



SONOMA COUNTY

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

Summary Report

Agenda Date: 3/12/2019

To: Board of Supervisors of Sonoma County
Department or Agency Name(s): Department of Health Services
Staff Name and Phone Number: Barbie Robinson, 565-7876
Vote Requirement: Majority
Supervisory District(s): Countywide

Title:

Contracting for Behavioral Health Services

Recommended Actions:

Receive update on redesign of the mental health delivery system and approve contracting out of behavioral health services to network providers.

Executive Summary:

The Department of Health Services Behavioral Health Division provides a broad range of mental health and substance use disorder services ranging from prevention and early engagement services to acute inpatient hospital services. As the designated Mental Health Medi-Cal Managed Care Plan in Sonoma County, the Behavioral Health Division serves the County's most seriously mentally ill patients. In order to meet service needs, the Behavioral Health Division has a provider network that consists of a combination of directly employed staff and contracted community providers.

To address significant fiscal challenges in the Behavioral Health Division, the Department recently implemented a number of strategies including a redesign of the behavioral health delivery system. The goals of the redesign are: 1) improve access to services and the quality of care, outcomes, and experience of the client; 2) improve coordination of services across the behavioral health continuum of care (i.e., County staff, community providers, Partnership HealthPlan of California, peer providers, and clinics); 3) integrate mental health and substance use disorder services for clients with co-occurring disorders; and 4) improve operational efficiencies of behavioral health programs and services.

To ensure the provision of high-quality cost-effective services within available resources, the Department's efforts to redesign the delivery of behavioral health services that began in 2017 are continuing in the current fiscal year. The continued redesign efforts outlined in this report serve to improve the quality of client services, increase system efficiencies, improve the working environment of Behavioral Health staff, and better leverage human and financial resources.

Within the current delivery system, both Behavioral Health staff and contracted providers provide specialty mental health services to Medi-Cal beneficiaries. The Department is proposing organizational changes to the service delivery system which serve to accomplish the goals of the continued redesign, including a realignment of work responsibilities among contract providers and staff. The proposed changes address both youth and adult services, will ensure that the highest acuity clients are served by the Department's professional and highly qualified staff, and will not result in the layoff or reduction of hours of County staff.

Discussion:

The Department of Health Services Behavioral Health Division provides a broad range of mental health and substance use disorder services ranging from prevention and early engagement services to acute inpatient hospital services. With an annual budget of \$90 million, the Behavioral Health Division employs 235 full-time equivalent staff and contracts with over 100 providers, annually providing services to over 15,000 County residents with severe and persistent mental illness and substance use disorders. The combination of County staff and contracted community providers is necessary in order to meet provider network standards, including the recently enacted network adequacy standards implemented under the Medicaid Managed Care Final Rule. Contracted services account for approximately \$43 million of the Behavioral Health Division's budget for fiscal year 2018-2019.

As the designated Mental Health Medi-Cal Managed Care Plan in Sonoma County, the Behavioral Health Division serves the County's most seriously mentally ill patients. In order to ensure provision of high quality care, Behavioral Health Division programs and services must comply with extensive state and federal laws and regulations, as well as with the terms and conditions of the contract with California Department of Health Care Services.

Similar to other health plans such as Kaiser, Pacificare, and HealthNet, the Behavioral Health Division must comply with strict standards related to the scope of client services, financial requirements, management systems, beneficiary documentation, member grievance and appeals, quality improvement, utilization management, network adequacy, and provider network. Failure to comply with health plan standards will not only impact clients' access to high quality services, it may result in adverse action taken by the state and/or federal government including enhanced regulatory oversight and the imposition of fines and penalties.

