

June 6, 2023

Board of Supervisors  
County of Ventura  
800 South Victoria Avenue  
Ventura, CA 93009

**SUBJECT: Approval of, and Authorization for the Ventura County Behavioral Health (VCBH) Director to Sign, Seven (7) Agreements with Telecare Corporation to Provide Various Medi-Cal Mental Health Related Services, Increasing the Combined Maximum of the Agreements from \$8,684,025 to \$9,324,297 (a Combined Increase of \$640,272), Effective July 1, 2023 through June 30, 2024; Authorization for the VCBH Director to Approve Limited Modifications and Extend the Term of the Agreements.**

**RECOMMENDATIONS:**

1. Approval of, and authorization for the Ventura County Behavioral Health (VCBH) Director or designee to sign, seven (7) agreements with Telecare Corporation to provide various Medi-Cal mental health related services, increasing the combined maximum amount of the agreements from \$8,684,025 to \$9,324,297 (a combined increase of \$640,272), effective July 1, 2023 through June 30, 2024. The agreements are summarized in the below table and more fully described in the attached FY 2023-24 VCBH Medi-Cal Mental Health Contracts Summary (Exhibit 1).

Exhibit #	Contractor	Contract Term	FY 2022-23 Contract Amount	FY 2023-24 Contract Amount	Increase/ (Decrease)	Division Number
2	Telecare Corporation Casa B	7-1-23 to 6-30-24	\$944,464	\$1,018,001	\$73,537	3200/3260
3	Telecare Corporation Casa C	7-1-23 to 6-30-24	\$989,178	\$1,051,654	\$62,476	3200/3260
4	Telecare Corporation Casa D	7-1-23 to 6-30-24	\$952,439	\$1,068,096	\$115,657	3200/3260
5	Telecare Corporation Casa E	7-1-23 to 6-30-24	\$870,927	\$892,060	\$21,133	3200

6	Telecare Corporation Horizon View	7-1-23 to 6-30-24	\$3,190,796	\$3,343,379	\$152,583	3200
7	Telecare Corporation (Vista) XP2/XP3	7-1-23 to 6-30-24	\$833,245	\$981,554	\$148,309	3260
8	Telecare Corporation (Voice) AB109	7-1-23 to 6-30-24	\$902,976	\$969,553	\$66,577	3200
<b>Total</b>			<b>\$8,684,025</b>	<b>\$9,324,297</b>	<b>\$640,272</b>	

2. Authorization for the VCBH Director or designee to approve modifications to decrease the amount, to approve budget modifications that do not increase the amount, to approve modifications to the Provider Service Rates and Current Procedural Terminology (CPT) Codes Table, to approve corrections, clarifications and technical changes and modifications (including amendments to add or revise language required by the California Department of Health Care Services) to each agreement referenced in Recommendation #1, when the changes are consistent with the original purpose of the agreement, do not result in additional costs to the County, and are reviewed and approved as to form by County Counsel.
3. Authorization for the VCBH Director or designee to extend the terms of the agreements referenced in Recommendation #1, up to two (2) times for a period not to exceed one (1) year each, on the same or more favorable terms and conditions (with any changes in the scope of work to be consistent with the original purpose of the Agreement), and for an amount not to exceed the pro rata amounts of (a) each agreement amount and (b) any Board-approved increase made to each agreement amount within FY 2023-24. All extensions are subject to all necessary prior appropriations and other budgetary approvals by your Board and to review and approval as to form by County Counsel.

#### **FISCAL/MANDATES IMPACT:**

#### **MHL Budget Unit #3200-3203 (Adult Services)**

Mandatory: No ☒ Yes ☐ Cite Authority:

Source of Funding: Short-Doyle/Medi-Cal (SD/MC) Federal Financial Participation (FFP); 1991 Realignment (Trust N510-717C); 2011 Realignment (Trust N520-719C); and AB109 Funds

Funding Match Required: No

Impact on Other Department(s): None

	<u>FY 2022-2023</u>	<u>FY 2023-2024</u>
Summary of Revenue and Total Costs		
Revenue:	\$0	\$7,333,794
Costs:		
Direct Cost	\$0	\$7,333,794
Indirect - Dept.	\$0	\$0
Total Costs	\$0	\$7,333,794
Net County Costs	\$0	\$0

<b>FY 2022-23 Adjusted Budget for MHL Unit #3200-3203(Adult Services)</b>				
	<b>Adopted Budget</b>	<b>Adjusted Budget</b>	<b>Projected Actual</b>	<b>Estimated Savings/(Deficit)</b>
Appropriations	\$28,679,340	\$30,291,465	\$30,175,622	\$115,843
Revenue	\$26,697,992	\$26,717,025	\$28,240,353	\$1,523,328
Net Cost	\$1,981,348	\$3,574,440	\$1,935,269	\$1,639,171

Note: Revenue and appropriations are included in the FY 2023-24 preliminary budget for MHL Unit #3200-3203 (Adult Services).

