



Board Agenda Item 28

DATE: April 11, 2023

TO: Board of Supervisors

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

SUBJECT: Retroactive Amendment II to Drug Medi-Cal Master Agreement

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute retroactive Amendment II to Master Agreement with Drug Medi-Cal certified providers to update state-mandated requirements and include a new rate for Turning Point of Central California, Inc. to provide recovery services, effective October 1, 2022, with no change to the term of July 1, 2022 through June 30, 2027 and no maximum compensation amount.

Approval of the recommended action will allow the Department of Behavioral Health to update the Drug Medi-Cal (DMC) master agreement with state-county contract language from the California Department of Health Care Services (DHCS). Additionally, this action will enable the County to comply with the terms of State Agreement No. 21-10028 A01, continue to participate in the Drug Medi-Cal Organized Delivery System (DMC-ODS), receive State and Federal DMC funds through DHCS to finance substance use disorder treatment services, and allow the Department to retroactively provide payment to Turning Point of Central California, Inc. for recovery services beginning on October 1, 2022 through the duration of the contract period, with no increase to Net County Cost. 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 contract requirements, jeopardizing State, Federal, and Behavioral Health Realignment revenues for the provision of substance use disorder treatment services and programs during the specified contract period. Additionally, the Department would not be permitted to compensate Turning Point of Central California, Inc. for any recovery services rendered.

RETROACTIVE AGREEMENT:

This recommended agreement is retroactive to October 1, 2022, in order to allow Turning Point of Central California, Inc. to bill for recovery services rendered from October 1, 2022. Recovery Services is a new service for Turning Point of Central California.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The DMC Master Agreement has no maximum compensation amount for DMC funded services which is dependent on the number of services provided. The State is required to pay the County for each service provided up to a maximum allowable rate. The County of Fresno compensates providers for services that have been rendered in compliance with the County-State Intergovernmental Agreement (State Agreement No. 21-10028

A01) and is reimbursed by the State for those services. Sufficient appropriations and estimated revenues are included in the Department's Org 5630 FY 2022-23 Adopted Budget and will be included in subsequent budget requests for the duration of the agreement.

DISCUSSION:

On June 22, 2021, the Board approved State Agreement No. 21-10028, an intergovernmental agreement with the Department of Health Care Services (DHCS) to provide substance use disorder treatment services under the service delivery model known as the Drug Medi-Cal Organized Delivery System (DMC-ODS).

On December 13, 2022, the Board subsequently approved amendment A01 to State Agreement No. 21-10028 that 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). The goal of CalAIM is to improve health outcomes through whole person care approaches and social drivers of health, improve quality outcomes, and reduce health disparities through delivery system transformations.

On May 3, 2022, your Board approved DMC Master Agreement No. 22-176 to continue to contract with DMC certified providers for the provision of substance use disorder treatment services and allowed the Department to continue contractual arrangements with treatment providers through a Master Agreement.

On January 3, 2023, your Board approved Amendment No. 23-016, which amended DMC Master Agreement No. 22-176, and allowed the Department to participate in a pilot to provide contingency management services to Medi-Cal persons served with a stimulant use disorder.

As part of DHCS's efforts to implement CalAIM, guidance has been received from the state that adds, removes, and/or updates various State requirements within the state-county agreement. Due to these ongoing implementation efforts, the Department anticipates future changes to the Drug Medi-Cal master agreement in order to remain in compliance with changing state requirements.

The recommended amendment would bring the Department into compliance with multiple DHCS requirements. The recovery service rate change from \$0.00 to \$36.60 would allow the Department to retroactively compensate Turning Point of Central California for recovery services rendered, beginning October 1, 2022. The amendment also updates insurance requirements to meet current County standards. All other terms remain unchanged.

REFERENCE MATERIAL:

BAI #20, January 3, 2023
BAI #38, December 13, 2022
BAI #33, May 3, 2022
BAI #42, June 22, 2021

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment II to DMC Master Agreement 22-016

CAO ANALYST:

Ronald Alexander