



SUMMARY REPORT

Agenda Date: 7/9/2019

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:

Behavioral Health Services Agreements

Recommended Actions:

- A) Authorize the Director of Health Services to execute agreements and amendments for mental health and substance use disorder services with a term ending no later than June 30, 2020 for a fiscal year 2019-2020 not to exceed amount of \$37,181,434.
- B) Authorize the Director of Health Services to execute agreements 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.
- C) Authorize the Director of Health Services to execute support services agreements and amendments for behavioral health services with a term ending no later than June 30, 2020 for a fiscal year 2019-2020 not to exceed amount of \$1,873,507.

Executive Summary:

The Department of Health Services requests authority to execute agreements for mental health and substance use disorder treatment services and related support services provided by agencies documented in Attachment 1. The Department contracts with a broad range of licensed providers to provide timely access to high-quality mental health and substance use disorder services.

During the fiscal year 2018-2019 budget hearings the Department presented a budget to the Board that reduced contract expenditures for behavioral health services by \$9.3 million, with a request to restore \$6.2 million of contract expenditures over a two-year period by approving the use of funding from various sources. The Board approved the \$6.2 million for use over a two-year period along with additional General Funds for behavioral health contracted services, including \$775,000 for fiscal year 2019-2020.

During the fiscal year 2019-2020 budget hearings, the Department presented a budget to the Board that reduced contract expenditures for behavioral health services by \$6,361,934. Contracts included in the Department's request for fiscal year 2019-2020 contract authority will be funded by monies included in the proposed budget and the \$4,443,239 million of restored funding for fiscal year 2019-2020.

Total requested contracting authority for fiscal year 2019-2020 is \$43,493,430, which includes \$41,619,923 for mental health and substance use disorder services and \$1,873,507 for behavioral health support services. Included in the requested contracting authority for mental health services are several agreements for mental

health services for youth that were competitively procured during fiscal year 2019-2020, with a corresponding funding amount of \$4,438,489 annually for the next four years.

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 managed care plans, 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 based on client need, geographic coverage, and cultural and language capabilities. Mental Health Services Act program provider selection was initially based on community stakeholder input and a request for proposals process. Ongoing Mental Health Services Act programs and services 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.

During fiscal year 2018-2019, the Department assessed the various types of contracted behavioral health services and embarked on an effort to enhance the process of procuring services through a competitive process. The Department released a request for proposals in Spring 2019 for specialty mental health services for youth and families. This competitive procurement exemplifies Department 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 mental health services for youth are provided equitably and fairly across all regions of the County.

The Department plans to phase in and enhance the competitive processes used for procurement of behavioral health services over the next few years with the goal of having a robust competitive procurement process in place by fiscal year 2021-2022. 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 competitive procurement of behavioral health services is phased in, 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 evaluate program effectiveness to ensure that County resources are being spent effectively. Additional information regarding the Department's behavioral health services competitive procurement effort is scheduled to be presented to the Board as part of today's Regular Calendar agenda.

When it is determined that competitive procurement is not feasible for certain purchases, requests for contracting on a single/sole source basis, including proprietary software and licensed or patented services, will be made to the County Purchasing Agent. Attachment 1 provides a list of mental health and substance use disorder treatment services providers as well as support services providers. Attachment 2 provides a list of proposed per-contractor funding amounts.

Provider Treatment Services

Proposed fiscal year 2019-2020 contract expenditures include \$41,619,923 for mental health and substance use disorder treatment services. 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. 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, the medically indigent, underinsured, and uninsured individuals. Each year behavioral health services providers provide outreach, prevention, mental health, and substance use disorder services to over 15,000 consumers. 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.

The Department of Health Services maintains a consistent panel of healthcare providers to ensure continuity of care and provision of services that 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 treatments provided.

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 is other than what was originally planned. The ability to maximize funding between contracts (within the overall budget authority granted by the Board) 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 allow for termination of the contract in the event that any anticipated funding is reduced or eliminated.

Acute Inpatient and Short-Term Crisis Services (\$5,432,153)

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 two providers for these services in the amount of \$4,003,153. In addition, the Department plans to contract with a number of currently unidentified providers for these services, based on client need and the availability of beds, in an amount totaling up to \$1,429,000.

Community Services & Supports - Mental Health Services Act (\$1,243,703)

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 providers of choice for many in the Latino and Native American populations. The Department plans to contract with six providers for these services in amounts ranging from \$44,533 to \$600,000. In addition, the Department plans to contract with a number of currently unidentified providers for Crisis Intervention Training and Support Services in amount totaling \$27,000.

Consumer, Family Peer Support and Recovery Services (\$1,491,016)

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 four providers for these services in amounts ranging from \$77,993 to \$1,155,983.

Long-Term Care Facilities (\$6,283,000)

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 one provider for these services in the amount of \$1,000,000. In addition, the Department plans to contract with a number of currently unidentified providers for these services, based on client need and the availability of beds, for a total amount of up to \$5,283,000.

