



SUMMARY REPORT

Agenda Date: 12/16/2025

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
Vote Requirement: Majority
Supervisory District(s): Countywide

Title:

California Department of Public Health and Kaiser Foundation Health Plan Agreements

Recommended Action:

- A) Authorize the County Executive Officer, or designee, to execute a Community Health Assessment and Community Health Improvement Plan grant agreement with Kaiser Foundation Health Plan, Inc. for a total not to exceed \$160,000 through December 31, 2027.
- B) Authorize the County Executive Officer, or designee, to execute a Community Health Assessment and Community Health Improvement Plan Climate Integration Pilot grant agreement with California Department of Public Health for a total not to exceed \$30,000 through June 30, 2026.
- C) Authorize the County Executive Officer, or designee, to execute a Mental Health Plan agreement, including the Division of Financial Responsibility attachment, and a Drug Medi-Cal - Organized Delivery System agreement with Kaiser Foundation Health Plan, Inc. with evergreen terms starting from Effective Date, until terminated by either party.
- D) Authorize the County Executive Officer, or designee, to execute a Data Use Agreement with Kaiser Foundation Health Plan, Inc. which includes nonstandard indemnification language and with an evergreen term starting from Effective Date, until terminated by either party.
- E) Authorize the County Executive Officer, or designee, to execute non-substantive modifications to the foregoing agreements, subject to review and approval by County Counsel.

Executive Summary:

This item requests Board approval to execute grant agreements with Kaiser Foundation Health Plan, Inc., and the California Department of Public Health to support the Department of Health Services' Community Health Assessment and Community Health Improvement Plan initiatives.

These grants advance the State's Future of Public Health initiative, which invests nearly \$300 million annually to strengthen local public health capacity and coordination following lessons from the COVID-19 pandemic. The Community Health Assessment and Community Health Improvement Plan process requires Local Health Jurisdictions to identify community health needs and develop collaborative improvement plans.

Under new California Department of Health Care Services requirements, Managed Care Plans, which serve Medi-Cal members, must contribute to local Community Health Assessment and Community Health Improvement Plan activities. Kaiser funding of \$160,000 will support Department of Health Services project

management, community engagement, data analysis, and coordination with health system partners.

The California Department of Public Health Climate Integration Pilot grant provides \$30,000 for Department of Health Services to integrate climate-related health factors into local planning and inform state guidance.

This item also requests Board approval to execute three evergreen agreements with Kaiser Foundation Health Plan, Inc. related to Department of Health Care Services requirements for Medi-Cal Managed Care Plans. These Memorandums of Understanding specify the responsibilities between Managed Care Plans and local health departments regarding the exchange of information and care coordination between the parties. The first agreement is related to Mental Health Plan services, with an attachment that lists the Division of Financial Responsibility. The second agreement is related to Drug Medi-Cal Organized Delivery System services and the third is a Data Use Agreement. The Data Use Agreement includes nonstandard indemnification language for which the Department seeks Board approval. Such language can expose the County to increased legal and financial risks that deviate from established policies. This approval ensures that any exceptions are carefully reviewed and justified in the public's best interest. This oversight maintains accountability and protects County resources.

Discussion:

The State of California's Future of Public Health initiative has allocated nearly \$300 million in state funding annually to both state and local health jurisdictions (LHJs) to transform and modernize California's public health workforce and infrastructure to be better able to address public health threats. The \$200 million slated for county health agencies is in response to gaps that were made especially apparent during the COVID-19 pandemic. For example, the Future of Public Health guidance materials identify six key service areas that need transformation and modernization:

- Workforce Development, Recruitment, and Training
- Emergency Preparedness and Response
- IT, Data Science, and Informatics
- Communications, Public Education, Engagement, and Behavior Change
- Community Partnerships
- Community Health Improvement

In this last key area, Community Health Improvement, the State of California's Future of Public Health requires LHJs to submit a three-year Local Public Health Workplan and annual Spend Plans guided by a locally developed Community Health Assessment and Community Health Improvement Plan (CHA-CHIP). The CHA-CHIP are now standard tools expected from all health jurisdictions. The Sonoma County Department of Health Services (hereinafter "DHS" or "the Department") completed its first CHA-CHIP in July 2025.

