

*Setting the Standard in Health Care Excellence*

May 18, 2021

Board of Supervisors  
County of Ventura  
800 South Victoria Avenue  
Ventura, CA 93003

**SUBJECT: Approval of, and Authorization for the Health Care Agency Director or Designee to Sign, a Contract Amendment Accepting Department of Health Care Services (DHCS) Incremental Grant Funding for the Whole Person Care (WPC) Program in the Amount of \$17,097,737.20 and Roll-Over Funds up to the Amount of \$8,891,257.34 for the Period of January 1, 2021 through December 31, 2021, and Extending the Term of the Contract with DHCS for the WPC Program through June 30, 2022; Adoption of a Resolution Adding 37 Regular Positions Effective July 1, 2021.**

**RECOMMENDATIONS:**

1. That your Board approve, and authorize the Health Care Agency (HCA) Director or designee to sign, a contract amendment accepting Department of Health Care Services (DHCS) incremental grant funding for the Whole Person Care (WPC) program in the amount of \$17,097,737.20 and roll-over funds up to the amount of \$8,891,257.34 for the period of January 1, 2021 through December 31, 2021, and extending the term of the contract with DHCS for the WPC program through June 30, 2022;
2. That your Board adopt a resolution adding 37 regular positions effective July 1, 2021 as outlined below;

| <b><u>Class Code</u></b> | <b><u>Classification Title</u></b> | <b><u>FTE</u></b> | <b><u>Range</u></b>                    | <b><u>Annual Salary</u></b>   |
|--------------------------|------------------------------------|-------------------|----------------------------------------|-------------------------------|
| 00305                    | Registered Nurse II                | 5.0               | \$41.439313 -<br>\$49.555592 (H)       | \$86,193.77 -<br>\$103,075.63 |
| 00212                    | Licensed Vocational Nurse          | 8.0               | \$26.504904<br>\$28.469069 (H)         | \$55,130.20<br>\$59,215.66    |
| 01719                    | Community Health Worker            | 23.0              | \$18.809830-<br>\$26.416202 (H)        | \$39,124.45 -<br>\$54,945.70  |
| 00622                    | Program Administrator I            | 1.0               | \$2,392.327440 -<br>\$3,349.587360 (S) | \$62,200.51 -<br>\$87,089.27  |

## **FISCAL /MANDATES IMPACT**

Mandatory: No  
Source of Funding: Department of Health Care Services – Whole Person Care -- Contract No. 16-14184-VE-56 A02  
Funding Match Required: None  
Impact on Other Departments: N/A

Summary of Annual Revenues and Costs under this agreement:

|                    |                  |                  |
|--------------------|------------------|------------------|
|                    | <u>FY2020-21</u> | <u>FY2021-22</u> |
| REVENUE:           | \$6,449,258      | \$19,539,237     |
| DIRECT COSTS:      | \$6,449,258      | \$19,539,237     |
| INDIRECT COSTS:    | Minor            | Minor            |
| Net Revenue <cost> | \$0              | \$0              |

## **Current Year Fiscal Budget**

| <b>Current FY 2020-21 Budget Projections for Ventura County Medical Center #3300</b> |                       |                        |                         |                                    |
|--------------------------------------------------------------------------------------|-----------------------|------------------------|-------------------------|------------------------------------|
|                                                                                      | <b>Adopted Budget</b> | <b>Adjusted Budget</b> | <b>Projected Actual</b> | <b>Estimated (Savings/Deficit)</b> |
| Expenditures                                                                         | \$523,626,081         | \$577,770,628          | \$536,211,559           | \$41,559,069                       |
| Revenue                                                                              | \$540,682,161         | \$552,632,131          | \$536,556,279           | (\$16,075,852)                     |
| Operational Income/(Loss)                                                            | \$17,056,080          | (\$25,138,497)         | \$344,720               | \$25,483,217                       |

\* Revenue and appropriations are included in the FY20-21 adopted budget. The operational income includes "Operating Transfers In" that is primarily attributed to County contributions.

## **FISCAL DISCUSSION:**

The cost of salaries and benefits for 37 new positions of \$2,963,552.20 for FY 2021-22 is included in HCA's budget proposal for the fiscal year. This pilot expansion of WPC services and staffing will be directed to five of the largest Ambulatory Care clinics by overall volume and volume of potentially eligible WPC participants assigned to those clinics.

In addition to funding WPC's existing program of services and the new positions, the extension budget will fund associated IT costs for the new positions and new investments in information technology in preparation for the launch of CalAIM. For FY 2021-22, HCA is projecting sufficient revenue under WPC and CalAIM to cover these additional salary

and benefits costs. For fiscal years beyond FY 2021-22, it is anticipated that CalAIM revenue will cover salary and benefits for these positions

New funding also expands mobile outreach, one stop/care pod events and backpack medicine events to engage and provide services to persons experiencing homelessness during the COVID-19 local health emergency.

