



## Legislation Details (With Text)

**File #:** 17-1012

**On agenda:** 11/14/2017

**Final action:** 11/14/2017

**Enactment date:**

**Enactment #:** Agreement No. 17-579

**Title:** Approve and authorize the Chairman to execute a Master Agreement with licensed and credentialed primary care clinics for mental health and substance use disorder treatment for children, adults, and families, effective upon execution through June 30, 2018 (\$3,100,000); Master Agreement with licensed and credentialed primary care clinics for mental health and substance use disorder treatment for children, adults, and families, effective July 1, 2018, not to exceed five consecutive years, which includes a three-year base contract and two optional one-year extensions, total not to exceed \$124,800,000; and authorize the Director of the Department of Behavioral Health, or designee, to add qualified facilities to the Master Agreement, as necessary

**Attachments:** 1. Agenda Item, 2. Agreement A-17-579 with Primary Care Clinics

Date	Ver.	Action By	Action	Result
11/14/2017	1	Board of Supervisors	Approved (Consent Agenda)	Pass

**DATE:** November 14, 2017

**TO:** Board of Supervisors

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

**SUBJECT:** Master Agreement for Primary Care Integration

### RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chairman to execute a Master Agreement with licensed and credentialed primary care clinics for mental health and substance use disorder treatment for children, adults, and families, effective upon execution through June 30, 2018 (\$3,100,000).**
- 2. Approve and authorize the Chairman to execute a Master Agreement with licensed and credentialed primary care clinics for mental health and substance use disorder treatment for children, adults, and families, effective July 1, 2018, not to exceed five consecutive years, which includes a three-year base contract and two optional one-year extensions, total not to exceed \$124,800,000.**
- 3. Authorize the Director of the Department of Behavioral Health, or designee, to add qualified facilities to the Master Agreement, as necessary.**

Approval of the recommended actions will allow qualified primary care clinics to screen and provide integrated mental health and substance use disorder (SUD) treatment services to County individuals in close proximity to a primary care clinic, depending on the level of service needed. Individuals will have streamlined access to behavioral and physical health care service modalities at the same time and location, significantly reducing wait times. Additionally, approval will allow for the addition of facilities to the recommended agreement without exceeding the annual maximum compensation.

The recommended agreement will be funded with Mental Health Services Act - Prevention and Early

Intervention (MHSA - PEI), MHSA - Community Services and Supports (MHSA - CSS), Short/Doyle Medi-Cal Federal Financial Participation (FFP) revenues for mental health services, Mental Health Realignment, and FFP for SUD services, with no increase in Net County Cost.

ALTERNATIVE ACTION(S):

If the recommended actions are not approved, mental health and SUD services will continue to be provided independent of each other and apart from primary care clinics. Often, individuals experiencing mental and/or physical health issues and/or related SUD crises seek services at hospital emergency departments (ED) because they are unsure where to find proper treatment. As a result, EDs will continue to experience increased visits from individuals with needs that could be addressed at primary care clinics.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The FY 2017-18 maximum compensation is \$3,100,000. The maximum compensation for the proposed five-year agreement is \$124,800,000. The total compensation amount for the Master Agreement, beginning in FY 2017-18 through FY 2022-23 (\$127,900,000), will be fully offset as follows:

Mental Health Services:

MHSA - PEI	\$10,232,000
MHSA - CSS	\$14,600,000
FFP Funds	\$88,999,000

SUD Services:

Mental Health Realignment	\$14,069,000
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Additionally, Clinica Sierra Vista estimates that they would generate \$1,213,695 while leveraging Drug Medi-Cal (DMC) FFP revenue for FFP-billable SUD services during the term of the proposed five-year agreement (FY 2018-23); however, this amount is not included in the agreement because the provider will not be able to apply for the DMC waiver until after this agreement has been executed. Furthermore, DHCS will not be able to certify the SUD sites to be used for the proposed agreement until all necessary tenant improvements are complete and comply with building laws and regulations.