The California Department of Health Care Services (DHCS) now requires all Medi-Cal Managed Care Plans (MCPs) to fulfill their Population Needs Assessment requirement by "participating meaningfully" in the local, collaborative CHA-CHIP processes in counties where they have contracts. As of January 2024, Sonoma County is served by two MCPs: Partnership HealthPlan of California and Kaiser Foundation Health Plan, Inc. DHCS defines "meaningful participation" to include contributing resources to the development of the CHA-CHIP in the form of funding, in-kind staffing, and participation in key meetings and planning groups. MCPs must contribute these resources in a manner that is at least equal to the number of Medi-Cal members served by the MCP within the LHJ jurisdiction. DHS has participated in joint monthly meetings with Kaiser since May

2024 to engage in collaborative planning and implementation of shared goals and strategies associated with the 2024-25 CHA-CHIP, as well as to strengthen this collaboration for future CHA-CHIP cycles.

Kaiser Foundation Health Plan CHA-CHIP Grant (Attachment 1):

The Kaiser CHA-CHIP grant addresses the ongoing need for strengthened LHJ infrastructure and planning capacity. The CHA-CHIP development grants are designed to provide financial and technical support for the completion of the CHA-CHIP plan, in alignment with the DHCS requirement described above.

The grant will support DHS in assessing health needs and developing responsive plans to address those community needs through the CHA-CHIP process. The grant is also meant to support joint planning between managed care plans and LHJs to reduce siloed systems, enhance population health outcomes, and align with DHCS. Specifically, the grant will be used to offset DHS' costs related to project management, administration, data collection and analysis, facilitation, community engagement, data infrastructure and technology needs, communications, and technical assistance.

Going forward, DHS plans to convene a countywide collaborative to engage diverse stakeholders across public health, healthcare systems, community organizations, and local government, facilitating a comprehensive, inclusive CHA-CHIP process that identifies critical community health needs, establishes evidence-based priorities, and drives measurable, equity-focused outcomes. Funds from the grant will support the administrative and management costs associated with these engagement efforts.

Kaiser's initial grant award is for two fiscal years. There is a potential for subsequent Kaiser funded grant awards via an annual grant application process to support the recurring CHA-CHIP initiative in Sonoma County.

California Department of Public Health CHA-CHIP Climate Integration Pilot Grant (Attachment 2):

The California Department of Public Health seeks to partner with LHJs interested in providing feedback on their upcoming guidance for integrating health impacts of climate change into CHA-CHIP plans. Contracting LHJs will review and utilize the Climate Integration Spectrum, Companion Guide, and Worksheet for pre-planning, planning or implementing, depending on where the LHJ is in CHA-CHIP cycle. Contracting LHJs will engage with internal and external stakeholders and provide feedback about the utility of the tool and recommendations for improvement to the California Department of Public Health.

DHS applied for this opportunity and received notification of a \$30,000 funding award on September 4, 2025. The contract project period is January through June of 2026.

Kaiser Foundation Health Plan Mental Health Plan Agreement and Division of Financial Responsibility Attachment (Attachment 3 and 4):

The Memorandum of Understanding (MOU) between the Kaiser Foundation Health Plan and the Sonoma County Department of Health Services Mental Health Plan (MHP) establishes the respective and shared responsibilities between the Kaiser Managed Care Plan (MCP) and the Sonoma County Mental Health Plan (MHP). Its purpose is to ensure that Medi-Cal beneficiaries enrolled in the Kaiser MCP and who are served by the DHS MHP can access and/or receive mental health services in a coordinated manner across both systems of care. This MOU is required in accordance with each party's contractual obligations to the California Department of Health Care Services (DHCS).

This MOU defines each plan's responsibilities, including covered services; oversight and compliance requirements; staff training; screening, assessment, and referral requirements; care coordination and collaboration expectations; Enhanced Care Management and Community Support benefits; shared

responsibilities for eating disorder services; and prescription drug and laboratory workflows. It also establishes quarterly system-level meetings, data-sharing requirements, and the dispute resolution process.

A Division of Financial Responsibility Attachment is included to detail each party's coverage obligations for Eating Disorder Services and Electroconvulsive Therapy. This attachment specifies cost-sharing arrangements and the invoicing process between the parties.

Kaiser Foundation Health Plan Drug Medi-Cal Organized Delivery System Agreement (Attachment 5):

The MOU between the Kaiser Foundation Health Plan and the Sonoma County Department of Health Services Drug Medi-Cal Organized Delivery System (DMC-ODS) establishes the respective and shared responsibilities between the Kaiser MCP and the Sonoma County DMC-ODS. Its purpose is to ensure that Medi-Cal beneficiaries enrolled in the Kaiser MCP and who are served by the DHS DMC-ODS can access and/or receive mental health services in a coordinated manner across both systems of care. This MOU is required in accordance with each party's contractual obligations to the DHCS.

