



# Board Agenda Item 46

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DATE: November 7, 2023

TO: Board of Supervisors

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

SUBJECT: Amendment II to Drug Medi-Cal Intergovernmental Agreement

RECOMMENDED ACTION(S):

**Approve and authorize the County Behavioral Health Director/Alcohol and Other Drug Program Administrator to execute Amendment A02 to Agreement with the California Department of Health Care Services (State No. 21-10028), to revise several agreement exhibits to align with State requirements related to the CalAIM initiative including required certifications, effective upon execution by the State, with no change to the term of July 1, 2021 through June 30, 2024 or compensation maximum of \$209,216,883.**

Approval of the recommended action will revise several agreement exhibits to align with State requirements related to the CalAIM initiative and enable the County to continue 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 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 your Board does not approve the recommended actions, the Department will be out of compliance with several state-county Intergovernmental Agreement contract requirements, jeopardizing the County's participation in the DMC-ODS, as well as State, Federal, and Behavioral Health Realignment revenues for the provision of substance use disorder treatment services and programs during the specified contract period.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The agreement will continue to provide \$209,216,883 in revenue for the Department in the three-year term of the agreement to administer substance use disorder programs with contracted DMC-certified providers. Agreements and subsequent amendments related to the expenditure of funds will be brought to your Board for approval and execution by the Chairman. Sufficient appropriations and estimated revenues are included in the Department's Org 5630 FY 2023-24 Adopted 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

DMC-certified providers to deliver treatment services to eligible residents.

On June 22, 2021, your Board approved State Agreement No. 21-10028, a new intergovernmental agreement with DHCS that continues the provision of substance use disorder treatment services under the DMC-ODS.

On December 13, 2022, your Board approved Amendment A01 to State Agreement No. 21-10028. This amendment revised several agreement exhibits to add, remove, and/or update State requirements related to DHCS' Medi-Cal transformation efforts, known as California Advancing and Innovating Medi-Cal (CalAIM), with no changes in funding.

The current recommended amendment II further revises several agreement exhibits to align with State requirements related to the CalAIM initiative including, but not limited to, provider screening, documentation requirements, oversight monitoring and various program integrity requirements.

With your Board's approval of the recommended amendment, the Department will be able to continue to provide DMC substance use disorder treatment services to Fresno County residents and comply with State mandated requirements. 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 #38, December 13, 2022

BAI #42, June 22, 2021

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment A02 to Agreement with DHCS

CAO ANALYST:

Ronald Alexander