral Health Realignment revenues for substance use disorder programs during the specified contract period.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The recommended agreement will provide \$209,216,883 in revenues for the Department over the next three fiscal years to administer substance use disorder programs with contracted DMC-certified providers. Agreements related to the expenditure of funds would be brought to your Board for approval and execution by the Chairman. Sufficient appropriation and estimated revenues would be included in the Department's Org 5630 FY 2021-22 Recommended Budget and will be included in future budget requests.

DISCUSSION:

Since FY 1989-90, DHCS has contracted with the County to provide substance use disorder treatment services. The DMC Agreement with the DHCS provides both federal and state funding to support substance use disorder services for residents. These funds allow the Department to continue contracting with local DMC-certified providers to deliver treatment services to eligible residents.

On December 4, 2018, the Board approved State Agreement No. 18-95145 an intergovernmental agreement

with the DHCS to provide substance use disorder treatment services under the service delivery model known as the DMC-ODS. The services became operational on January 1, 2019, and will terminate on June 30, 2021.. The DMC-ODS is a paradigm of care delivery modeled after the American Society of Addiction Medicine Criteria for substance use disorder treatment services. It is a pilot program designed to test the effectiveness of an organized delivery of treatment services for Medicaid-eligible persons served. The DMC-ODS functions to provide greater administrative oversight, enable more local control and accountability, create utilization controls to improve care and efficient use of resources, implement evidenced based practices in substance abuse treatment, and coordinate with other systems of care. Under the DMC-ODS, counties are required to ensure an adequate network of services are available for the Medi-Cal population.

On December 10, 2019, your Board approved an amendment to the intergovernmental agreement to make modify various terms and conditions within the agreement and update reimbursement rates for certain services. There were no changes to service terms.

With your Board's approval of the recommended agreement, the Department will provide DMC substance use disorder treatment services to residents. The cancellation clause gives DHCS the right to terminate the agreement without cause upon 90 calendar days advance written notice; however, the County is not given the same right. County's insurance language and limits are not contained within the agreement.

The Department's request to have the County Behavioral Health Director/Alcohol and Other Drug Program Administrator execute the DMC Agreement will ensure signature guidelines are met as required by DHCS.

REFERENCE MATERIAL:

BAI #36, December 10, 2019

BAI #40, December 4, 2018

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement No. 21-10028 with DHCS

CAO ANALYST:

Sonia M. De La Rosa