

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
TUESDAY, MAY 23, 2023**

MINUTE ORDER NO. 6

SUBJECT: RECEIVE THE SAN DIEGO ADVANCING AND INNOVATING MEDI-CAL ROADMAP AND AUTHORIZE AN INTERGOVERNMENTAL TRANSFER AGREEMENT FOR BEHAVIORAL HEALTH SERVICES (DISTRICTS: ALL)

OVERVIEW

On July 13, 2021 (14) the San Diego County Board of Supervisors (Board) committed to provide opportunities to achieve better health outcomes and reduce health disparities for vulnerable populations by supporting the County of San Diego's (County) Wellness Delivery System. In alignment with this Board priority, the County mobilized planning and coordination to support implementation of California Advancing and Innovating Medi-Cal (CalAIM). CalAIM is the California Department of Health Care Services' (DHCS) long-term commitment to improve the quality of life and health outcomes of Medi-Cal beneficiaries by implementing broad delivery system transformation including program and payment reforms across the Medi-Cal Program.

Active participation in the CalAIM Medi-Cal delivery system transformation allows the County to facilitate the integration of primary health, behavioral health, and social services and to streamline service coordination for vulnerable San Diegans enrolled in Medi-Cal. The County Health and Human Services Agency, Medical Care Services San Diego Advancing and Innovating Medi-Cal (SDAIM) Unit was established in July 2022 to support local CalAIM implementation. The SDAIM Unit has developed an initial workplan (roadmap) to align County priorities with the CalAIM initiative and guide future planning and coordination of implementation activities. Specific to behavioral health, CalAIM will allow for consistent and seamless administration of Medi-Cal services by reducing complexity, increasing flexibility, improving outcomes, reducing health disparities, and driving behavioral delivery system transformation through policy improvements and payment reform that will shift from the existing cost-reimbursement system to a fee-based reimbursement system. This will involve transitioning existing and new County-operated and contracted behavioral health and Medi-Cal services from the current certified public expenditure-based reimbursement methodology to an Intergovernmental Transfer (IGT)-based reimbursement methodology for certain services.

Today's action requests the Board to receive the SDAIM Roadmap, authorize agreements and all necessary documents for submission and regulatory processing for CalAIM implementation, authorize the IGT agreement with DHCS for the CalAIM Behavioral Health Payment Reform implementation and transfer local funds to DHCS, amend behavioral health contracts funded by Medi-Cal Federal Financial Participation to reflect changes associated with CalAIM Behavioral Health Payment Reform implementation, and authorize application for future funding opportunities to build capacity and infrastructure to ensure successful local implementation.

This item supports the County's vision of a just, sustainable, and resilient future for all, specifically those communities and populations in San Diego County that have been historically left behind, as well as our ongoing commitment to the *Live Well San Diego* vision of healthy, safe, and thriving communities. This approach will ensure higher quality care and more equitable health outcomes by improving and integrating care for people with complex health and social needs.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Receive the San Diego Advancing and Innovating Medi-Cal Roadmap.
2. Authorize the Agency Director, Health and Human Services Agency, or designee to execute agreements, certification forms, and all necessary documents for submittal and regulatory processing as required for California Advancing and Innovating Medi-Cal (CalAIM) implementation.
3. Authorize the Agency Director, Health and Human Services Agency (HHSA), or designee, to execute, upon receipt, the Intergovernmental Transfer (IGT) agreement with the Department of Health Care Services (DHCS) for CalAIM Behavioral Health Payment Reform implementation, and transfer local eligible funds to DHCS, as specified in the agreement, and authorize the Agency Director, HHSA, or designee, to execute, upon receipt, future updates or amendments to the agreement, as required, that do not materially impact or alter the services.
4. In accordance with Board Policy A-87, Competitive Procurement, and Administrative Code Section 401, authorize the Director, Department of Purchasing and Contracting, subject to successful negotiations and a determination of a fair and reasonable price, to amend behavioral health contracts funded by Medi-Cal Federal Financial Participation to reflect changes associated with CalAIM Behavioral Health Payment Reform implementation, subject to the availability of funds, and amend the contracts as required in order to reflect changes to services and funding allocations as a result of CalAIM, subject to the approval of the Agency Director, HHSA.
5. Authorize the Chief Administrative Officer or designee to apply for any additional funding opportunities to ensure successful CalAIM implementation in San Diego County.

