



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 6/13/2022

To: County of Sonoma Board of Supervisors

Department or Agency Name(s): Department of Health Services

Staff Name and Phone Number: Tina Rivera, 707-565-4774

Vote Requirement: Majority

Supervisoral District(s): Countywide

Title:

Behavioral Health Delegated Authority for Fiscal Year 2022-2023

Recommended Action:

- A) Authorize an increase of \$13,691,995 to the Director of Health Services', or designee's, Fiscal Year 2022-2023 delegated authority to extend or renew agreements and amendments with providers of Behavioral Health services for terms ending no later than June 30, 2025.
- B) Authorize the Director of Health Services, or designee, to execute new agreements and amendments with providers of Behavioral Health services, competitively procured during Fiscal Year 2021-2022 and 2022-2023, in an amount not to exceed \$18,550,173, for terms ending no later than June 30, 2027, including \$4,093,103 in Fiscal Year 2022-2023.
- C) Authorize an increase by \$194,349 the Director of Health Services', or designee's, delegated authority to execute an agreement with Sonoma County Office of Education for mental health services for children and youth, resulting in a new not-to-exceed amount of \$3,248,270.
- D) Authorize the Director of Health Services, or designee, to execute an agreement with Aurora Behavioral Healthcare for reimbursement of associated administrative costs incurred by the County for the term July 1, 2022 through June 30, 2023, resulting in revenue of \$250,000.

Executive Summary:

The Department contracts with a broad range of providers of mental health and substance use disorder services. In order to deliver timely access to high-quality services, department staff requests authority to execute agreements for mental health and substance use disorder treatment, as well as related support services provided by partner agencies.

The Department is requesting additional delegated (contracting) authority of \$32,436,517. This Board item requests additional delegated (contracting) authority in the amount of \$23,662 for Fiscal Year 2021-2022, \$17,851,525 for Fiscal Year 2022-2023, and \$14,561,330 for future fiscal years (or the "out years" of new multi-year agreements). The Fiscal Year 2022-2023 Recommended Budget includes contract expenditures for behavioral health services of \$68,174,680.

Included in the requested additional delegated authority for behavioral health services are several agreements for Mental Health Services Act (MHSA) Innovation mental health diversion peer and evaluation services, adult and youth outpatient services, adult residential services, early and periodic screening, diagnosis and treatment services for youth, medications for addiction treatment (Naltrexone) services, patients' rights advocate services, and temporary staffing (clinical) services. These services will be competitively procured

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during FY 2022-2023.

Staff is seeking authority to receive revenue of \$250,000 from Aurora Behavioral Healthcare for services provided by the County to Aurora patients having a residence outside of Sonoma County. For the County to be reimbursed by Aurora for these costs, the Department is requesting approval to enter into an agreement with Aurora. In consideration of the associated costs, Aurora will reimburse the County with an administrative fee in the amount of \$250,000 for Fiscal Year 2022-2023.

The services agreements are funded with a combination of Medi-Cal/Federal Financial Participation, Mental Health Services Act, 1991 Mental Health Realignment, 2011 Behavioral Health Realignment, Measure O sales tax, Substance Abuse and Mental Health Services Administration grants, Investment in Mental Health Wellness Act of 2013 grants, other State grants, reimbursements from other County departments, and County General Funds.

Discussion:

The Department contracts with a broad range of licensed providers to provide timely access to high-quality mental health and substance use disorder services. Many of the Department's behavioral health services contracts are managed within a medical network of care as mandated by federal and state regulations. Consistent with state requirements for mental health plans, the Department must maintain an adequate network of service providers based on client need, geographic coverage, culturally-based needs and language capabilities. Mental Health Services Act programs and service needs are vetted annually through a community planning and input process that includes posting of the Mental Health Services Act plan for comment and a public hearing.

Attachment 1 provides a list of behavioral health and support service providers by delegated authority category (the overarching category by which delegated authority has been granted or is being requested). Attachment 2 provides this same list of providers arranged by service category. Attachment 3 provides a list of proposed funding amounts per contractor. These amounts may be different as final agreements are negotiated, but the total amount for each delegated authority category will not exceed its total without further Board action.

Section 1: Delegated Authority

The Department is requesting additional delegated (contracting) authority due to increased contract expenses and extension for Fiscal Years 2021-2022, 2022-2023, and future fiscal years, in the following totals:

- \$23,662 for Fiscal Year 2021-2022
- \$17,851,525 for Fiscal Year 2022-2023
- \$14,561,330 for future fiscal years (or the "out years" of new multi-year agreements)

For additional details, see Tables 1 and 2 below and Attachment 4, which provides additional notes on the recommended actions.