In support of the effective implementation and maintenance of its provider network, each year the Department requests delegated authority from the Board to execute agreements with provider network contractors. The Department contracts for services to access expertise not available internally, to expand existing services to match consumer needs to provider expertise, and to supplement staff shortages for specialized client needs. The reason the Department requests such delegated authority is because individuals experiencing a serious behavioral health crisis often require an immediate referral to a qualified contracted provider. In place Board authority to execute agreements is required to facilitate timely and appropriate access to services. On July 10, 2018 the Board approved contract expenditures in the amount of \$41,292,221, including \$37,577,964 for mental health and substance use disorder treatment services.

The development of the fiscal year 2018-2019 budget included significant fiscal challenges in the Behavioral Health Division associated with the over-projection of revenues, increasing costs, and flat revenues. While the Department implemented multiple strategies to address these challenges, a key strategy was the redesign of the behavioral health delivery system focusing on a more coordinated, integrated delivery system that aligned with the County's vision for a single behavioral health campus. Key structural features of the behavioral health redesign include:

- 1) Consolidation of programs including merger of the non-full service partnership Older Adult Team with the Integrated Health Team to reduce administrative redundancy and enhance optimal use of our clinicians.
- 2) Development of the HUB resulting in enhanced coordination and integration of mental health and substance use services.

- 3) Creation of a stand-alone Adult Services Medication Team, moving psychiatric services from all the adult teams (excluding the Community Mental Health Centers) and consolidating to one stand-alone team.
- 4) The development of a separate youth access program to coordinate intake assessments with key partners (Social Advocates for Youth, California Parenting Institute, Petaluma People Services Center).
- 5) The transfer of the Bridge Clinic, a primary care clinic run by the Santa Rosa Community Health Centers, from the Chanate complex to the Lakes.

The goal of the behavioral health redesign is to: 1) improve access to services and the quality of care, outcomes, and experience of the client; 2) improve coordination of services across the behavioral health continuum of care (i.e., County staff, community providers, Partnership HealthPlan of California, peer providers, and clinics); 3) integrate mental health and substance use disorder services for clients with co-occurring disorders; and 4) improve operational efficiencies of behavioral health programs and services. The redesign enables the Department to more quickly adapt to fluctuations in funding and to better respond to variations in the service needs of the client population.

Update on Redesign Behavioral Health Services

In order to ensure the provision of high quality cost effective services within available resources, the Department's efforts to redesign the delivery of behavioral health services that began in 2017 are continuing in the current fiscal year. The goal of the Department's continued redesign efforts outlined in this report are to improve the quality of client services, increase system efficiencies, improve the quality of behavioral health staff member work environment, and better leverage human and financial resources. Though not a driver of the continued redesign efforts, the Department anticipates that the proposed changes will result in a cost savings.

Within the current delivery system, both Behavioral Health staff and contracted providers, with the exception of Therapeutic Behavioral Services, provide all of the different types of specialty mental health services available to Medi-Cal beneficiaries. This organizational structure contributes to Behavioral Health Division staff carrying caseloads outside of recommended parameters, negatively impacting service quality and employee well-being. Additionally, the current organizational structure does not allow the Department to manage services as effectively as desired.

The changes proposed in this report 1) involve the transition of work responsibilities between contract providers and staff; 2) address both youth and adult services; 3) will ensure that the highest acuity clients are served by the Department's professional and highly qualified staff; and 4) will not result in the layoff of any staff or reduction of hours.

The following is a summary of proposed changes to Behavioral Health services:

Youth Services: Assessments

The Behavioral Health Division's Youth and Family Services Access Team screens and assesses clients upon entry into the Mental Health Plan to assess eligibility and ensure placement at the appropriate level of care. Currently, assessments are provided by both the Access Team and contracted providers. The Department proposes that assessments currently provided by contracted providers be transitioned to the Behavioral Health Division Youth Access Team. As the entry point into the system, it is important from both a quality of care and cost perspective that assessments be performed by County staff to ensure clients are placed at the appropriate level of care and the Department's Mental Health Plan is best able to manage the services

provided to its clients.