Prevention and Early Intervention - Mental Health Services Act (\$1,256,792)

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 nine providers for these services in amounts ranging from \$20,919 to \$308,619.

Specialty Mental Health Services (\$2,603,975)

Temporary staffing contracts support maintenance of a pool of psychiatrists and other psychiatric professionals to provide services in the event the County is unable to recruit and retain staff, or to provide for the specialized needs of clients. The Department contracts with staffing agencies, locum tenens, individual psychiatrists, psychiatric nurse practitioners, or other providers as needed. 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. The Department plans to contract with a number of currently unidentified providers for these services, based on client need, for a total amount of up to \$2,603,975.

Specialty Mental Health Services for Youth and Families (\$3,912,000)

Includes outpatient mental health youth and family services to ensure that individual/family counseling and case management needs are addressed. A request for proposals was completed in April/May 2019 and the Department plans to contract with three providers for these services for the full fiscal year, for a total amount of \$3,633,989 (Seneca, LifeWorks and Individuals Now dba Social Advocates for Youth). Current contracts for these services with three providers will be extended for several months to allow time for transition of clients, for a total amount of \$278,011. 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.

Specialty Mental Health Services for Youth in Foster Care (\$2,775,000)

Partnerships 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 five providers for these services in amounts ranging from \$100,000 to \$1,050,000. 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 Services - Narcotic Treatment Programs (\$2,830,557)

This program provides outpatient therapeutic substance use disorder treatment in the form of Narcotic Replacement Therapy (such as methadone). The Department plans to contract with two providers for these services in amounts ranging from \$628,488 to \$2,202,069.

Substance Use Disorder Services - Outpatient (\$1,526,647)

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. The Department plans to contract with two providers for these services in amounts ranging from \$531,791 to \$802,150. The Department also plans to contract with a number of currently unidentified providers for these services, based on client need, for a total amount of up to \$192,706.

Substance Use Disorder Services - Perinatal & Parenting Residential & Outpatient (\$603,287)

The perinatal services program will provide approximately 8 residential treatment beds as well as outpatient therapeutic substance use disorder treatment for pregnant and parenting women. These services can be accessed through community partner referrals or self-referral. Both the residential and outpatient services include on-site child care and available transportation for clients. The Department plans to contract with two providers for these services in amounts ranging from \$199,287 to \$404,000.

Substance Use Disorder Services - Prevention (\$80,000)

The Alcohol and Other Drug Program works in concert with local community based organizations, community partners, and government agencies to promote a healthy Sonoma County. The program uses a continuum of prevention strategies to support overall community well-being through the prevention of alcohol and drug use. The Department plans to contract with at various providers throughout the year in support of this mission, up to \$80,000.

Substance Use Disorder Services - Residential Non-Medical Detoxification (\$480,144)

Drug Abuse Alternatives Center provides 15 residential non-medical detoxification beds at the Orenda Center. The Department plans to contract with a single provider for these services.

Substance Use Disorder Services - Residential Treatment (\$1,973,818)

Residential substance use disorder treatment services will fund approximately 103 residential beds for therapeutic inpatient substance use disorder treatment in fiscal year 2019-2020. 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. The Department plans to contract with two providers for these services in amounts ranging from

\$692,000 to \$1,281,818.

Support Services for Full Service Partnerships - Mental Health Services Act (\$2,561,689)

These “full service partnerships” provide comprehensive services to a limited number of clients. Clients receive supported housing and employment services, medication management, socialization, peer support, and access to staff support 24 hours per day, 7 days per week. The Department plans to contract with six providers for services that support, youth, transitional aged youth, and adult full service partnerships that are coordinated by Behavioral Health Division staff in amounts up to \$1,256,882.

Supportive Services to Adults in Independent Living Settings (\$1,558,836)

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 \$206,000 to \$1,352,836.

Supportive Services to Adults in Residential Care Facilities (\$2,650,000)

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. 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 a number of currently unidentified providers for these services, based on client need, for a total amount of up to \$2,650,000.

Whole Person Care Pilot (\$2,357,306)

The Sonoma County Whole Person Care Pilot targets Medi-Cal beneficiaries who are homeless or at risk of homelessness, have a serious mental illness, and possess at least one of the following characteristics: 1) have other co-occurring health conditions, including substance use disorders; 2) are high users of emergency services; and 3) are served by multiple agencies. The pilot's high-touch, on-the-ground approach will help connect participants to the important health care services they need. The Whole Person Care Pilot includes outreach to disparate and historically underserved populations in an effort to engage individuals in mental health services, as well as to expand community health center partner outreach and case management capacity. Federally Qualified Health Centers and community-based peer organizations are integral members of the multi-disciplinary teams that focus on this vulnerable population and support comprehensive care management between different types of needed services. The Department plans to contract with 12 providers for these services in amounts ranging from \$22,000 to \$548,915.

