



# County of Fresno

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2281 Tulare Street  
Fresno, California  
93721-2198

## Legislation Text

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**File #:** 18-0568, **Version:** 1

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**DATE:** July 10, 2018

**TO:** Board of Supervisors

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

**SUBJECT:** Memorandum of Understanding with Managed Care Plans Blue Cross of California and CalViva Health

### RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chairman to execute a Memorandum of Understanding (MOU) with Fresno, Kings, Madera Regional Health Authority (Calviva Health), for the coordination of specialty mental health and substance use disorder treatment services provided to Medi-Cal beneficiaries who are served by CalViva Health, effective upon execution by all parties with unlimited twelve (12) month auto-renewals unless terminated by either party (\$0).**
- 2. Approve and authorize the Chairman to execute a Memorandum of Understanding (MOU) with Blue Cross of California Partnership Plan, Inc, for the coordination of specialty mental health and substance use disorder treatment services provided to Medi-Cal beneficiaries who are served by Blue Cross of California, effective upon execution by all parties with unlimited twelve (12) month auto-renewals unless terminated by either party (\$0).**

Approval of the recommended actions will allow the Department of Behavioral Health to coordinate care with physical health service providers for those Medi-Cal beneficiaries who are identified as needing specialty mental health and substance use disorder treatment services. DBH currently has in place an MOU with both Managed Care Plans for Mental Health care coordination. These MOUs will supersede them to include substance use disorder treatment to satisfy DHCS requirements for the Drug Medi-Cal Organized Delivery System (DMC-ODS) implementation in Fresno County. There is no money associated with the MOUs.

### ALTERNATIVE ACTION(S):

There is no viable alternative action. These MOUs are contractually required by the State Department of Health Care Services (DHCS) to establish specialty mental health and substance use disorder treatment services managed care plans.

### FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. There is no Net County Cost since the MOUs are for care coordination purposes and all services delivered will be billed to Medi-Cal.

### DISCUSSION:

On March 3<sup>rd</sup> and 10<sup>th</sup> of 2009, the Board approved items to establish a Joint Exercise of Powers Agreement (JPA) with Kings and Madera Counties to create the Fresno, Kings, Madera Regional Health Authority, an agreement governed by Health Authority to provide Medi-Cal services through the managed care plans CalViva Health (CalViva). The JPA is a California Joint Powers Authority and Medi-Cal Managed Care Health

Plan (MCP). The Health Authority adopted bylaws and a conflict of interest code for its operations, hired necessary executive personnel, obtained a license under California's Knox Keene Act from the California Department of Managed Health Care, and entered into necessary subcontracts for administration, legal counsel and medical care delivery. The County entered into MOUs on April 24, 2017 with CalViva and on January 15, 2013 with Blue Cross to meet Mental Health Plan (MHP) requirements, defined in California Code of Regulations, Title 9, Section 1810.370, "MOUs with Medi-Cal Managed Care Plans" to improve care coordination for Medi-Cal beneficiaries identified as needing specialty mental health services. The Drug Medi-Cal Organized Delivery System (DMC-ODS), which is a MCP for substance use disorder (SUD) treatment services, also requires MOUs with physical health MCPs for care coordination.

The DHCS allocates funding annually for physical health care and behavioral health services provided to eligible Medi-Cal beneficiaries. DHCS will fund the costs of physical health care directly to Calviva Health and Blue Cross of California for State sponsored programs. The funding for the behavioral health services is a "carve out" of the overall health plan funding and is managed separately by the Department. The County receives the Medi-Cal Behavioral Health funds directly from DHCS.

The recommended MOUs are revised to integrate care coordination between physical health providers and the new DMC-ODS that has an anticipated implementation date of October 1, 2018. The DMC-ODS will enhance the benefits offered to Medi-Cal beneficiaries by expanding available SUD treatment services. The Department is required to have a mechanism in place to ensure comprehensive care coordination between physical health, specialty mental health and SUD treatment services for the benefit of beneficiary engagement and participation in an integrated care program that promotes whole health. The Department will be required to offer DMC-ODS beneficiaries all levels of SUD treatment care, including access to higher levels of care that are provided through the physical health MCPs and funded through Fee For Service/managed care.

CalViva requested the addition of dual Termination, Hold Harmless and Non-Discrimination clauses in the contract to award CalViva rights equal to those afforded the County under these clauses. County Counsel and Risk Management have approved the dual clauses.

Existing MOUs with CalViva and Blue Cross will be superseded by the new MOUs.

The Department is requesting these MOUs be executed as "evergreen" agreements. CalViva and Blue Cross are the only MCPs in Fresno County as well as surrounding counties. Future Amendments to the MOUs will be brought to your Board for approval.

#### REFERENCE MATERIAL:

BAI# 9, March 3, 2009 - First Hearing to Create a Health Authority and execute JPA  
BAI# 35, March 10, 2009 - Second Hearing to Create a Health Authority and execute JPA  
BAI# 42, April 24, 2012 - DBH MOU with Calviva Health 12-171  
BAI# 21, January 15, 2013 - DBH MOU with Blue Cross of California 13-034  
BAI# 32, July 29, 2014 - DBH MOU Amendment with Calviva Health 12-171-1  
BAI# 48, June 16, 2015 - DBH MOU Amendment with Blue Cross of California 13-034-1

#### ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - MOU with Calviva Health  
On file with Clerk - MOU with Blue Cross of California

#### CAO ANALYST:

Ron Alexander