Sufficient appropriations and estimated revenues are included in the Department's Org 5630 FY 2017-18 Adopted Budget and will be included in future budget requests for the term's duration.

DISCUSSION:

According to the Substance Abuse and Mental Health Services Administration's Center for Integrated Health Solutions, individuals living with mental disorders and SUD are more likely to have chronic health conditions, and conversely. Additionally, according to the Centers for Disease Control and Prevention's Morbidity and Mortality Weekly Report, at least 10% of ED patients are individuals diagnosed with behavioral health disorders, often seeking care from EDs when psychiatric and/or primary care is inaccessible or unavailable. Although the cost of ED visits vary widely, a study in 2013, funded by the National Institutes of Health/National Center for Research Resources, estimated that out of 8,303 outpatients visits of adults (18-64 years), the a median cost a visit was \$1,233 per individual. According to the National Association of Community Health Centers, an estimated \$18 billion could be saved nationally if individuals receive non-emergency treatment at

a primary care clinic or as preventative care.

A major challenge for individuals to obtain proper care is the inconvenience of navigating complex healthcare systems. Integration of primary care, mental health, and SUD services would provide a centralized location whereby individuals could receive holistic care (physical and behavioral health) without requiring referrals to behavioral health specialists and programs or experiencing extended wait times between a referral and services. Primary care integration would result in increased delivery of preventative and early intervention health care, decreasing aggravating physical and/or behavioral health needs and ED costs.

On July 22, 2016, Request for Proposal (RFP) No. 952-5481 for Primary Care Integration was released by Internal Services Department - Purchasing Division (ISD- Purchasing). The RFP sought bidders to provide primary care, prevention and early intervention, severely mentally ill (SMI), seriously emotionally disturbed (SED), and SUD services to County residents. Addendum No. 1 was issued on August 10, 2016 following a Bidders' Conference on August 3, 2016. The RFP closed on September 8, 2016.

Four bids were received; one bid was deemed non-responsive and excluded from consideration. The three qualifying bids were reviewed and ranked by a review committee consisting of three Department of Behavioral Health staff, one family advocate, and one community member. In accordance with the review committee, the Department is recommending two bidders for award: Clinica Sierra Vista (ranked No. 1) and United Health Centers (ranked No. 2).

Clinica Sierra Vista is the second largest Federally Qualified Health Center (FQHC) in California, has provided behavioral health services for the past 25 years, and is the current provider of integrated primary care in Kern County. United Health Centers is also a FQHC and previously provided PEI services with a second provider in Agreement No. 11-616, until October 11, 2016. At this time, the Department is recommending the addition of Clinica Sierra Vista, with the intent to add United Health Centers later; both parties have been notified of this plan and agree.

SUD service providers must submit a waiver to the California Department of Health Care Services (DHCS) for certification to leverage DMC FFP revenue for FFP-billable SUD services, and be added to the DMC Master Agreement No. 16-360 to begin billing for DMC FFP revenue.

With your Board's approval, the Department Director, or designee, will be able to add contractors to the Master Agreement with no change to the maximum contract amount. The Department Director, or designee, may approve the following changes as needed:

- services, staffing, and contractor(s)' responsibilities to accommodate changes in laws relating to mental health and SUD treatment;
- budgets that do not exceed 10% of the maximum annual compensation payable to the contractors;
- volume of service or type of service units;
- rates of service; and
- addition of contractors in the proposed agreement.

Changes to the budget that exceed 10% of the maximum annual compensation payable to the contractor would require an amendment with signed written approval by the contractor, County Counsel, the Auditor-Controller/Treasurer-Tax Collector's Office, and the Department Director, or designee. Deletion of contractors requires written mutual agreement between the County, Department Director, or designee, or shall be in accordance with the termination provisions of the recommended agreement.

#### REFERENCE MATERIAL:

BAI #28, October 11, 2011  
BAI #32, April 5, 2016

BAI #43, June 20, 2017

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Master Agreement for Primary Care Integration

CAO ANALYST:

Sonia De La Rosa