Table 1. Recommended Action A

This action refers to new or extended agreements where additional delegated authority is being requested.

DA Category #	DA Category Description	New Requested DA for FY 22-23 (\$)
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3	Crestwood (for the operation of the Los Guilicos PHF)	\$607,299
10	Specialty Mental Health Services for Youth in Foster Care	52,340
12	Mental Health and Substance Use Disorder Services	11,268,730
13	Mental Health Services Act (MHSA) Innovation	(412,569)
14	Mental Health Services Act (MHSA) Prevention & Early Intervention (PEI)	(22,246)
21	Residential Care Facilities, Long Term Care, Inpatient Hospitalization, Independent Contractors, and Beneficiary Requests for Service	897,163
24	Substance Use Disorder (SUD) Treatment Services	(25,219)
25	Support Services	1,425,693
27	Youth and Family Outpatient Contracts	(99,196)
TOTAL:		\$13,691,995

Table 2. Recommended Action B

This action refers to new competitively procured contracts for which delegated authority is being requested.

DA Category #	DA Category Description	Requested DA for FY 22-23 (\$)	Requested DA for out years (\$)
1	Adult Outpatient RFP	\$1,250,000	\$2,500,000
2	Adult Residential RFP	457,973	1,373,919
5	Crossroads to Hope RFP (Evaluation Services)	11,750	107,250
6	Crossroads to Hope RFP (Peer Services)	458,683	1,922,317
17	Naltrexone RFP	100,000	300,000
19	Patients' Rights Advocate RFP	127,940	774,000
26	Temporary Staffing RFP	965,757	6,037,584
28	Youth Outpatient RFP	250,000	500,000
29	Youth SUDS RFP (EPSDT)	471,000	942,000
TOTAL:		\$4,093,103	\$14,457,070

Recommended Action C

On June 8, 2021, the Board authorized the Director of Health Services, or designee, to execute an agreement with Sonoma County Office of Education for mental health services for children and youth for the period of December 14, 2021 to July 31, 2025 in an amount not-to-exceed \$3,053,921. DHS is requesting an increase of \$194,349 for a new not-to-exceed amount of \$3,248,270. The delegated authority for Fiscal Year 2021-2022 will be increased by \$23,662 to \$611,274, the delegated authority for Fiscal Year 2022-2023 will be increased

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by \$66,427 to \$869,117, and the delegated authority for future fiscal years will be increased by \$104,260 to \$1,767,879. The Department is also requesting a revision of the start date of the delegated authority period from December 14, 2021 to August 1, 2021, as the grant funding started August 1, 2021 and the contractor would have allowable expenditures that could be reimbursed.

Section 2: Behavioral Health Services

For Fiscal Year 2022-2023, DHS is proposing contract expenditures for behavioral health services of \$68,174,680. The Department contracts for services to access expertise not available internally, to expand existing services to match consumer needs to provider expertise, and to address staff shortages for specialized client needs. Contracts include a full range of specialty behavioral health services, and provide consumers broad access to culturally-, age-, and gender-appropriate services within an integrated network of care. Consumers served by the Department's contracted network of behavioral health providers include Medi-Cal beneficiaries, medically indigent, underinsured, and uninsured individuals. Each year, behavioral health services providers implement outreach, prevention, mental health, and substance use disorder services to over 15,000 consumers.

DHS works to maintain a consistent level of healthcare provision to ensure continuity of care and that the delivery of services are geographically accessible throughout Sonoma County. Contracted providers must be licensed by the State and comply with certification requirements and all regulatory and fiscal reporting requirements specific to the services and treatment provided. Because individuals experiencing a serious behavioral health crisis often require an immediate referral to a qualified contracted provider, Board authority to execute and amend agreements is needed to facilitate timely and appropriate access to services.

The Department contracts for the following types of mental health and substance use disorder treatment services as part of the Department of Health Services treatment system. In some instances, the needs of clients dictate a pattern of contract utilization that may be different than what was originally planned at the beginning of a fiscal year. The ability to maximize and move funding between contracts (within the overall budget authority granted by the Board and through typical contract amendment processes) increases opportunities to provide for the varying needs of clients with the most appropriate and effective level of care. Contracts are executed in counsel-approved templates, include language that obligates the Department only to the extent funding is available, and allows for termination of the contract in the event that any anticipated funding is reduced or eliminated.

