

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY  
AND RECORD OF ACTION**

February 6, 2024

**FROM**

**CARRIE HARMON, Director, Community Development and Housing Department**

**SUBJECT**

Agreements with Inland Empire Health Plan and Molina Healthcare of California, Inc. for the Housing and Homelessness Incentive Program

**RECOMMENDATION(S)**

1. Approve agreements with the following agencies, including a non-standard term, to accept a combined amount of up to \$44,830,000 for the Housing and Homelessness Incentive Program to support rapid rehousing for Medi-Cal families and youth, and interim housing for aging and disabled populations:
  - a. Inland Empire Health Plan, **Agreement No. 24-145** in the amount not to exceed \$43,250,000, of which up to \$31,750,000 is allocated to and earnable by the County, and up to \$11,500,000 is allocated to and earnable by the San Bernardino City and County Continuum of Care, for the period of February 6, 2024, through March 31, 2028.
  - b. Molina Healthcare of California, Inc., **Agreement No. 24-146** in the amount not to exceed \$1,580,000, all of which will be allocated to the County, for the period of February 6, 2024, through December 31, 2024.
2. Authorize the Chief Executive Officer, Assistant Executive Officer, or Director of the Community Development and Housing Department to execute any ancillary supporting documents, and any subsequent non-substantive amendments to the agreements for the Housing and Homelessness Incentive Program, on behalf of San Bernardino County, and the San Bernardino City and County Continuum of Care, subject to review by County Counsel.
3. Direct the Director of the Community Development and Housing Department to transmit any subsequent non-substantive amendments in relation to the agreements for the Housing and Homelessness Incentive Program to the Clerk of the Board of Supervisors within 30 days of execution.

(Presenter: Carrie Harmon, Director, 382-3983)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Promote the Countywide Vision.**

**Ensure Development of a Well-Planned, Balanced and Sustainable County.**

**Provide for the Safety, Health and Social Service Needs of County Residents.**

**Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.**

**FINANCIAL IMPACT**

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The Housing and Homelessness Incentive Program (HHIP) funding is administered by the California Department of Health Care Services (DHCS) and awarded to Managed Care

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Plans (MCP) throughout the state. Locally, the Inland Empire Health Plan (IEHP) has pledged up to \$31,750,000 to San Bernardino County (County) and up to \$11,500,000 to the San Bernardino City and County Continuum of Care (SBC CoC). Molina Healthcare of California, Inc. (Molina) has pledged \$1,580,000 to the County. IEHP and Molina will make incentive funding available once a fully executed agreement is in place between the County and each MCP. The Community Development and Housing Department (CDH) will return to the Board of Supervisors (Board) to request the necessary budget adjustments to expend this incentive funding.

**BACKGROUND INFORMATION**

In accordance with Section 9817 of the American Rescue Plan Act of 2021, the DHCS has developed a Medi-Cal Home and Community Based Services (HCBS) Spending Plan detailing a series of initiatives that will enhance, expand, and strengthen HCBS in California. One of these initiatives is HHIP. HHIP is a \$1.288 billion statewide voluntary incentive program that enables health plans to earn one-time incentive funds for improving health outcomes and access to whole person care services by addressing homelessness and housing insecurity as social drivers of health and health disparities. Funds flow from DHCS to Medi-Cal MCPs and are intended to reduce and prevent homelessness and ensure MCPs develop the necessary capacity and partnerships in collaboration with their county counterparts to connect their members to needed housing services. IEHP and Molina have partnered with CDH to provide significant investments using HHIP funds in 10 IEHP investment activities and seven Molina investment activities, as detailed in Attachment A – IEHP and Molina HHIP Investment Plans.

The DHCS HHIP period for MCPs statewide began on January 1, 2022, and concluded on December 31, 2023. The program period was split between two Program Years with three distinct measurement periods during which MCPs were required to submit narrative documentation and quantitative data at five specific points. The County played an active role in assisting the MCPs with their submissions throughout the program period. Though the HHIP periods have ended, DHCS is currently evaluating the final submissions to determine the final incentive amounts. IEHP, Molina, the County and the SBC CoC will continue to collaborate on HHIP projects and investments.

DHCS determined the maximum amount of incentive payments that each MCP was eligible to earn using a range of factors, including member enrollment, revenue, and the County's Point-in-Time Counts of homelessness. Using this methodology, the County and the SBC CoC were allocated up to \$43,250,000 from IEHP; the County was also allocated \$1,580,000 from Molina. Each MCP's narrative documentation and quantitative data submissions and performance will be evaluated by DHCS for final approval. Incentive payments are made to each MCP that are proportional to the number of points earned for each submission. Funding can support and facilitate coordination between health plans and other entities. Funds will be awarded to MCPs once metrics are met and as prescribed by the HHIP metrics detailed in Attachment B – HHIP Program Metrics.

HHIP funds will be used in adherence with each MCP's Investment Plan, which were previously developed in consultation with the County. Existing programs and projects will be supplemented with the use of HHIP funds where possible, though new projects and programs can be initiated. Specific projects and programs in which HHIP funds will be invested and exact dollar amounts for each are currently being evaluated by the County Administrative Office and SBC CoC. Proposed programs and projects will be submitted to the MCPs via an HHIP Project Proposal

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form for Investment Plan adherence review and approval. Approved programs and projects will be presented to the Board for consideration.

Delegation of authority is being requested for the Chief Executive Officer, Assistant Executive Officer, or Director of CDH to execute any ancillary supporting documents, and any subsequent non-substantive amendments to the agreements for HHIP, on behalf of San Bernardino County, and the San Bernardino City and County Continuum of Care, subject to review by County Counsel. This will allow the investment of HHIP funds to be made in an expeditious manner, should the agreements with the MCPs require the addition of supporting documentation or non-substantive amendments.

The agreements with IEHP and Molina include the following term that differs from the County's standard language:

1. Each party is required to defend, indemnify or hold the other party harmless to the extent arising out of the respective party's breach of the agreement and negligent or wrongful acts or omissions in connection with its performance under the agreement.
  - The County standard contract does not include any indemnification or defense by the County for the other party.
  - Potential Impact: By agreeing to indemnify IEHP and Molina, the County could be contractually waiving the protection of sovereign immunity. If the County is sued for any claim resulting from its own breach of the agreement and negligent or wrongful acts or omissions in connection with its performance under the agreement, the County may be solely liable for the costs of defense and damages and be responsible to defend and reimburse IEHP and Molina.

CDH recommends approval of these agreements, including the non-standard term, as it will allow the County to accept the HHIP funds and begin investing them in programs and projects approved by the Board.

**PROCUREMENT**

N/A

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Suzanne Bryant, Deputy County Counsel, 387-5455) on November 30, 2023; Risk Management (Victor Tordesillas, Director, 387-8623) on January 11, 2024; Finance (Christopher Lange, Administrative Analyst, 386-8393) on December 12, 2023; and County Finance and Administration (Cheryl Adams, Deputy Executive Officer, 388-0238) on January 8, 2024.

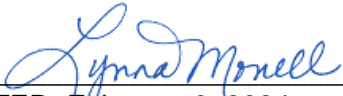
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Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

Moved: Joe Baca, Jr. Seconded: Curt Hagman  
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: February 6, 2024



cc: CDH -Harmon w/agrees  
Contractor c/o CDH w/agree  
File - w/agree  
MA 02/12/2024