



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 21-820

Board Meeting Date: 10/19/2021

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise F. Rogers, Chief, San Mateo County Health  
Scott Gilman, Director, Behavioral Health and Recovery Services

**Subject:** Performance Agreement with the State Department of Health Care Services

**RECOMMENDATION:**

Adopt a resolution authorizing the Chief of San Mateo County Health to execute the performance agreement with the State Department of Health Care Services, for substance abuse prevention and treatment services and mental health services, for the term of July 1, 2021 through June 30, 2024.

**BACKGROUND:**

In previous years, the Department of Health Care Services (DHCS) administered the Substance Abuse Prevention and Treatment Block Grant (SABG) funding through three-year contracts with each county in the State. Because county allocation amounts are based on the fluctuating SABG award amounts issued annually by the Substance Abuse and Mental Health Services Administration, annual adjustments to county allocations required a new SABG contract amendment in each year of the three-year cycle. Additional amendments were required for any shift or modification of funding to cover unique circumstances. In some cases, counties and DHCS had to draft and execute multiple contract amendments per year in order to maintain the grant funding stream and cover expenses. This process is cumbersome and often results in lengthy funding delays.

The County Performance Contract (CPC) is required per Welfare and Institutions Code sections 5650, subd. (a), 5651, 5897, and California Code of Regulations Title 9, section 3310 to set forth conditions and requirements that counties must meet in order to receive funding for the Mental Health Services Act and Lanterman-Petris-Short Act, in addition to the following federal behavioral health grants: Community Mental Health Services Block Grant (MHBG); Projects for Assistance in Transition from Homelessness (PATH); and Crisis Counseling Assistance and Training Program (CCP). Historically this was a one-year contract, but a statutory change in 2018 allows DHCS to issue the CPC as a three-year contract with an option to renew for two additional one-year terms.

In Spring 2021, DHCS integrated the SABG contract into the existing CPC, which runs through June

30, 2021. As with MHBG, counties will submit annual SABG applications that consist of enclosures detailing various rules, regulations, and county requirements, in addition to program narratives and budgets.

#### **DISCUSSION:**

Previously, SABG was administered under a different contracting model from MHBG, PATH, and CCP, despite being governed by similar or identical federal statutes and regulations. SABG funding is tied to individual county contracts, whereas MHBG, PATH, and CCP funding is administered via supplemental application documents that are incorporated by reference through the CPC.

Adjustments to SABG program specifications, funding, or budgets require a contract amendment, which is administratively burdensome and may take several months to complete. The MHBG, PATH, and CCP contract models do not require the need to formally amend the contract to adjust budgets or funding levels, which provides DHCS flexibility in responding to the needs of counties and their beneficiaries.

Aligning the federal behavioral health grants into the existing CPC simplifies and streamlines county administration of the SABG, MHBG, PATH, and CCP grants.

The agreement and resolution have been reviewed and approved by County Counsel as to form. This agreement is coming to your Board late due to the delay in receiving the agreement from DHCS.

It is anticipated that 95% of SUD providers will report outcome data on time.

#### **PERFORMANCE MEASURE:**

| Measure   | FY 2020-21 Actual | FY 2021-22 Estimated     |
|---|-------------------|--------------------------|
| Percentage of SUD providers that will report outcome data on time | N/A               | 95% * 319 of 336 reports |

\* This is a new Performance Measure. Data will be available in FY 2021-22.

#### **FISCAL IMPACT:**

The term of the agreement is July 1, 2021 through June 30, 2024. This agreement does not allocate funds for these programs; funding allocations are instead contained in separate agreements with DHCS. Should State funding for any of these programs be discontinued, the County will not be obligated to meet the performance goals for the affected programs. No Net County Cost is associated with this agreement.