Acute Inpatient and Short-Term Crisis Services (\$11,951,280)

Individuals in crisis may require a structured setting that provides 24-hour supervision and support. Acute inpatient psychiatric hospitals serve those clients who require a locked facility. Others are able to receive services in a residential setting in the community with intensive 24-hour support and supervision. The Department plans to contract with three providers for these services for a total amount of \$9,199,280. In addition, \$2,752,000 is budgeted for inpatient stays in multiple out-of-county hospitals (and associated professional fees related to those stays).

Community Services & Supports (\$3,696,739)

The Department provides funds and consultation services to community-based health care and substance abuse organizations, enabling these organizations to work more effectively with their clients who have mental illness. These collaborations facilitate access to primary care for individuals with mental illness, and assist the Behavioral Health Division to identify new clients needing services. In addition, these organizations are the

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providers of choice for many in the Latino and Native American populations. The Department plans to contract with 15 providers for these services in amounts ranging from \$10,000 to \$1,033,394.

Consumer, Family and Peer Support and Recovery Services (\$1,862,146)

Through contracts with several community-based organizations, clients and/or their families may access a variety of services designed to foster self-reliance and maximize overall quality of life. The services include provision of general health information and referral, assistance navigating the mental health systems of care, recreation and socialization, consumer and family support groups, peer counseling training, peer counseling, telephone support, advocacy training and consultation, benefits counseling, vocational training, community based informational events, and consumer-operated employment opportunities. The contracts also provide opportunities for individuals in recovery from mental illness and/or family members to be trained to take peer support positions in the system. The Department plans to contract with three providers for these services for the total amount of \$1,862,146.

Independent Specialty Mental Health Services Providers (\$1,654,410)

Independent Specialty Mental Health Providers are psychiatrists and other psychiatric professionals to provide services in the event the County is unable to recruit and retain staff within internally-based programs, to provide for the specialized needs of clients in the community, and to provide services to Mental Health Plan clients in Long Term Care and Residential Care facilities. Continued challenges with recruiting appropriate staff has resulted in an increased need for these services, as well as new federal and state regulations regarding beneficiary continuity of care. DHS plans to contract with multiple currently unidentified providers for these services, based on client need.

Long-Term Care Facilities (\$5,814,236)

Long-term care facilities provide services to improve the daily functioning of adults with serious and persistent mental illness. Facilities also serve clients who require short- to medium-term intensive treatment in a secure, highly structured therapeutic environment in order to return to the community. The Department has identified and plans to contract with an estimated eight providers for these services, based on client need and the availability of beds, in amounts ranging from \$64,009 to \$2,606,100.

Mental Health Services Act (MHSA) Innovation Projects (\$1,686,789)

In the fall of 2019, DHS conducted a community-based solicitation for MHSA Innovation Projects. The Innovation Component of the Mental Health Services Act (MHSA) requires counties to design, pilot, assess, refine, and evaluate a “new or changed application of a promising approach to solving persistent, seemingly intractable mental health challenges” (Welfare and Institutions Code Section 5830, subdivision (c)). The eventual goal is for counties to implement successful practices without Innovation Funds after a maximum of five years and to disseminate successful practices to other counties. Counties can expend Innovation Funds for a specific Innovative Project only after the Mental Health Services Oversight and Accountability Commission approves the funds for that Innovative Project. The Department plans to contract with eight providers in amounts ranging from \$11,750 to \$458,683.

Net Support - Netsmart Technologies Inc. (\$1,032,034)

Ongoing development, support, and implementation of the Avatar electronic health record for mental health services. The Avatar application was selected and approved by the Board in January of 2012 based upon a statewide California Behavioral Health Systems coalition, comprised of 27 California counties which reviewed 44 software products. The Avatar system will be used to submit claims to Medi-Cal and Medicare for services

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in Fiscal Year 2013-2014 and beyond, and perform related clinical, accounting and reporting functions. The software developer, Netsmart, is the sole source for this maintenance agreement.

Prevention and Early Intervention (\$2,323,923)

Our community partners provide 1) prevention based services to individuals prior to the development of serious mental illness or serious emotional disturbances and to alleviate the need for additional mental health services or extended mental health treatment; 2) build capacity for mental health prevention and early intervention services at sites where people access other services such as health providers, education facilities, and community organizations; and 3) ensure earlier access to mental health services in order to lower the incidence of mental illness and suicide, to enhance wellness and resilience, and to reduce stigma and discrimination in Sonoma County. The Department plans to contract with approximately 11 providers for these services in Fiscal Year 2022-2023. In addition, the Department plans to contract with the County of Sonoma Human Services Department's Older Adult Collaborative and the California Mental Health Services Authority (CalMHSA).