Transition of assessments from contracted providers to the Youth Access Team will allow Behavioral Health staff to better assure a consistent level of assessment and service assignment and better monitor client progress. Exceptions to Behavioral Health staff performing assessments will be made for self-contained contractors who provide the full continuum of client services. These contractors will continue to do assessments of children referred to their programs. In addition, if Behavioral Health Division capacity is not adequate to meet community need and regulatory obligations, the County will utilize provider contracts to provide assessment services as assigned by Behavioral Health staff.

- **Client Impact:** Approximately 160 unique clients (301 assessments per year) will be transitioned from contractors to the Sonoma County Youth Access Team.
- **Provider Impact:** Clients will be transitioned from the following contracted providers: California Parenting Institute; Social Advocates for Youth; and Petaluma People Services.
- **Staffing Impact:** The assessment workload transitioning from contracted providers to Behavioral Health Clinicians will require approximately 1.5 full-time equivalent staff. Existing clinicians will be transferred from other programs to provide the services.
- **Fiscal Impact:** Currently, the Department has budgeted \$248,700 for youth assessment services with the three contracted providers listed above. The cost to transition these services to the Youth Access Team is \$246,500 for a net savings of \$2,200.

Youth Services: Family Advocacy, Stabilization and Support Team - Full Service Partnership Program

The Behavioral Health Division's Family Advocacy, Stabilization and Support Team's Full Service Partnership program provides intensive in-home mental health services for children ages 0 - 15 years and their families, assisting them to accomplish goals that are important to the health, well-being, safety, and stability of the family. Services may include, but are not limited to, individual and family counseling, 24/7 assessment and crisis services, and in-home supportive services, all of which are delivered via a "wraparound" service model. Full Service Partnership services are currently provided by both the Behavioral Health Division's Family Advocacy, Stabilization and Support Team and contracted providers.

The Department proposes that all children and families currently served by contracted providers be assigned to Behavioral Health staff within the Family Advocacy, Stabilization and Support Team. This will allow County staff to manage the provision of mental health services for clients with the highest level of need. Given the high service intensity provided to these clients, the Department anticipates an average caseload of 14 clients per staff. If Behavioral Health Division capacity is not adequate to meet community need, the County will supplement capacity by utilizing provider contracted services, allowing contractors to provide Full Service Partnership services as assigned by Behavioral Health Division staff. If community need for Full Service Partnership services does not fill out staff caseloads, Behavioral Health staff will provide therapy and other services to non-Family Advocacy, Stabilization and Support Team clients.

All other non-Full Service Partnership services including case management, therapy, and supportive services will be provided by contractors. The contractors will provide case management, therapy, and other services to clients not meeting the threshold for Full Service Partnerships. Additionally, the Behavioral Health Division Full Service Partnership program will utilize these contractor services when necessary to supplement services, as is the current practice in "wrap around" style programs.

- **Client Impact:** Approximately 24 clients will be transitioned from contracted provider to the Family

Advocacy, Stabilization and Support Team. In addition, approximately 88 Full Service Partnership beneficiaries currently awaiting services will be added to the Family Advocacy, Stabilization and Support Team caseload for a total of 112.

- **Provider Impact:** Clients will be transitioned from the following contracted providers: Side by Side (Sunny Hills).
- **Staffing Impact:** Based on a recommended caseload of 14, this transition will require the transfer of approximately 8.0 full-time equivalent staff to handle the increased caseload.
- **Fiscal Impact:** The approximate cost of Full Service Partnership services currently provided by contracted providers is \$329,400 for 24 clients. The cost for County staff to provide services to 24 clients is approximately \$354,946. The net increase for 24 clients is \$25,546. The estimated cost to provide Full Service Partnership services for the full caseload of 112 clients is: contracted services - \$940,400, County staff (8.0 full-time equivalent staff) - \$1,314,614; with a net increase of \$374,214.
- Note: Prior to the proposed redesign, the Behavioral Health Division planned to increase provider contract services by \$611,000 to increase Full Service Partnership capacity. Given the Youth and Family services redesign, contracted services need not be increased.

