

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Behavioral Health	(2) MEETING DATE 11/5/2013	(3) CONTACT/PHONE Cindy Collins, ASM, 788-2932	
(4) SUBJECT Submittal of a resolution to amend the Position Allocation List for Fund Center 166 – Behavioral Health, to add 7.5 FTEs in various classifications to support implementation of the Katie A settlement agreement and Healthy Families transition to Medi-Cal; request to approve an amendment to an existing agreement with Family Care Network for FY 2013-14 in the amount of \$205,000 to provide various mental health services; and request to approve a corresponding budget adjustment in the amount of \$988,093 from unanticipated revenue to Fund Center 166—Behavioral Health.			
(5) RECOMMENDED ACTION It is recommended that the Board: <ol style="list-style-type: none"> 1. Approve a resolution to amend the Position Allocation List to add 7.5 FTE's to Fund Center 166 – Behavioral Health; 2. Approve an amendment with Family Care Network for FY 2013-14 in the amount of \$205,000 and request the Chairperson to sign; and 3. Approve a corresponding budget adjustment in the amount of \$988,093 from unanticipated revenue to Fund Center 166 – Behavioral Health (approval by 4/5ths vote required). 			
(6) FUNDING SOURCE(S) Medi-Cal & General Fund	(7) CURRENT YEAR FINANCIAL IMPACT \$988,093.00	(8) ANNUAL FINANCIAL IMPACT \$1,094,778.00	(9) BUDGETED? No
(10) AGENDA PLACEMENT { } Consent { } Presentation { } Hearing (Time Est. ___) {X} Board Business (Time Est. <u>15 mins.</u>)			
(11) EXECUTED DOCUMENTS {X} Resolutions {X} Contracts { } Ordinances { } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001351		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: 1314055 {X} 4/5th's Vote Required { } N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { } N/A Date: <u>9-17-13</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Reviewed by Leslie Brown			
(18) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Jeff Hamm, Health Agency Director

DATE: 11/5/2013

SUBJECT: Submittal of a resolution to amend the Position Allocation List for Fund Center 166 – Behavioral Health, to add 7.5 FTEs in various classifications to support implementation of the Katie A settlement agreement and Healthy Families transition to Medi-Cal; request to approve an amendment to an existing agreement with Family Care Network for FY 2013-14 in the amount of \$205,000 to provide various mental health services; and request to approve a corresponding budget adjustment in the amount of \$988,093 from unanticipated revenue to Fund Center 166—Behavioral Health.

RECOMMENDATION

It is recommended that the Board:

1. Approve a resolution to amend the Position Allocation List to add 7.5 FTE's to Fund Center 166 – Behavioral Health;
2. Approve an amendment with Family Care Network for FY 2013-14 in the amount of \$205,000 and request the Chairperson to sign; and
3. Approve a corresponding budget adjustment in the amount of \$988,093 from unanticipated revenue to Fund Center 166 – Behavioral Health (approval by 4/5ths vote required).

DISCUSSION

The Behavioral Health Department is seeking approval of changes to its Position Allocation List (PAL) and Family Care Network contract in order to implement the provisions of the Katie A. settlement agreement and Healthy Families transition to Medi-Cal.

Katie A

On July 18, 2002, a lawsuit entitled *Katie A. et al v Diana Bonta et al.* was filed seeking declaratory and injunctive relief on behalf of a class of children in California who: (1) are in foster care or at imminent risk of foster care placement; (2) have a mental illness or condition that had been documented or, if an assessment had been conducted, would have been documented; and (3) need individualized mental health services, including but not limited to, professionally acceptable assessments, behavioral support and case management services, family support, crisis support, therapeutic foster care, and other medically necessary services in the home or in a home-like setting, to treat or ameliorate their illness or condition.

From the time the suit was filed until the late 1990's, the parties were involved in settlement negotiations, which culminated in an agreement reached in December of 2011. As a result of that settlement agreement, California Department of Health Care Services (DHCS) and the California Department of Social Services (CDSS) agreed to the following objectives and requiring Medi-Cal Mental Health Plans (MHPs) to provide services to the Katie A subclass.