Residential Care Facilities (\$7,576,973)

Support services provided to adults in licensed community care facilities fall into two broad categories. Contractors provide an organized treatment program with a daily schedule of activities designed to help clients learn daily living skills, understand their mental illness, and/or deal with substance use disorder issues in preparation for moving into a more independent living situation, if possible. The remaining contracts are with licensed board and care providers that offer limited supervision of clients, assistance with managing medications, and help with the activities of daily living. The Department plans to contract with approximately 17 providers for these services, based on client need, in amounts ranging from \$37,230 to \$1,516,932.

Specialty Mental Health Services for Adults (\$6,112,371)

Includes both residential and outpatient specialty mental health services to ensure that individuals' treatment, counseling, and case management needs are addressed. These community-based programs provide for the specialized needs of clients and provide services to Mental Health Plan clients in residential care facilities. The Department plans to contract with seven providers for these services, based on client need, for a total amount of up to \$5,809,802, in amounts ranging from \$439,000 to \$1,294,588. The Department plans to contract with currently unidentified providers, based on client need, for a total amount of up to \$302,569.

Specialty Mental Health Services for Youth and Families (\$4,431,246)

Includes outpatient mental health youth and family services to ensure that individual/family counseling and case management needs are addressed. A majority of services in this category were competitively procured in early 2019 and four-year contracts with three providers began on July 1, 2019. In Fiscal Year 2022-2023, all contracts with the three providers in this category will total \$3,731,246.

Additional services may be required for specialized placements that the identified providers do not have the ability to serve, such as a very young child or a child with very specialized needs such as eating disorders. The Department plans to contract with currently unidentified providers, based on client need, for a total amount of up to \$700,000.

Specialty Mental Health Services for Youth in Foster Care (\$4,491,340)

The Department partners with agencies that provide specialty mental health services to ensure that the mental health treatment needs of youth in foster care (or other placements) are appropriately met. Services

are available to children who have been assessed and identified as requiring specific levels of mental health intervention, and may also be eligible for services in Short-Term Residential Therapeutic Programs, Intensive Services Foster Care programs and Wraparound. The Department plans to contract with approximately seven providers for these services in amounts ranging from \$50,000 to \$2,050,000. Various additional services may be required for specialized placements that the identified providers do not have the ability to serve, such as a very young child or a child with very specialized needs such as eating disorders. Use of additional providers will result in a decreased cost of identified providers.

Substance Use Disorder (SUD) Treatment Services (\$8,253,769)

Consistent with State requirements for providing substance use disorder services through the Drug Medi-Cal program, the Department maintains an open provider network and any licensed provider may submit a request to contract to provide behavioral health services. Requests are reviewed on an ongoing basis and approved as needed.

A competitive procurement for substance use disorder treatment services was completed in Fiscal Year 2021-2022, which will result in contracts that will begin in Fiscal Year 2022-2023 and end no later than June 30, 2024.

- ***Narcotic Treatment Programs (\$2,934,869)***

This program provides outpatient therapeutic substance use disorder treatment in the form of Narcotic Replacement Therapy (such as methadone) and draws down Drug Medi-Cal federal financial participation dollars.

- ***SUDS Outpatient (\$1,684,757)***

Therapeutic outpatient substance use disorder treatment services may be provided in lieu of incarceration for inmates of the Main Detention Facility and North County Detention Facility, or to residents of the community in need of therapeutic outpatient substance use disorder treatment.

- ***SUDS Perinatal & Parenting Residential & Outpatient (\$562,344)***

Perinatal substance use disorder treatment services are designed to support pregnant and parenting women through intensive outpatient treatment programs and residential treatment. These services can be accessed through community partner referrals, criminal justice system referrals, or self-referral. Both the residential and outpatient services include on-site child care and transportation for clients.

- ***SUDS Residential Non-Medical Detoxification (\$544,912)***

Non-medical detoxification provides short-term recuperative care services where adults under the influence of alcohol and/or drugs can safely withdraw from the ill effects of intoxication.

- ***SUDS Residential Treatment (\$2,526,887)***

Residential treatment services provide therapeutic inpatient substance use disorder treatment. Services may be provided in lieu of incarceration for inmates of the Main Detention Facility and North County Detention Facility. Services may be provided to residents of the community in need of therapeutic residential substance use disorder treatment.

