



# County of San Mateo

## Inter-Departmental Correspondence

---

**Department:** HEALTH

**File #:** 22-894

Board Meeting Date: 11/15/2022

---

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

**To:** Honorable Board of Supervisors

**From:** Louise F. Rogers, Chief, San Mateo County Health  
Lisa Mancini, Interim Director, Behavioral Health and Recovery Services

**Subject:** Agreement with the State of California Department of Health Care Services for Drug Medi-Cal Organized Delivery System Services

### **RECOMMENDATION:**

Adopt a resolution authorizing the Chief of San Mateo County Health to execute an agreement with the State of California Department of Health Care Services for Drug Medi-Cal Organized Delivery System services, for the term of July 1, 2022, through June 30, 2027, in an amount not to exceed \$86,077,140.

### **BACKGROUND:**

In August 2015, the California Department of Health Care Services (DHCS) waiver application with the Center for Medicare and Medicaid Services was approved, to begin implementation of the Drug Medi-Cal Organized Delivery System (DMC-ODS). This waiver allows counties to "opt in" to provide a full continuum of substance use disorder (SUD) treatment services previously unavailable to Medi-Cal beneficiaries. Additionally, it allows for Federal Financial Participation (FFP) to offset treatment-related costs. Counties opting in were required to submit and receive approval of an Implementation Plan. San Mateo County was the first California county to apply and be approved for the waiver.

The DMC-ODS demonstrates how organized SUD care increases the success of DMC beneficiaries in their journey towards recovery, while decreasing other health care costs. Critical elements of the DMC-ODS include: a continuum of care modeled after the American Society of Addiction Medicine Criteria for substance use disorder treatment services; an increase in local control and accountability; creation of utilization management to improve care and provide efficient use of resources; implementation of evidence-based practices; and coordination with other systems of care. Services range from early intervention to intensive inpatient services.

### **DISCUSSION:**

Through this agreement, Behavioral Health, and Recovery Services (BHRS) will continue to

strengthen and expand SUD treatment throughout San Mateo County. Specifically, the agreement allows BHRS and DMC certified SUD treatment and recovery providers to access federal funding for Medi-Cal beneficiaries who need SUD treatment. The agreement enables BHRS to continue to develop a full spectrum of treatment levels over the five-year period. In addition, providers will be able to strengthen their organizational infrastructure to enhance access to care and to increase the quality of treatment provided. Finally, the agreement ensures continuous quality improvement in treatment through the development of a quality management program that measures and analyzes both beneficiary and system outcomes, developing strategies for improvements where needed. The expanded continuum of care for SUD services includes Outpatient, Intensive Outpatient, Residential, Opioid Treatment, Perinatal Residential, Withdrawal Management, Recovery Services, Case Management and Physician Consultation.

This agreement makes permanent the Standard Terms and Conditions of the original waiver, as DMC-ODS becomes a regular, ongoing state program. Additionally, the agreement incorporates the requirements of CalAIM, California’s reform of the Medi-Cal Program, aligning DMC-ODS with other major Medi-Cal changes.

BHRS requests this Board to authorize the Chief of San Mateo County Health or designee to execute this agreement and any additional amendments thereto and on behalf of the County. The resolution contains the County’s standard provision allowing amendment of the County’s fiscal obligations by a maximum of \$25,000 (in aggregate).

This agreement and resolution have been reviewed and approved by the County Attorney as to form. This agreement is late coming to this Board due to delayed receipt of the agreement from DHCS.

It is anticipated that 65% of clients will indicate a successful outcome of treatment provided by this contract.

**PERFORMANCE MEASURE:**

<b>Measure</b>	<b>FY 2021-22 Actual</b>	<b>FY 2022-23 Estimated</b>
Percentage of clients that indicate a successful outcome of treatment provided by this contract	65 % 613 clients	65% 613 clients

**FISCAL IMPACT:**

The term of the agreement is July 1, 2022, through June 30, 2027. The amount of the agreement is not to exceed \$86,077,140, for the five-year term. Of that amount, \$17,215,428 has been included in the BHRS FY 2022-23 Adopted Budget. Similar funding arrangements will be made for future years.

Existing 2011 Realignment and Net County Cost will continue to be used as the required match to draw down FFP revenue for Medi-Cal eligible services.