

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

**December 17, 2019**

**FROM**

**VERONICA KELLEY, Director, Behavioral Health**

**SUBJECT**

Amendment to Revenue Agreement with the State of California for the Substance Use Disorder Drug Medi-Cal Organized Delivery System

**RECOMMENDATION(S)**

Approve **Amendment No. 2** to Revenue **Agreement (County Contract 18-11)** with the State of California Department of Health Care Services (State Agreement No. 17-94066), effective upon execution of the Amendment by the State of California Department of Health Care Services, for the Substance Use Disorder Drug Medi-Cal Organized Delivery System, updating contract language with no change to the Agreement amount of \$120,507,585, or the total contract period of March 1, 2018 through June 30, 2020.

(Presenter: Veronica Kelley, Director, 388-0801)

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

**Operate in a Fiscally-Responsible and Business-Like Manner.**

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

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

**FINANCIAL IMPACT**

This item does not impact Discretionary General Funding (Net County Cost). The Revenue Agreement with the State of California Department of Health Care Services (DHCS) for the Substance Use Disorder (SUD) Drug Medi-Cal Organized Delivery System (DMC-ODS) in the amount of \$120,507,585 includes Drug Medi-Cal State General Funds and Federal Drug Medi-Cal funding. Adequate appropriation and revenue have been included in the Department of Behavioral Health's (DBH) 2019-20 budget and will be included in future recommended budgets.

**BACKGROUND INFORMATION**

DBH is responsible for providing mental health and SUD services to San Bernardino County residents who are experiencing major mental illness and/or substance use disorders. DBH provides a full range of SUD prevention, treatment services and education for communities and residents of San Bernardino County through contracts with community-based organizations and county-operated clinics with the goal of promoting prevention, intervention, recovery and resiliency for individuals and families. In 2018-19, the DBH SUD comprehensive continuum of treatment programs provided 6,552 unduplicated clients SUD treatment. Of the clients treated, 23% had a co-occurring disorder and received concurrent mental health treatment. A total of 10,840 treatment episodes were provided which consists of 634,889 service components at over 3.2 million service hours.

**Amendment to Revenue Agreement with the State of California for the  
Substance Use Disorder Drug Medi-Cal Organized Delivery System  
December 17, 2019**

The DMC-ODS is a component of the 1115 Demonstration Project implemented by DHCS. The DMC-ODS is a pilot program to test a new paradigm for the organized delivery of health care services for Medi-Cal eligible individuals with substance use disorders. The DMC-ODS will demonstrate how organized substance use disorder care increases the success of DMC beneficiaries while decreasing other system health care costs. This approach is expected to provide the beneficiary with access to the care and system interaction needed in order to achieve sustainable recovery.

The DMC-ODS is a Medi-Cal benefit available in counties that chose to opt into and implement the DMC-ODS pilot program. DBH submitted the San Bernardino County DMC-ODS Implementation Plan to DHCS, which was approved by both DHCS and CMS.

On January 9, 2018 (Item No. 11), the Board of Supervisors (Board) approved the Agreement with DHCS for DMC-ODS in the amount of \$103,825,817, for the period of March 1, 2018 through June 30, 2020.

On January 8, 2019 (Item No. 10), the Board approved Amendment No. 1 to the Agreement with DHCS for DMC-ODS, contract language and increasing the agreement by \$16,681,768, from \$103,825,817 to \$120,507,585, with no change to the total contract period of March 1, 2018 through June 30, 2020.

On October 22, 2019, DBH received the amendment from DHCS. The amendment includes updates to standard contract language, program requirements and specifications, and payment provisions. The item is being presented at this time as it is the first date available following the required operational, fiscal, and legal reviews. Once approved by the Board, the amendment to the Revenue Agreement will be effective upon full execution by DHCS.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by Behavioral Health Contracts (Natalie Kessee, Contracts Manager, 388-0869) on November 18, 2019; County Counsel (Dawn Martin, Deputy County Counsel, 387-5455) on November 21, 2019; Finance (Christopher Lange, Administrative Analyst, 386-8393) on November 21, 2019; and County Finance and Administration (Tanya Bratton, Deputy Executive Officer, 388-0332) on November 26, 2019.

**Amendment to Revenue Agreement with the State of California for the  
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December 17, 2019**

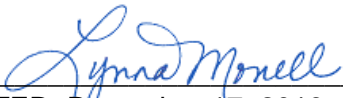
Record of Action of the Board of Supervisors  
County of San Bernardino

**APPROVED (CONSENT CALENDAR)**

Moved: Robert A. Lovingood Seconded: Josie Gonzales

Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: December 17, 2019



cc: DBH- Hoatson w/agree for sign  
Contractor- C/O DBH w/agree  
File- w/agree  
la 12/18/2019