**MHSA Budget Unit #3260-3273 (CSS Adult Services)**

Mandatory: No [x] Yes [ ] Cite Authority:

Source of Funding: Proposition 63 MHSA Funds and Short-Doyle/Medi-Cal (SD/MC)

Federal Financial Participation (FFP)

Funding Match Required: No

Impact on Other Department(s): None

	<u>FY 2022-23</u>	<u>FY 2023-24</u>
Summary of Revenue and Total Costs		
Revenue:	\$0	\$1,990,503
Costs:		
Direct Cost	\$0	\$1,990,503
Indirect - Dept.	\$0	\$0
Total Costs	\$0	\$1,990,503
Net County Costs	\$0	\$0

<b>FY 2022-23 Adjusted Budget for MHSA Unit #3260-3273</b>				
	<b>Adopted Budget</b>	<b>Adjusted Budget</b>	<b>Projected Actual</b>	<b>Estimated Savings/(Deficit)</b>
Appropriations	\$62,296,650	\$61,512,042	\$51,421,571	\$10,090,471
Revenue	\$57,560,508	\$57,839,029	\$41,604,931	(\$16,234,098)
Net Cost	\$4,736,142	\$3,673,013	(\$9,816,640)	(\$6,143,627)

Note: Revenue and appropriations are included in the FY 2023-24 preliminary budget for MHSA Unit #3260-3273 (CSS Adult Services).

#### **DISCUSSION:**

The contract agreements that are before your Board today are for various Medi-Cal Mental Health services. These services are provided in structured, clinically managed, residential, and outpatient settings where clients can learn the skills necessary to develop more independence in the community.

#### **Recommendation #1:**

Each year, VCBH contracts with a variety of contractors for the provision of a wide range of mental health related services to assist in meeting the needs of the various target populations served by VCBH. The contracts listed above in Recommendation #1 are described more fully in Exhibit 1 (FY 2023-24 VCBH Medi-Cal Mental Health Contracts Summary). The proposed contracts are being renewed based on the contractors' successful performance under the current fiscal year contract and carry a new term of July 1, 2023 through June 30, 2024. These contracts also include substantial contract boilerplate language, rate, and funding methodology revisions that stem from VCBH's implementation of the State driven/required California Advancing and Innovation Medi-Cal (CalAIM) initiative. CalAIM, is a California Department of Health Care Services initiative to reform and transform the Medi-Cal program by implementing a broad delivery system, program and payment reform, and knowledge learned from various successful pilot programs to transform the delivery of behavioral health services for Medi-Cal beneficiaries. Essentially, the contract changes reflect CalAIM's shift away from claiming and reimbursement rates that are no longer cost-based interim rates but rather final payment rates that utilize standardized codes for clinical services provided by licensed and non-licensed professionals for services that are in their scope of practice, and other service requirements that are designed to improve outcomes for Medi-Cal beneficiaries.

Contractor performance was reviewed throughout FY 2022-23 to ensure compliance with the contract goals and outcomes. The proposed contractors have complied with the terms and conditions of the agreements and performed satisfactorily in the delivery of the agreed upon services. When necessary, technical assistance has been provided to resolve any contractual issues. VCBH is satisfied with the performance of the proposed contractors and anticipates that the services to be provided will continue to meet or exceed expectations for service delivery in the next term. Ongoing monitoring, which will be inclusive of the new CalAIM requirements, will continue to be conducted throughout the coming fiscal year to review contractor compliance and ensure the provision of appropriate high-quality program services.

VCBH requests approval of, and authorization for the VCBH Director or designee to sign, seven (7) agreements with Telecare Corporation for the provision of various Medi-Cal mental health services, increasing the combined maximum amount of the agreements from \$8,684,025 to \$9,324,297 (a combined increase of \$640,272), effective July 1, 2023 through June 30, 2024. The agreements are more fully described in the FY 2023-24 VCBH Medi-Cal Mental Health Contracts Summary attached hereto (Exhibit 1).

**Recommendation #2:**

In order to be able to quickly respond to needed changes to achieve agreement goals and ensure costs are maintained within available funding and budgets, VCBH also requests authorization for the VCBH Director, or designee to approve modifications to decrease the amount, to approve budget modifications that do not increase the amount, to approve rate modifications, corrections, clarifications, modifications, and technical changes (including amendments to add or revise language required by the California Department of Health Care Services) to the agreements referenced in Recommendation #1, so long as the changes are consistent with the original purpose of the agreements, do not result in additional costs to the County, and are reviewed and approved as to form by County Counsel.

**Recommendation #3:**

VCBH requests authorization for the VCBH Director or designee to extend the term of the agreements referenced in Recommendation #1, up to two (2) times for a period not to exceed one (1) year each, on the same or more favorable terms and conditions (with any changes in the Scope of Work to be consistent with the original purpose of the Agreement), and for an amount not to exceed the pro rata amounts of (a) each agreement amount and (b) any Board-approved increased made to each agreement amount within FY 2023-24. All extensions are subject to all necessary prior appropriations and other budgetary approvals by your Board and to review and approval as to form by County Counsel.



This Board letter has been reviewed by the County Executive Office, Auditor-Controller's Office, and County Counsel. If you have any questions regarding this item, please contact VCBH Director Scott Gilman at (805) 981-2214 or Health Care Agency Assistant Chief Financial Officer Narcisa Egan at (805) 973-5357.

  
SCOTT GILMAN, MSA  
Behavioral Health Director

  
BARRY L. ZIMMERMAN  
Health Care Agency Director

**Attachments:**

- Exhibit 1 – FY 2023-24 Medi-Cal Mental Health Contracts Summary
- Exhibit 2 – FY 2023-24 Telecare Corporation (Casa B) - Agreement
- Exhibit 3 – FY 2023-24 Telecare Corporation (Casa C) - Agreement
- Exhibit 4 – FY 2023-24 Telecare Corporation (Casa D) - Agreement
- Exhibit 5 – FY 2023-24 Telecare Corporation (Casa E) - Agreement
- Exhibit 6 – FY 2023-24 Telecare Corporation (Horizon View) - Agreement
- Exhibit 7 – FY 2023-24 Telecare Corporation (Vista) - Agreement
- Exhibit 8 – FY 2023-24 Telecare Corporation (Voice) - Agreement