



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Health System



**Date:** September 3, 2014  
**Board Meeting Date:** October 21, 2014  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Jean S. Fraser, Chief, Health System  
Stephen Kaplan, Director, Behavioral Health and Recovery Services

**Subject:** Agreement with Health Plan of San Mateo to Deliver Expanded Medi-Cal Benefits for Mental Health

**RECOMMENDATION:**

Adopt a resolution authorizing an agreement with the Health Plan of San Mateo to provide expanded Medi-Cal services to members with mild to moderate mental health conditions for the term of January 1, 2014 through December 31, 2016 in an estimated revenue amount of \$5,600,000.

**BACKGROUND:**

Specialty outpatient mental health services for individuals with serious and persistent mental illness have long been a Medi-Cal benefit, managed and provided by Behavioral Health and Recovery Services (BHRS). However, Medi-Cal members with mild to moderate mental health conditions that did not meet specialty mental health medical necessity criteria have had limited access to outpatient mental health services.

In June 2013, the Governor approved California Senate Bill X1-1, adding mental health services and substance use disorder services to the schedule of Medi-Cal benefits provided by Medi-Cal managed care plans. As of January 1, 2014, the expanded mental health services provide assessment and treatment to health plan members with mild to moderate mental health diagnoses. Services include:

1. Individual and group mental health evaluation and treatment;
2. Psychological testing when clinically indicated to evaluate a mental health condition;
3. Psychiatric consultation for medication management;
4. Screening and brief intervention for alcohol use disorder;
5. Outpatient laboratory, supplies and supplements;
6. Medications

**DISCUSSION:**

BHRS currently partners with the Health Plan of San Mateo (HPSM) to deliver behavioral health care services to HPSM members in the CareAdvantage, HealthWorx and Healthy Kids programs. HPSM has identified BHRS as a strategic partner for the delivery of expanded mental health services to the mild to moderate population due to the familiarity BHRS has with the County’s low-income population, the robust network of mental health providers BHRS employs or contracts with in the local area, and the extensive experience BHRS has offering many of the services now covered as Medi-Cal benefits.

BHRS is working closely with HPSM to strengthen BHRS’ administrative capacity to deliver these additional benefits, and to ensure that oversight, monitoring, and evaluation processes are in place to allow HPSM to meet its obligations to the California Department of Healthcare Services and the California Department of Managed Health Care. Protocols are being developed between BHRS and HPSM to establish coordination of care and to allow HPSM’s providers to have direct access to BHRS for clinical support, through peer-to-peer consultations between primary care physicians and BHRS psychiatrists.

Mild to moderate services for all HPSM Medi-Cal members except the Medi-Cal Expansion (MCE) population will be covered through this agreement. Mild to moderate services for HPSM MCE members will be covered through a separate agreement coming to your Board.

BHRS requests your Board to authorize the Chief of the Health System or designee to execute future amendments which modify contract rates, and/or modify the contract term and/or services, thereto and on behalf of the County.

The agreement and Resolution have been reviewed and approved by County Counsel as to form.

Approval of this agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing expanded mental health services through the provider network. BHRS provides a range of services to promote wellness and recovery and to support consumers remaining in the lowest possible level of care. The provision of outpatient mental health services through our provider network is one established level of care. . It is anticipated that 80% of consumers who receive these services will be maintained at a current or lower level of care.

**PERFORMANCE MEASURE(S):**

<b>Measure</b>	<b>FY 2014-15 Estimate</b>	<b>FY 2015-16 Projected</b>
Percentage of consumers receiving outpatient mental health services maintained at current or lower level of care	80%	80%

**FISCAL IMPACT:**

The State has shared capitation payment rates with health plans for the additional mental health and substance use disorder benefits, based upon the scope of services and expected utilization. We recognize that after an initial surge in demand for these services there will be an extended ramp-up period until full benefit utilization. Based upon current utilization, we estimate additional revenue for these benefits will total approximately \$2,800,000 per year (or \$5,600,000 in aggregate) for January 2014 through December 31, 2016. These funds have been included in the BHRS FY14-15 Adopted Budget. Similar arrangements will be made for future years.