Substance Use Disorder (SUD) Prevention and Other Services (\$1,025,519)

DHS contracts with a number of community-based organizations and individuals to provide a wide variety of substance use disorder prevention and other support services. Services promote and support overall

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community well-being through the prevention of alcohol and drug use/misuse. Prevention strategies aim to address the early stages of high-risk behavior and support healthy life decisions, ultimately preventing the need for more extensive services.

Support Services (\$2,476,609)

The proposed budget for Fiscal Year 2022-2023 includes \$2,476,609 for services to support the delivery of client and program-related services. Following is a description of some proposed support service contracts. A list of support service providers is presented in Attachment 2. Some providers are identified and some are determined as needed.

- ***Counties of Contra Costa, Marin and San Mateo (\$151,832)*** The County of Contra Costa contracts with Optum to provide after-hours phone coverage to the 1-800 numbers that are accessible to residents and Medi-Cal beneficiaries of San Mateo, Marin, Sonoma, and Contra Costa Counties seeking behavioral health services. This agreement funds Sonoma County's portion of the contract with Optum. (The amount listed is the budgeted amount for this contract. The actual contract may be lower due to decreased call volume.)
- ***The SmithWaters Group (\$130,060)*** Oversight of Patients' Rights and Certification hearing process, insuring compliance with all Patients' Rights laws and regulations. Investigates all reports of rights violations as well as abuse and neglect in the system related to both inpatient and outpatient facilities where Mental Health Plan beneficiaries are receiving services. Conducts regular trainings with Behavioral Health Division staff related to 5150, patients' rights, 5270, rights denials, etc. The amount listed is for a six-month contract. A competitive procurement will be conducted for these services and \$127,940 will be available in Fiscal Year 2022-2023 for the awardee.
- ***California Mental Health Services Authority (CalMHSA) (\$322,099)*** The California Mental Health Services Authority (CalMHSA) is a Joint Powers of Authority (JPA), formed in 2009, for the purpose of creating a separate public entity to provide administrative and fiscal services in support of the Members' Mental/Behavioral Health Departments acting alone or in collaboration with other Departments. The Department plans on contracting with CalMHSA in Fiscal Year 2022-2023 for a number of projects including support for concurrent review for inpatient hospitalizations and CalAIM (California Advancing and Innovating Medi-Cal) implementation support.
- ***Behavioral Health Staff Training (\$250,000)*** The Department plans on contracting for division-wide and section-specific training for Behavioral Health staff. Providers will be determined as needed and will conduct critical trainings for staff (both clinical and non-clinical) to meet regulatory requirements and help create a more effective workforce.

Supportive Services to Adults in Independent Living Settings (\$1,772,768)

The treatment goal for all mental health clients is for them to live in the community as independently as possible. A variety of living arrangements are available to clients including single or shared apartments, and homes shared by a small number of individuals. Contract providers send staff to clients' homes to teach and assist them in accomplishing all the tasks necessary to live independently, including menu planning, grocery shopping, budgeting and paying bills, taking medications as prescribed, etc. The Department plans to contract with two providers for these services in amounts ranging from \$223,002 to \$1,549,766.

Temporary Specialty Mental Health Service Agency Providers (\$2,012,528)

Temporary staffing contracts support maintenance of a pool of psychiatrists and other psychiatric

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professionals to provide services in the event the County is unable to recruit and retain staff, or to provide for the specialized needs of Mental Health Plan clients. The Department contracts with staffing agencies, locum tenens, or other providers as needed. The Department plans to contract with five identified providers for these services in amounts ranging from \$62,914 to \$482,309. The amounts listed are for six-month contracts. A competitive procurement will be conducted for these services and \$965,757 will be available (at this time) in Fiscal Year 2022-2023 for the awardees.

Revenue Agreement with Aurora Behavioral Healthcare

Aurora Behavioral Healthcare provides inpatient psychiatric hospitalization for Medi-Cal clients under the age of 21 and over 65. In addition, the Department contracts with Aurora to provide inpatient hospitalization and associated psychiatric professional fees for Medi-Cal Mental Health Plan clients who fall between those ages. Aurora clients needing acute inpatient psychiatric hospitalization and having a residence outside of Sonoma County may require services provided by the County. For the County to be reimbursed by Aurora for these costs, the Department is requesting approval to enter into an agreement with Aurora. In consideration of the associated costs, Aurora will reimburse the County with an administrative fee in the amount of \$250,000 for fiscal year 2022-2023.

