



SUMMARY REPORT

Agenda Date: 1/27/2026

To: County of Sonoma Board of Supervisors

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

Staff Name and Phone Number: Nolan Sullivan 707-565-4774; Amelyn Olson, 707-565-2696

Vote Requirement: Majority

Supervisory District(s): Countywide

Title:

Public Health Managed Care Plan Memorandum of Understanding Agreements

Recommended Action:

- A) Authorize the County Executive Officer, or designee, to execute a Memorandum of Understanding with Kaiser Foundation Health Plan, Inc., utilizing the California Department of Health Care Services mandated MOU template, including exhibits, which includes nonstandard indemnification language, to ensure that Kaiser Medi-Cal beneficiaries and eligible enrollees receive services available through DHS direct service programs in a coordinated manner and to provide a process to continuously evaluate the quality of care coordination provided, effective upon execution, and to automatically renew each year thereafter unless notified in writing by either agency.
- B) Authorize the County Executive Officer, or designee, to execute a Memorandum of Understanding with Partnership HealthPlan of California, utilizing the California Department of Health Care Services mandated MOU template, including exhibits, to ensure that Partnership Medi-Cal beneficiaries and eligible enrollees receive services available through DHS direct service programs in a coordinated manner and to provide a process to continuously evaluate the quality of care coordination provided, effective upon execution, and to automatically renew each year thereafter unless notified in writing by either agency.
- C) Authorize the County Executive Officer, or designee, to execute modifications to the foregoing memorandums, subject to review as to form by County Counsel.
- D) Authorize the County Executive Officer, or designee, to enter into future Memorandums of Understanding with partner agencies through FY 2026, utilizing the California Department of Health Care Services mandated MOU template, including exhibits, which may have automatic annual renewal terms and/or nonstandard indemnification language, requiring either mutual indemnification or that the County indemnify the partner agency, subject to review as to form by County Counsel, and authorize the County Executive Officer, or designee, to execute modifications to the template, subject to review as to form by County Counsel.

Executive Summary:

The Department of Health Services seeks Board approval to execute Memoranda of Understanding (MOUs) with two local Managed Care Plans: Kaiser Foundation Health Plan, Inc. (Kaiser) and Partnership HealthPlan of California (Partnership). These MOUs formalize collaboration between the County and the Managed Care

Plans to ensure coordinated care, data sharing, and quality oversight for Medi-Cal beneficiaries. The MOUs integrate Women, Infants, and Children; Local Health Department; and Whole Child Model.

The MOUs include nonstandard indemnification language for which the Department seeks Board approval. Under the agreement, each party agrees to accept responsibility for any negligent or wrongful acts or omissions of its own officers, agents, and employees occurring in the performance of this MOU and hold harmless the other party from all claims, losses, damages, expenses, and legal costs arising from their own performance of the agreement. The MOUs will automatically renew annually unless terminated in writing. No new fiscal impact is anticipated. Modifications require mutual written consent.

Lastly, this item requests authority to execute modifications to the memorandums and authority to enter into future Department of Health Care Services mandated MOUs with partner agencies through FY2026, utilizing the California Department of Health Care Services mandated sample MOU template, including exhibits, subject to review as to form by County Counsel.

Discussion:

The Department of Health Services (DHS) provides direct public health and preventive services for Medi-Cal members and other County residents. Under their respective Medi-Cal Managed Care Contracts with the California Department of Health Care Services (DHCS), Medi-Cal Managed Care Plans (MCPs), including Kaiser and Partnership, are required to enter into Memoranda of Understanding (MOUs) with DHS in its role as the Local Health Department.

These MOUs are mandated pursuant to Exhibit A, Attachment III, Section 5.6 of the Medi-Cal Managed Care Contract (Attachment 2) and are further clarified through DHCS All Plan Letter (APL) 23-029 (Attachment 3), initially issued on October 11, 2023, and subsequently revised in August 2025. APL 23-029 establishes DHCS's expectations that MCPs formalize partnerships with local health departments and other third-party entities to support whole-person care, coordinated service delivery, data sharing, and accountability for Medi-Cal beneficiaries who receive services across multiple systems.