This MOU defines each plan's responsibilities, including covered services; oversight and compliance requirements; staff training; screening, assessment, and referral requirements; care coordination and collaboration expectations; Enhanced Care Management and Community Support benefits; and prescription drug and laboratory workflows. It also establishes quarterly system-level meetings, data-sharing requirements, and the dispute resolution process.

Kaiser Foundation Health Plan Data Use Agreement (Attachment 6):

The Kaiser Foundation Health Plan Data Use Agreement governs the disclosure of Protected Health Information between Kaiser and the Department, as it pertains to the MOUs outlined in the Department of Health Care Services [All Plan Letter 23-029](#)

[<https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2023/APL23-029.pdf>](https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2023/APL23-029.pdf)

. The MOU's outlined in the All Plan Letter include the MHP, DMC-ODS, and Data Use Agreement MOU's, as well as additional MOU's that are either in development or have been fully executed between Kaiser and the Department.

This Data Use Agreement specifies the minimum data and information that the Managed Care Plan must share with the Department to ensure compliance with Department of Health Care Services requirements. It also outlines the data and information to be exchanged by both parties regarding shared members, with the goal of enhancing care coordination and improving client referral processes. This Data Use Agreement is intended to guide both parties in identifying and documenting the minimum necessary information required to facilitate referrals and coordinate care, the appropriate methods for exchanging that information, and whether shared-member consent is required.

This Data Use Agreement includes a mutual indemnification provision, which necessitates authorization from the Board of Supervisors. Under this provision, each party would defend and indemnify the other party against any claims arising out of the other party's negligence in the performance under the Agreement.

The Department must execute the MHP, DMC-ODS, and Data Use Agreement MOU's by December 31, 2025.

Pursuant to Department of Health Care Services requirements outlined in [All Plan Letter 25-007](#)

[<https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL%202025/APL25-007.pdf>](https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL%202025/APL25-007.pdf), failure to meet this deadline may result in corrective action plans, as well as administrative and monetary sanctions against Kaiser and the Department.

Strategic Plan:

Agenda Date: 12/16/2025

None

Racial Equity:

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

No

Prior Board Actions:

On February 6, 2024, the Board approved receipt of a progress report on Community Health Assessment and Community Health Improvement Plan.

FISCAL SUMMARY

Expenditures	FY25-26 Adopted	FY26-27 Projected	FY27-28 Projected
Budgeted Expenses	\$ 110,000	\$ 80,000	
Additional Appropriation Requested			
Total Expenditures	\$ 110,000	\$ 80,000	
Funding Sources			
General Fund/WA GF			
State/Federal	\$30,000		
Fees/Other	\$ 80,000	\$ 80,000	
Use of Fund Balance			
General Fund Contingencies			
Total Sources	\$ 110,000	\$ 80,000	

Narrative Explanation of Fiscal Impacts:

A total of \$190,000 in grant funding is proposed to support the CHA-CHIP process in Sonoma County for Fiscal Year 2025-2026 and 2026-2027:

- Kaiser Grant- \$160,000 over two years (FY 2025-2026 and FY 2026-2027), including \$8,000 in administrative overhead.
- CDPH Grant- \$30,000 in FY 2025-2026 to support staff time, with \$3,000 in uncovered overhead costs, which will be funded by 1991 Health realignment.

In total, \$190,000 in appropriations will be requested across the two fiscal years. For FY 2025-2026, the expenditure appropriations are already included in the adopted budget; however, Board approval is required to receive \$110,000 in grant revenue for FY 2025-2026. For future fiscal years, both revenue and expenditure appropriations will be incorporated into the annual budget process.

Narrative Explanation of Staffing Impacts (If Required):

None

Attachments:

Agenda Date: 12/16/2025

Attachment 1 - Kaiser Foundation Health Plan, Inc Draft Agreement

Attachment 2 - California Department of Public Health Notice of Intent to Award

Attachment 3 - Kaiser Foundation Health Plan, Inc. - Mental Health Plan Agreement

Attachment 4 - Kaiser Foundation Health Plan, Inc. - Division of Financial Responsibility Mental Health Plan Agreement Attachment

Attachment 5 - Kaiser Foundation Health Plan, Inc. - Drug Medi-Cal- Organized Delivery System Agreement

Attachment 6 - Kaiser Foundation Health Plan, Inc. - Data Use Agreement

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

None