Section 3: Competitive Procurement Update

During Fiscal Year 2018-2019, the Department assessed the various types of contracted behavioral health services and embarked on a contracting reform effort to enhance the process of procuring services through a competitive process and to ensure that contracts have performance requirements for quality outcomes. A variety of competitive procurements have taken place since then, including:

- Behavioral Health Services for Sonoma County Youth (Fiscal Year 2018-2019)
- Consumer Peer Support/Recovery and Training Services (Fiscal Year 2019-2020)
- Mental Health Service Act (MHSA) Prevention and Early Intervention (PEI) Services (Fiscal Year 2020-2021)
- Administrative Hearing Officer Services (Fiscal Year 2020-2021)
- Mental Health Block Grant (MHBG) First Episode Psychosis (FEP) Services (Fiscal Year 2020-2021)
- Substance Use Disorder Services (Fiscal Year 2021-2022)

Community-Based Solicitation for Mental Health Services Act (MHSA) Innovation Projects

In the fall of 2019, the Department conducted a community-based solicitation for MHSA Innovation Projects that initiated in Fiscal Year 2020-2021. The Department worked with diverse stakeholders on the MHSA Steering Committee and the Committee's Innovation Subcommittee to develop a process that successfully solicited Innovation project applications from the community. A total of 16 Innovation applications were received. The Innovation Subcommittee reviewed and scored all of the applications. The top five scoring applications were presented to the MHSA Steering Committee and the Department for review and approval. The following five proposals were approved to be sent to the Mental Health Services Oversight and Accountability Commission (MHSOAC) for final approval:

- Early Psychosis Learning Health Care Network (EP LHCN) - Buckelew Programs, Aldea Children and Family Services, and UC Davis
- Nuestra Cultura Cura Social Innovations Lab - On the Move, La Plaza, Humanidad, Raizes Collective, and

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Latino Service Providers

- New Parent TLC - First 5 Sonoma County
- Instructions Not Included - Early Learning Institute
- Collaborative Care Enhanced Recovery Project (CCERP) - Sonoma County Human Services Department and Santa Rosa Community Health Clinics

Competitive Procurements - Planned and In-Process

The following competitive procurements are in the process of being conducted (either Fiscal Year 2021-2022 or 2022-2023):

- Social Rehabilitation - Transitional Residential Program
- Mental Health Diversion Peer Services (Crossroads to Hope)
- Mental Health Diversion Peer Services - Evaluation Consultant (Crossroads to Hope)
- Behavioral Health Adult Outpatient Services
- Behavioral Health Services for Youth
- Mental Health Services Act (MHSA) Capacity Assessment Consultant
- Medication Assisted Treatment Program - Naltrexone
- Early and Periodic Screening, Diagnosis, and Treatment Services for Youth (SUDS)

DHS will continue its phased approach for competitive procurement of behavioral health services in Fiscal Year 2022-2023. In the first half of the fiscal year, the Department plans on conducting a competitive procurement for Patients' Rights Advocate Services, as well as Temporary (Clinical) Staffing Services. The Department expects to enter into six-month contracts with existing providers and anticipates entering into multi-year agreements with awardees of the competitive procurement beginning January 1, 2023. Additionally, during the fiscal year, the Department plans on issuing a Request for Proposals (RFP) for Behavioral Health Services for Sonoma County Youth (which was originally procured during Fiscal Year 2018-2019). Other RFPs that are expected to be released during the fiscal year include:

- Mental Health Service Act (MHSA) Community Services and Supports (CSS) Services
- Specialty Mental Health Services for Adults
- Adult Mental Health Residential Treatment Services
- Crisis Residential Units (applicable programs/services that are not specifically required by any grants)

This competitive procurement process exemplifies departmental efforts to align with the contracting principles for safety net programs adopted by the Board in April 2019. Alignment with the contracting principles promotes fair and open competition in selecting vendors and helps to ensure that behavioral health services are provided equitably and fairly across all regions of the County.

By competitively procuring additional types of behavioral health services, the Department seeks to identify the most capable, responsive, and responsible providers to deliver necessary services. As this process continues, existing and potential providers will gain familiarity with the process and better understand how to obtain funding from the County. Further, through implementation of enhanced contract management and monitoring in alignment with the contracting principles, the Department and Board will have an enhanced ability to

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evaluate program effectiveness to ensure that County resources are being spent effectively.

Through the assessment of the various types of contracted behavioral health services, the Department has identified a number of service types that are not feasible for competitive procurement.