The Katie A. subclass is defined as children meeting all of the following four criteria:

1. Be under the age of 21 and have "full scope" Medi-Cal eligibility; and
2. Meet medical necessity (as specified in California Code of Regulations Title 9, Section 1830.205 or 1830.210);and
3. Have an open child welfare case; and

4. Is currently in or considered for placement.

Once the criteria have been met, identified children are entitled to the following medically necessary intensive services:

Intensive Care Coordination (ICC):

ICC is a service that is responsible for facilitating assessment, care planning and coordination of services, including urgent services for children/youth who meet the specific Katie A. class criteria.

Intensive Home-Based Mental Health Services (IHBS):

Individualized, strength-based interventions designed to ameliorate mental health conditions that interfere with a child's functioning. Interventions are aimed at helping the child build skills necessary for successful functioning in the home and community and improving the child's family ability to help the youth successfully function in the home and community.

Medically necessary mandated ICC and IHBS intensive services will be provided as a multi-agency collaborative team as a regional program co-located at three (3) Department of Social Services (DSS) locations in San Luis Obispo, Arroyo Grande and Atascadero. Teams will consist of Mental Health staff, DSS staff and Family Care Network Personal Service Specialists. With a defined caseload of 10 for each team at any given time, DHCS has determined that the Department is expected to experience 50 to 70 new Katie A clients during FY 2013-14. Staff is in the process of identifying clients eligible for Katie A intensive services. The State has approved the Katie A billing codes and the Department's billing software have been updated to accommodate the mandate.

Additionally, included is an amendment to the Board Approved contract dated 9/17/2013 with Family Care Network (FCN) in the amount of \$205,000 includes the cost for three (3) Personal Services Specialist and associated supply costs for each regional team to provide the intensive services to Katie A eligible clients. Based on FCN existing contract with the County and their ability to provide specialized mental health services to children/youth, Behavioral Health is requesting that the amendment to its current agreement with FCN be approved on a sole source basis.

Healthy Families transition to Medi-Cal

Pursuant to Assembly Bill 1494, all Healthy Families Program (HFP) enrollees have begun transitioning to Medi-Cal as targeted low-income Medicaid children beginning January 1, 2013. The transition of approximately 875,000 HFP enrollees will be implemented in four separate phases over the course of one year and in a manner that minimizes disruption in services, maintains adequate provider networks and ensures access to care.

The transition of HFP enrollees to Medi-Cal will simplify eligibility and coverage for children and families while providing additional benefits including specialty mental health services and lowering costs for children at certain income levels.

Children enrolled in the Healthy Families program transition to Medi-Cal are still able to receive outpatient mental health services from primary care physicians in their Medi-Cal Managed Care plan. However, if a child has more serious needs and requires specialized outpatient services or inpatient psychiatric treatment, the child is eligible for expanded Early and Periodic Screening, Diagnosis and Treatment (EPSDT) mental health treatment services, and will be served by the County.

Approximately 5-6% of children and youth in the Medi-Cal population will require access to specialty mental health services. The State has estimated that over 43,000 of the 875,000 Healthy Families children and youth may require EPSDT mental health services through the county Mental Health Plans. Counties will be responsible for both ensuring access to and financing EPSDT Mental Health and substance use disorder treatment for former Healthy Families now Medi-Cal enrollees. Counties will primarily utilize the Realignment 2011 sales tax revenues along with EPSDT reimbursement.

For the Healthy Families transition, the Behavioral Health Department is requesting Mental Health Therapist positions (1.75 FTE) and supporting clerical staff (0.75 FTE) to meet the increased demand associated with the Healthy Families conversion to Medi-Cal. From July through September 2013, San Luis Obispo County staff have seen an additional 53 new clients and continued increase is expected.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has reviewed and approved the amendment to the contract with Family Care Network as to form and

legal effect. Behavioral Health is a part of a joint collaborative team with the Department of Social Services and local service providers to implement the new mandates.