Youth Services: Outpatient Services

The Behavioral Health Division provides a full range of outpatient mental health services to youth with serious emotional disturbances including case management, therapy, and supportive services. Similar to assessments and Full Service Partnership services, outpatient services are currently provided by a combination of Behavioral Health staff and contracted providers.

The Department proposes that youth outpatient services currently provided by Behavioral Health staff be transitioned to contracted providers. Transitioning lower acuity youth to contracted providers will streamline the system, better utilize Behavioral Health resources, and lower existing Behavioral Health staff caseloads to acceptable parameters.

- **Client Impact:** The Department has approximately 450 clients in its Youth and Family Services program. Under this proposal approximately 250 youth will be transitioned from County Behavioral Health staff to contracted providers for outpatient mental health services. The remaining 200 youth with high acuity and fiscal risk such as foster care, medicine support, and Juvenile Hall will continue to receive outpatient mental health services from County Behavioral Health staff.
- **Provider Impact:** Clients will be transitioned from County Youth Outpatient Services staff to Side by Side (Sunny Hills), Social Advocates for Youth, California Parenting Institute, and Petaluma People Services. These providers are currently under contract to provide similar services to Behavioral Health clients and have the requisite training, experience, and expertise to provide the services.
- **Staffing Impact:** The Department estimates that approximately 6.0 full-time equivalent existing Behavioral Health Clinicians will transition to support the additional caseloads assumed by the Youth Access Team and Family Advocacy, Stabilization and Support Team as described above.
- **Fiscal Impact:** The current County cost for the 6.0 full-time equivalent Behavioral Health Clinicians to provide youth outpatient services for 250 beneficiaries is approximately \$985,500. The cost to transition the services to contracted providers is approximately \$388,700, with a net savings of \$596,800.

Adult Services: Access Team

The Sonoma County Adult Services System currently assigns a short-term caseload to clinicians on the Adult Access Team, which requires Access staff balance the provision of mental health services (case management; wraparound; and therapy services) with their assessment responsibilities. The rationale for the current arrangement was to provide therapeutic support to individuals who meet “medical necessity” criteria for County mental health services, but may not require extended services provided by other Behavioral Health adult service programs. While this arrangement met a need at one time, it negatively impacts the Adult Access Team’s ability to provide timely client assessments, placing a burden upon Access Team staff the Behavioral Health Division now seeks to remove.

This Department proposes therapy and support services currently provided by County Access Team staff be transitioned to a new program, the Community Treatment and Recovery Team, which will include County and contracted provider staff. Two County Case Managers will lead Community Treatment and Recovery Team and provide case management services. They will assign supportive community-based services offered by the contract provider to Community Treatment and Recovery Team clients. This will free up time allowing Access staff to concentrate upon, and be more available for, initial assessments of clients who contact the Adult Access Team for services.

- ***Client Impact:*** Approximately 150 clients from the County Adult Access Team will be transitioned to the Community Treatment and Recovery Team Program.
- ***Provider Impact:*** Clients will be transitioned from County Adult Outpatient Services staff to the following contracted providers: Buckelew Programs (Support Services); Contractor To-Be-Determined (Therapy Services). Buckelew Programs has the requisite training, experience, and expertise to provide the services, and is currently under contract to provide similar services to County Behavioral Health clients.
- ***Staffing Impact:*** The Department estimates that the workload transferred from Access to Community Treatment and Recovery Team would require 10.0 full-time equivalent Behavioral Health staff. Community Treatment and Recovery Team will have 8 staff including 2.0 full-time equivalent County staff and 6 contracted provider staff who will deliver supportive community-based services.
- ***Fiscal Impact:*** The current County cost for the 10.0 full-time equivalent Behavioral Health Clinicians to provide youth outpatient services for 150 clients is approximately \$1,591,540. The cost to transition the adult outpatient services to contracted providers totals approximately \$850,000.