- 1) Services provided by Residential Care Facilities, Long-Term Care Facilities, and Inpatient Hospitals are purchased for specific individual clients based on the client's unique needs and are not appropriate to competitively procure. The Department selects a vendor for each client according to the vendor's ability to meet the clients' needs and expectations, and availability. As such, services are purchased at the rate offered by the provider. Other services identified as not being suitable for competitive procurement include certain services for psychiatry, eating disorder specialty treatment, and electroconvulsive therapy as well as services to be provided under the County's responsibility to meet State Continuity of Care requirements (i.e., beneficiaries may request to continue services with a provider outside of contracted services), which are purchased from individual providers/Independent Contractors. (These services fall under Delegated Authority Category #21 in the tables above and Attachment 1 and 4.)

- 2) **Specialty Mental Health Services provided to Youth in Foster Care**

The department enters into multiple agreements with agencies that provide specialty mental health Sonoma County's youth in foster care. These providers are approved and referred by the Human Services Department. Under the County of Sonoma Mental Health Plan, we are mandated to pay for any specialty mental health services that are provided to the youth while they are with the provider. As such, these agreements are not suitable for competitive procurement. (These services fall under Delegated Authority Category #10 in the tables above and Attachment 1 and 4.)

Strategic Plan:

N/A

Prior Board Actions:

The Board annually authorizes the Director of Health Services to execute agreements for mental health and substance use disorder services and support services agreements for behavioral health services.

On December 14, 2021, the Board approved 1) an increase in Fiscal Year 2021-2022 behavioral health contract expenditures to \$64,109,634; 2) an increase of \$5,769,594 to the Director of Health Services', or designee's, Fiscal Year 2021- 2022 delegated authority to execute multi-year contracts and amendments for Behavioral Health Services as described in that item's Attachment 2; 3) execution of extension of current agreements through June 30, 2022 for Substance Use Disorder Services; 4) execution of an agreement with Aldea Children & Family Services for early psychosis and mood disorder intervention program services for the period December 14, 2021 to June 30, 2025 in an amount not-to-exceed \$1,996,144; 5) execution of an agreement with Sonoma County Office of Education for mental health services for children and youth for the period December 14, 2021 to July 31, 2025 in an amount not-to-exceed \$3,053,921.

On June 8, 2021, the Board approved 1) Fiscal Year 2021-2022 behavioral health contract expenditures of \$53,254,011; 2) execution of agreements and amendments for Mental Health Services Act (MHSA) Prevention and Early Intervention programs, competitively procured during Fiscal Year 2020-2021, with a term beginning in Fiscal Year 2021-2022 and ending no later than June 30, 2025, for a not to exceed amount of up to \$1,132,246 annually; 3) execution of agreements and amendments for Administrative Hearing Officers,

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competitively procured during Fiscal Year 2020-2021, with a term beginning in Fiscal Year 2021-2022 and ending no later than June 30, 2025, for a not to exceed amount of up to \$100,000 annually; 4) execution of agreements and amendments to fulfill First Episode Psychosis program requirements in the Mental Health Block Grant (MHBG), competitively procured during Fiscal Year 2020-2021, with a term beginning in Fiscal Year 2021-2022 and ending no later than June 30, 2025, for a not to exceed amount of up to \$238,000 annually; 5) execution of agreements and amendments for Substance Use Disorder Services, including the extension of current agreements through September 30, 2021 and those competitively procured during Fiscal Year 2020-2021, with terms beginning in Fiscal Year 2021-2022 and ending no later than June 30, 2024, for a not to exceed amount of up to \$7,707,988 annually; 6) execution of agreements and amendments for specialty mental health services for youth in foster care for which competitive procurement is not feasible with a term ending no later than June 30, 2024, for a not-to-exceed amount of up to \$4,227,410 annually; 7) execution of support services agreements and amendments for behavioral health services with a term ending no later than June 30, 2022, for a Fiscal Year 2021-2022 not to exceed amount of \$691,848; 8) execution of agreements and amendments for mental health and substance use disorder services, for which delegated authority is not otherwise requested, with a term ending no later than June 30, 2022, for a Fiscal Year 2021-2022 not-to-exceed amount of \$12,203,778; 9) execution of an agreement with Aurora Behavioral Healthcare for reimbursement of associated administrative costs incurred by the County for the term July 1, 2021 through June 30, 2022, resulting in revenue of \$250,000; 10) execution of agreements and amendments for Mental Health Services Act (MHSA) Innovation Projects, for which a community-based solicitation was performed, with a term ending no later than June 30, 2024, for a not-to-exceed amount of up to \$1,216,356 annually; 11) An increase of \$1,143,188 to the Director of Health Services', or designee's, Fiscal Year 2020-2021 delegated authority, initially approved by the Board on August 4, 2020 in the amount of \$16,042,142, and increased by Board on April 6, 2021 to \$17,358,361 to execute agreements and amendments for Residential Care Facilities, Long-Term Care Facilities, Inpatient Hospitals, and Independent Contractors providing behavioral health services for which competitive procurement is not feasible with a term ending no later than June 30, 2023, resulting in a new not-to-exceed amount of \$18,501,549, to provide for increased service needs and costs.