FINANCIAL CONSIDERATIONS

The gross cost of the positions and amendment to the contract with Family Care Network is an increase of \$988,093 for FY 2013-14. Of this amount, the Department expects to receive increased realignment and State Medi-Cal (EPSDT) dollars in the amount of approximately \$863,000, leaving an unfunded increase of approximately \$125,000 due to 9% County share. Of this amount \$97,000 is associated with KATIE A services and \$28,000 is associated with the increased Healthy Families cases. In theory, that amount would be funded by 1991 Realignment Mental Health Account receipts. If those funds were insufficient, other sources would need to be explored. In the balance of the current fiscal year, the Department will utilize additional unbudgeted Affordable Care Act (ACA) Medi-Cal dollars. The Department is projecting an increase in Medi-Cal dollars associated with current mental health clients receiving services who will now become sponsored under Medi-Cal.

For FY 2014-15 the total annualized cost is projected to be \$1,094,778. Of this amount, 9% or approximately \$139,000, is the associated unfunded County Share. Katie A program costs are projected to be at \$850,139 and Healthy Families costs are projected to be \$244,639. During the FY 2014-15 budget preparation process, the Department will be addressing the available means of financing required for Katie A and Healthy Families conversion and the associated unfunded share.

KATIE A

Positions	FTE	FY 2013-14 Amount (8 mos.)
Child Psychiatrist	0.50	\$148,474
Mental Health Therapist IV	3.0	\$295,107
Mental Health Therapist III (LPT)	1.0	\$91,917
Medical Records Technician	0.50	\$32,240
Total Katie A – FTE	5.0	\$567,738
Family Care Network Contract		\$205,000
Total	5.0	\$772,738

HEALTHY FAMILIES

Positions	FTE	FY 2013-14 Amount (8 mos.)
Administrative Assistant III	0.50	\$29,589
Mental Health Therapist IV	0.50	\$50,289
Mental Health Therapist III (LPT)	1.0	\$91,917
Mental Health Therapist IV (increase from 0.75 to 1.0)	0.25	\$29,356
Senior Account Clerk (increase from 0.50 to 0.75)	0.25	\$14,204
Total Health Families	2.5	\$215,355

RESULTS

The primary goal of the Katie A settlement is to prevent family disruption and out of home and community placement. The effort will be done via a teaming approach with the family. Mental Health and Family Care Network will be providing the new services mandated by the settlement in accordance with the treatment plan facilitated by Mental Health and Department of Social Services Staff and implemented by Mental Health and Family Care Network.

The expected Child Family Team outcomes are:

- 85% of the Katie A identified subclass members receiving Mental Health Services will be diverted from placement in a RCL 10 (Rate Classification Level) or above group home facility and/or acute psychiatric hospitalization.
- 85% of the Katie A identified subclass members will be diverted from incarceration.
- 85% of the Katie A identified subclass members will demonstrate regular school attendance.
- 85% of the Katie A identified subclass members will demonstrate stable functioning – at home receiving appropriate care, shelter, food, and other necessities of life.

Similar outcomes are expected to result from the Healthy Families transition to Medi-Cal. In summary, children identified with Serious Emotional Disturbance (SED) will be able to access needed mental health services to divert placement in higher level group homes and to demonstrate regular school attendance.

The mission of San Luis Obispo Behavioral Health Department is to work in collaboration with the community to provide services necessary to improve and maintain the health and safety of individuals and families affected by mental illness and/or substance abuse. Services are designed to assist in the recovery process to achieve the highest quality of life by providing culturally competent, strength based and client and family centered strategies utilizing best practices.

The Behavioral Health mission contributes to efforts to achieve the desired community wide result of both a "Healthy Community" and a "Safe Community".

ATTACHMENTS

1. FCN Contract Amendment FY 13-14
2. PAL Resolution Katie-A