Adult Services: Sonoma County Independent Living Program

The Sonoma County Independent Living Program assists clients in securing and maintaining independent housing and improving their quality of life and level of self-sufficiency. Case management services for Sonoma County Independent Living Program clients are currently provided by both County Behavioral Health staff and a contracted provider. County staff primary responsibilities to Sonoma County Independent Living Program clients is assessment, re-assessment and care planning. The contracted provider works directly with the clients in their home, office, and community settings, consistent with established client treatment plans. In addition, the contracted provider provides client training and skill building services that enable clients to function independently at work and at home.

Given program caseload sizes, the Department proposes transferring assessment, re-assessment and treatment planning responsibilities from County staff to the contracted provider. This will eliminate a

redundancy in case management assignments and reduce the caseload of County staff enabling them to serve clients more effectively. The Department estimates that the amount of workload transferred will, over the course of the year, equal approximately 2.0 full-time equivalent staff (currently unfilled county positions).

- **Client Impact:** The Sonoma County Independent Living Program currently has a caseload of approximately 130 clients.
- **Provider Impact:** Client treatment plans and reassessments will be transitioned from County staff to the County contracted provider Buckelew Programs.
- **Staffing Impact:** The Department estimates that approximately 2.0 full-time equivalent Behavioral Health staff will be freed up to support clients more effectively.
- **Fiscal Impact:** The current County cost for the 2.0 full-time equivalent Behavioral Health staff to provide therapy and support services to Sonoma County Independent Living clients is approximately \$296,723. The cost to transition this work to Buckelew Programs totals approximately \$118,700.

The proposed transfer of services to contracted providers: 1) are therapeutic/ rehabilitative in nature; 2) will not result in the layoff of any staff or reduction in staff hours; 3) are designed to reduce significant caseload on staff; and 4) will be provided by contractors who have the requisite training, experience, and expertise to provide the services, and who in most cases are currently under contract to provide similar services to County Behavioral Health clients.

Please see Attachment 1, which provides a summary of the proposed redesign of services. Attachment 1 was provided to Engineers and Scientists of California Local 20 in January 2019. Subsequent to meeting with Engineers and Scientists of California Local 20, the Department added information to Attachment 1 in response to Engineers and Scientists of California Local 20 questions and comments.

The Department has met with Engineers and Scientists of California Local 20 to discuss the proposed redesign and contracts pursuant to the Memorandum of Understanding between the County of Sonoma and Engineers and Scientists of California Local 20.

Prior Board Actions:

On July 10, 2018 the Board authorized execution of agreements for 1) mental health and substance use disorder services for the term July 1, 2018 through June 30, 2019 for a total not to exceed amount of \$37,577,964 and 2) behavioral health support services for the term July 1, 2018 through June 30, 2019 for a total not to exceed amount of \$3,714,257.

During the fiscal year 2018-2019 budget hearings the Board restored funding of \$12.6 million for contract expenditures and \$12.2 million for Department operations over a two-year period.

FISCAL SUMMARY

Expenditures	FY 18-19 Adopted	FY 19-20 Projected	FY 20-21 Projected
Budgeted Expenses	2,918,514		
Additional Appropriation Requested			
Total Expenditures	2,918,514		

Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	2,918,514		
Use of Fund Balance			
Contingencies			
Total Sources	2,918,514		

Narrative Explanation of Fiscal Impacts:

The Department has current FY 18-19 appropriations for both staffing (\$1,561,114) and contract (\$1,357,400) expenditures. Funding for these expenditures is included in the FY 18-19 budget. The contracting authority amount requested as part of the July 10, 2018 delegated authority agenda item (\$41,292,221, including \$37,577,964 for mental health and substance use disorder treatment services) includes the \$1,357,400 for contacts associated with this item. Future year amounts will be developed through the annual budget process.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A - I Step)	Additions (number)	Deletions (number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Summary of Proposed Behavioral Health Redesign Impact on Service Provision

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

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