DHS provides direct public health and preventive services for Medi-Cal members and other County residents. Under their respective Medi-Cal Managed Care Contracts with DHCS, Kaiser and Partnership are required to enter into MOUs with DHS as the Local Health Department.

These MOUs formalize the working relationship between the County and the Managed Care Plans to ensure coordinated care, data sharing, and quality oversight for Medi-Cal beneficiaries who access services. Importantly, the MOUs do not impose new requirements on the County; rather, they restate or cross-reference existing statutory and regulatory responsibilities to ensure alignment and mutual understanding between the MCPs and the Local Health Department. The MOUs shall be effective from execution date and will automatically extend annually unless either party provides written notice of termination. Modifications require mutual written consent.

On December 15, 2023, DHCS released updated Local Health Department MOU templates, including a Base MOU Template with required provisions and program-specific language. These templates reflect the requirements outlined in APL 23-029, including provisions related to party obligations, care coordination, referrals, training and education, quarterly meetings, data sharing, and MOU-specific quality improvement activities. Staff are conducting an extensive review and negotiation of these templates with both Kaiser and Partnership to ensure local implementation aligns with County operations and existing program responsibilities.

Key changes will include:

- **WIC Integration:** Consistent with APL 23-029 Women, Infants, and Children (WIC) program requirements were incorporated into the standard Local Health Department MOU rather than maintained as a separate agreement, supporting integrated coordination and oversight.
- **TCM Removal:** (TCM) DHS has provided certain services to the Medi-Cal population and was previously reimbursed through a payment method called Targeted Case Management (TCM). In 2024, DHS switched to a new reimbursement source and method under [Title XIX of the Social Security Act](https://www.cdph.ca.gov/Programs/CFH/DMCAH/CDPH%20Document%20Title%20XIX%20of%20the%20Social%20Security%20Act) [https://www.cdph.ca.gov/Programs/CFH/DMCAH/CDPH%20Document%](https://www.cdph.ca.gov/Programs/CFH/DMCAH/CDPH%20Document%20Title%20XIX%20of%20the%20Social%20Security%20Act), which governs the federal Medicaid (Medi-Cal) program.
- **Whole Child Model:** The Whole Child Model is a Medi-Cal delivery system developed by the DHCS beginning in 2016 and implemented in participating counties starting in 2017 to improve outcomes for children and youth, particularly those in foster care or with complex needs, by integrating physical health, behavioral health, and social services. Provisions related to the Whole Child Model remain under review due to ongoing changes in state guidance and program requirements; therefore, specific roles, responsibilities, and operational details cannot be finalized at this time and are expected to be either incorporated into this Memorandum of Understanding through a future amendment, or via stand alone MOUs with the MCPs once clarification is received.

The MOUs outlined in recommended actions A and B will not include Whole Child Model provisions. These provisions are expected to be added in the future as a modification to these memorandums or as a separate memorandum. Therefore, recommended actions C and D request authority to execute modifications to or enter into new MOUs utilizing DHCS mandated MOU templates and exhibits in order for County to add the Whole Child Model provisions, and or any new/revised provisions mandated by DHCS, subject to review as to form by County Counsel.

Strategic Plan:

This item directly supports the County's Five-year Strategic Plan and is aligned with the following pillar, goal, and objective.

Pillar: Healthy and Safe Communities

Goal: Goal 1: Expand integrated system of care to address gaps in services to the County's most vulnerable.

Objective: Objective 3: Create a "no wrong door" approach where clients who need services across multiple departments and programs are able to access the array of services needed regardless of where they enter the system.

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

None

FISCAL SUMMARY

Agenda Date: 1/27/2026

Narrative Explanation of Fiscal Impacts:

No new fiscal impact is expected; MOU activities fall within existing responsibilities and funding.

Narrative Explanation of Staffing Impacts (If Required):

None

Attachments:

Attachment 1 - Sample MCP MOU

Attachment 2 - Managed Care Boilerplate Exhibits

Attachment 3 - DHCS All Plan Letter 23-029

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

None