Support Services

The proposed budget for fiscal year 2019-2020 includes \$1,873,507 for services to support the delivery of client and program related services. Following is a description of proposed support service contracts. A list of support services providers is presented in Attachment 1.

Drug Impairment Detection Services PassPoint™ (\$14,400) Drug testing and analysis service to screen for substance use as mandated.

FEI.com Inc. (\$91,970) Ongoing development, support, and implementation of the Sonoma Web Infrastructure for Treatment Services to meet federal and state outcome reporting requirements. The Sonoma Web Infrastructure for Treatment Services software was selected and approved by the Board based on a selection process in 2005. In addition, additional investments in the Sonoma Web Infrastructure for Treatment Services application to support the Whole Person Care pilot will be funded. This investment will provide technology infrastructure for data collection and sharing to meet federal and state outcome reporting requirements. The software developer, FEI.com, is the sole source for this maintenance agreement.

Research & Development Associates (RDA) (\$100,000) Evaluation services with a focus of building upon the Mental Health Services Act evaluation framework developed to document the Behavioral Health Division's progress in achieving systems transformation.

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 serves the function previously performed using the system provided by Echo Management Group and will be used to submit claims to Medi-Cal and Medicare for services 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.

Billing, Claiming and Compliance Support Services (\$140,268) Transactional data systems to perform client billing and accounting and auditing functions; software systems, ongoing maintenance, support and upgrades necessary to preserve integrity and reliability; consultants to provide outside auditing support. The County plans to contract with at least eight providers for these services.

Hearing Officers (\$80,000) Conduct hearings to determine if a mental health client will be placed on an involuntary 14-day hold (Welfare and Institutions Code Section 5256.1).

The SmithWaters Group (\$200,000) The County Mental Health Plan, under contract with the California Department of Health Services and according to state law, is mandated to provide Patients' Rights Advocate services. These services include providing education regarding legal rights and processes, advocacy, and representation in hearings to individuals hospitalized involuntarily. The hearings include probable cause hearings under California Welfare and Institutions Code sections 5250 and 5270, and "Riese" or medication capacity hearings.

Counties of Contra Costa, Marin and San Mateo (\$102,535) The County of San Mateo 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.

Tsunami Enterprises (\$12,300) Representative payee services for mental health division clients.

Julie A. Kawahara (\$25,000) Consultation services to prepare community groups interested in reducing disparities in mental health services to respond to State initiatives that employ community-defined evidence programs.

Ryan Gillette (\$40,000) Consultation services related to the procurement of behavioral health services.

Andrew J. Wong dba AJW, Inc. (\$35,000) Ongoing development, support, maintenance and consultation for the division's assessment database. The *Child and Adolescent Needs and Strengths* and *Adult Needs and*

Strengths Assessment tools link the assessment of client mental health to the design of an individual mental health services plan. The tools are consistent with the recovery model and aligned with the philosophy that consumers should be served in the community in the least restrictive environment possible. The *Child and Adolescent Needs and Strengths* and *Adult Needs and Strengths Assessment* tools allow for individualized, culturally competent, consumer- driven, assessment and treatment planning.

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. Most recently, on June 10, 2018 the Board approved \$37,577,964 for mental health and substance use disorder services and \$3,714,257 for support services agreements for behavioral health services.

FISCAL SUMMARY

Expenditures	FY 19-20 Adopted	FY 20-21 Projected	FY 21-22 Projected
Budgeted Expenses	43,493,430		
Additional Appropriation Requested		4,438,489	4,438,489
Total Expenditures	43,493,430	4,438,489	4,438,489
Funding Sources			
General Fund/WA GF	1,690,194		
State/Federal	38,324,997	4,438,489	4,438,489
Fees/Other			
Use of Fund Balance			
Contingencies	3,812,239		
Total Sources	43,493,430	4,438,489	4,438,489

Narrative Explanation of Fiscal Impacts:

The fiscal year 2019-2020 budget includes \$41,619,923 for provider treatment services contracts and \$1,873,507 for support services contracts, totaling \$43,493,430. Of the total amount, contract authority of \$12,485,949 is for various services providers, primarily providers of medically necessary behavioral health services from both existing and not yet identified providers as the need is identified.

The mental health and substance use disorder treatment and support services contracts are funded by Medi-Cal/Federal Financial Participation, Mental Health Services Act, 1991 Mental Health Realignment, 2011 Behavioral Health Realignment, Federal Substance Abuse and Prevention Treatment, various Substance Abuse and Mental Health Services Administration grants, Investment in Mental Health Wellness Act of 2013 grants, First 5 Sonoma County, Intergovernmental Transfer, reimbursements from other County departments, and approximately \$1.7 million in County General Funds which support substance use disorder services.

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

Agenda Date: 7/9/2019

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

1) Mental Health and Substance Use Disorder Treatment Services Providers, 2) Mental Health and Substance Use Disorder Services Providers - Total Amount Per Provider

Related Items "On File" with the Clerk of the Board:

None