On April 6, 2021 the Board approved execution of agreements and amendments for mental health and substance use disorder services and related support services, increasing the Fiscal Year 2020-2021 not-to-exceed amount to \$45,094,355, including authorization to execute agreements and amendments for Residential Care Facilities, Long-Term Care Facilities, Inpatient Hospitals, and Independent Contractors providing behavioral health services for which competitive procurement is not feasible with a term ending no later than June 30, 2023, for a not-to-exceed amount of up to \$17,358,361 annually.

On August 4, 2020 the Board approved 1) execution of agreements and amendments for mental health and substance use disorder services and related support services, including agreements for Fiscal Year 2020-2021 in an amount not-to-exceed \$43,130,831; 2) execution of agreements and amendments for Residential Care Facilities, Long-Term Care Facilities, Inpatient Hospitals, and Independent Contractors providing behavioral health services for which competitive procurement is not feasible with a term ending no later than June 30, 2023, for a not-to-exceed amount of up to \$16,042,142 annually; 3) execution of an agreement with Netsmart Technologies, Inc. for a software license and services agreement to provide an integrated information system with clinical decision support for behavioral health services for a term beginning July 1, 2020 and ending no later than June 30, 2023, for a not to exceed amount of up to \$1,032,034 annually; 4) execution of agreements and amendments for Peer Support/Recovery and Training Services, competitively procured during Fiscal Year 2019-2020, with a term beginning in Fiscal Year 2020-2021 and ending no later than June 30, 2024, for a not to

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exceed amount of up to \$1,431,150 annually.

On July 9, 2019 the Board approved execution of agreements and amendments for mental health services for youth, competitively procured during Fiscal Year 2018-2019, with a term beginning July 1, 2019 and ending no later than June 30, 2023 for a not to exceed amount of \$4,438,489 annually.

FISCAL SUMMARY

Expenditures	FY 21-22 Adopted	FY 22-23 Projected	FY 23-24 Projected
Budgeted Expenses	23,662	68,174,680	
Additional Appropriation Requested			
Total Expenditures	23,662	68,174,680	
Funding Sources			
General Fund/WA GF			
State/Federal	23,662	41,393,599	
Fees/Other		26,781,078	
Use of Fund Balance			
Contingencies			
Total Sources	23,662	68,174,680	

Narrative Explanation of Fiscal Impacts:

The Fiscal Year 2022-2023 budget includes \$64,666,037 for service provider contracts (including treatment services) and \$3,508,643 for support services contracts (including Substance Use Disorder), totaling \$68,174,680. For Fiscal Year 2022-2023, additional delegated authority is being requested in the amount of \$17,851,525 [\$13,691,995 for Behavioral Health Services (Recommended Action A), \$4,093,103 for competitively procured Behavioral Health Services (of the total of \$18,550,173 from Recommended Action B), \$66,427 for the contract with Sonoma County Office of Education (of the total of \$194,349 from Recommended Action C)].

For Fiscal Year 2021-2022, additional delegated authority is being requested in the amount of \$23,662 for the contract with Sonoma County Office of Education (of the total of \$194,349 from Recommended Action C). For future fiscal years beyond Fiscal Year 2022-2023, additional delegated authority is being requested in the amount of \$14,561,330 [\$14,457,070 for competitively procured Behavioral Health Services (of the total of \$18,550,173 from Recommended Action B) and \$104,260 for the contract with Sonoma County Office of Education (of the total of \$194,349 from Recommended Action C)].

The mental health and substance use disorder service provider and support services contracts are funded by Medi-Cal/Federal Financial Participation, Mental Health Services Act, 1991 Mental Health Realignment, 2011 Behavioral Health Realignment, Measure O sales tax, Substance Abuse and Mental Health Services Administration grants, Investment in Mental Health Wellness Act of 2013 grants, other State grants, reimbursements from other County departments, and County General Funds.

Staffing Impacts:

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Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Attachment 1 - Behavioral Health Service Providers by Delegated Authority Category

Attachment 2 - Behavioral Health Service Providers by Service Category

Attachment 3 - Behavioral Health Service Providers - Total Amount Per Provider

Attachment 4 - Additional Notes on Recommended Actions

Related Items “On File” with the Clerk of the Board:

None