

## STAFF REPORT

**BOARD MEETING DATE:** December 5, 2023

**CATEGORY:** Consent Calendar {{item.number}}

**SUBJECT:** Approve a retroactive agreement with the State of California Department of Health Care Services, in an amount not to exceed \$118,236,000, for covered Drug Medi-Cal Organized Delivery System services.

**DEPARTMENT:** Health and Human Services Agency-Behavioral Health and Social Services

**SUPERVISORIAL DISTRICT #:** All

**DEPARTMENT CONTACT:** Miguel Rodriguez, Director of Mental Health, Behavioral Health and Social Services Branch, (530) 225-5900

**STAFF REPORT APPROVED BY:** Laura Burch, HHSA Director

<b><u>Vote Required?</u></b>	<b><u>General Fund Impact?</u></b>
Simple Majority Vote	No Additional General Fund Impact

### **RECOMMENDATION**

Take the following actions: (1) Approve Retroactive Agreement Number 23-30123 with the State of California Department of Health Care Services in an amount not to exceed \$118,236,000 to provide covered Drug Medi-Cal Organized Delivery System services for substance use disorder treatment for the period July 1, 2023 through June 30, 2027; (2) approve the California Civil Rights Laws Certification; (3) approve the Contractor Certification Clause; and (4) authorize the County Executive Officer, or their designee, to sign amendments, including retroactive, so long as they otherwise comply with the Administrative Policy 6-101, *Shasta County Contracts Manual*.

### **DISCUSSION**

In August 2015, the Centers for Medicare and Medicaid Services approved a section 1115 waiver allowing California to implement a demonstration project to dramatically expand, improve, and reorganize its system for treating people with substance use disorder (SUD). This 1115 waiver demonstration project has become the Drug Medi-Cal Organized Delivery System (DMC-ODS) program. Participation in the program requires that counties provide access to a full continuum of SUD services modeled after the American Society of Addiction Medicine (ASAM) criteria.

In November 2017, Partnership HealthPlan of California (PHC), Shasta County, and seven other Northern California counties submitted a DMC-ODS Implementation Plan, now known as the Wellness & Recovery Program, to identify and provide covered DMC-ODS services for each counties' eligible beneficiaries under the oversight of PHC.

In June 2020, Shasta County opted into the DMC-ODS pilot project and authorized funding for providing covered DMC-ODS services in Shasta County's service area. From June 2020 through September 2023, 2,860 Shasta County beneficiaries have accessed DMC-ODS services.

This agreement renews Shasta County's participation in the DMC-ODS project and authorizes funding to continue providing covered DMC-ODS services in Shasta County's service area.

This agreement is retroactive as it was received from the California Department of Health Care Services on September 26, 2023, after the effective date of the agreement.

### **ALTERNATIVES**

The Board could choose not to approve the recommendation, defer consideration to a future date, or provide alternate direction to

staff. Should the Board choose not to approve the recommendations Shasta County would be unable to provide DMC-ODS treatment services to Shasta County Beneficiaries. As these services are entitlements for Medi-Cal beneficiaries, the State of California Department of Health Care Services would use an alternate option to ensure delivery of SUD treatment to Shasta County Beneficiaries.

#### **OTHER AGENCY INVOLVEMENT**

County Counsel has approved the agreement as to form. Risk Management and Information Technology have reviewed and approved the agreement. This recommendation has been reviewed by the County Administrative Office.

#### **FISCAL IMPACT**

The total amount of funding available to Shasta County under the terms of this agreement for Fiscal Years (FY) 2023-27 is up to \$118,236,000. Currently DHCS partially reimburses the County for SUD treatment services at up to approximately 89% of the cost, with the remaining approximately 11% fulfilled by intergovernmental transfer revenue utilized as the County's share and contribution. Sufficient expenditure, revenue, and appropriations authority are included in the FY 2023-24 budget (BU 422 and BU 425). Future FY appropriation authority will be included, through the term of this agreement.

#### **ATTACHMENTS:**

1: Agreement – CA DHC for Drug Medi-Cal ODS