EQUITY IMPACT STATEMENT

Historic inequities within the healthcare system and across broader social and economic factors have resulted in worse health outcomes among Black, indigenous, and people of color, including reduced life expectancy and increased risk for some chronic diseases and other morbidities. The COVID-19 pandemic further exacerbated disparities in health and healthcare, particularly for Black, Hispanic/Latino, and American Indian/Alaska Native and Pacific Islander populations. As a major source of healthcare coverage, Medi-Cal can help advance equity goals and reduce disparities by increasing access to health care, identifying new and innovative approaches to service delivery, and implementing changes to managed care, provider payments, and benefits. Medi-Cal is the main source of health insurance coverage for California's low-income children, adults, and seniors and people with disabilities. Over one million people in San Diego County meet income eligibility requirements for Medi-Cal. People of all ages are enrolled in Medi-Cal for health care coverage: as of March 2023, those age 19 to 44 years old represent the largest Medi-Cal population in San Diego County (38.3%), followed by children age 0 to 18 years old (32.3%), adults age 45 to 64 (20.4%), and adults age 65 and older (9.0%). Among individuals with a reported race/ethnicity, 37.5% were Hispanic, 17.3% were White, 6.9% were Asian and Pacific Islander, 5.0% were Black, and 0.4% were American Indian and Alaska Native; race/ethnicity was not reported for 33.0% of enrollees. As of March 2023, 1,062,906 individuals were enrolled in Medi-Cal in San Diego County, representing one-third of the county's population and the second largest Medi-Cal population in the state.

California Advancing and Innovating Medi-Cal (CalAIM) is the Department of Health Care Services' framework to improve health equity by addressing social drivers of health and prioritizing prevention and whole person care beyond healthcare settings. To guide local CalAIM implementation efforts, community partners including County of San Diego (County) departments, managed care plans, health and social care providers, community organizations, consumer and community advocates were engaged in the development of the County's San Diego Advancing and Innovating Medi-Cal (SDAIM) Roadmap. Community and stakeholder engagement took place between November 2022 and February 2023 and included focused input sessions, community listening sessions, and a presentation at a local conference. Input gathered from these efforts informed the development of the SDAIM Roadmap.

SUSTAINABILITY IMPACT STATEMENT

The proposed action supports several County of San Diego (County) sustainability goals and commitments that strengthen the resilience of the community, including community participation, ensuring equitable access to services, and affirming services meet health and social care needs which align, respectively, with the County's Sustainability Goal #1 to engage the community in a meaningful way, Sustainability Goal #2 to provide just and equitable access to services, and Sustainability Goal #4 to protect the health and wellbeing of everyone in the region. This will be accomplished by funding a more efficient system that will improve care coordination and serve as an essential first step toward implementing added enhancements with long-lasting benefits.

FISCAL IMPACT

Recommendations 1, 2, and 5

There is no fiscal impact associated with today's actions for Fiscal Year (FY) 2023-24. There may be future impacts based on recommendations. Any such recommendations would be brought to the San Diego County Board of Supervisors for consideration and approval. There is no change in net General Fund costs and no additional staff years.

Recommendations 3-4

Funds for this request are included in the FY 2023-25 CAO Recommended Operational Plan Change Letter for the Health and Human Services Agency. If approved, the current behavioral health system impacted by the Intergovernmental Transfer (IGT) process will be approximately \$500 million across existing Medi-Cal eligible services annually. The funding sources for the IGT are local funds, including Realignment, Mental Health Services Act and existing General Purpose Revenue. There will be no change in net General Fund costs and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Vargas, seconded by Supervisor Anderson, the Board of Supervisors took action as recommended.

AYES: Vargas, Anderson, Desmond

NOT PRESENT: Lawson-Remer

ABSENT: (District 4 Seat Vacant)

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed
by Andrew Potter

MAY 23, 2023