This amendment includes the expansion of recuperative care by 20 beds at the future Project Homekey site at the Oxnard Vagabond hotel. The recuperative care program at this site is operated by Ventura County Medical Center's existing recuperative care provider, the National Health Foundation, through a contract issued by the Continuum of Care and will expand capacity in preparation for CalAIM. Community Development Block Grant funds will fund the local, non-federal portion of recuperative care costs under WPC.

In May 2020, DHCS announced the delayed implementation of CalAIM due to the impact of the public health emergency caused by COVID-19. As a result of the delay of CalAIM, the Centers for Medicare and Medicaid Services approved a 12-month extension of the WPC pilot program through December 31, 2021. On March 29, 2021, DHCS issued an amendment to extend the County's WPC contract through December 31, 2021 and an award letter authorizing \$17,097,737.20 in incremental funding and up to \$8,891,257.34 in rollover funding, as allocated in the attached WPC program year six budget summary. All other contract terms and conditions remain the same. The majority of revenues and costs associated with this amendment are budgeted in FY 2021-22 as the majority of the budget is tied to incentives, pay for reporting, and pay for outcomes which are reported at the close of the calendar year and paid approximately six months after.

## **DISCUSSION:**

WPC coordinates physical health, behavioral health, and social services for at-risk adult Medi-Cal patients with multiple complex care needs. In doing so, the program aims to improve health care access and health outcomes while reducing unnecessary emergency department utilization, hospitalization, and readmissions. WPC serves up to 1,150 patients annually whose needs span multiple systems including health care, mental health, alcohol and drug, public safety, and human services. Key WPC outcomes achieved in through Q2 of 2020, the latest period measured prior to the COVID-19 pandemic include:

- 49.9% cumulative reduction in emergency department utilization and 49.8% cumulative reduction in inpatient utilization since inception of the program in 2017.
- 37.6% reduction in all cause readmissions
- 12.7% improvement in diabetes treatment
- 218.5% improvement in hypertension treatment
- 64.6% reduction in repeat inpatient psychiatric admissions
- 22.9% increase in screening assessments for substance use disorders (SUDs) and 35.6% increase in access to SUD treatment
- 492% increase in suicide risk assessments completed

- WPC metrics for SUD and follow-up after hospitalization for mental health exceed national HEDIS rates across all payor types

The WPC pilot project was originally scheduled to end December 31, 2020. In October, 2019, DHCS announced the new California Advancing and Innovating Medi-Cal (CalAIM) program which envisions that intensive care management services currently provided under WPC will become a standard benefit of Medi-Cal statewide, expanding to a larger group of vulnerable populations including children with complex care needs, individuals with long-term care needs, persons with severe mental illness, and justice-involved persons with significant health care needs. These services will be implemented by existing WPC providers funded through Medi-Cal managed care plans.

This additional and roll-over funding will extend the County's existing program of services along with the addition of 36 Ambulatory Care clinic positions, which will be funded by WPC for the first 6 months of FY 2021-22 and subsequently by CalAIM, which is designed as a follow-on program to and expansion of WPC. The number of positions was estimated based on current caseloads carried by WPC team members which is 50:1 for Community Health Workers and 100:1 for RNs and LVNs. WPC currently serves only a portion of those potentially eligible for WPC services based on current eligibility criteria. This addition of staff and resources will allow an additional 1,300 patients to be served.

The pilot expansion of WPC staff and services to Ambulatory Clinics will place teams of a Registered Nurse II, one or two Licensed Vocational Nurse(s) depending on clinic size, and four or five Community Health Workers depending on clinic size at each clinic. These teams will engage and enroll WPC-eligible patients in each clinic and will provide intensive, field-based care management services with a special focus on self-management for chronic conditions and transitions of care in support of WPC pay-for-outcomes metrics.

WPC teams in clinics will coordinate with clinicians from the Behavioral Health Integration Project to address mild-to-moderate mental health and substance use needs and with the Behavioral Health Department for patients with severe mental illness. WPC's existing team will continue to serve patients not assigned to one of the five WPC expansion clinics, patients not linked with or attending a primary care clinic, or those with more significant mental health or substance use conditions. Both teams will serve persons assigned to other clinic systems but in need of WPC as the WPC program benefit is applicable to all eligible Medi-Cal enrollees. Benefits of integrating WPC teams into clinics include localizing health care and care management in one medical home, increasing support for providers to care for the most vulnerable patients, and greater communication and coordination between providers and care management teams.

With your Board's approval, HCA will add 36 positions to implement WPC on a pilot basis in the five Ambulatory Care clinics with the largest volume of assigned WPC-eligible patients, as described in the attached resolution and allocated by Ambulatory Care clinic and position classification as below.

**Table 1: Position Assignment by Classification and Clinic**

| <b>Classification</b>          | <b>Academic Family Medicine</b> | <b>Conejo</b> | <b>Las Islas</b> | <b>Magnolia</b> | <b>Sierra Vista</b> | <b>Total Positions</b> |
|--------------------------------|---------------------------------|---------------|------------------|-----------------|---------------------|------------------------|
| Registered Nurse II            | 1                               | 1             | 1                | 1               | 1                   | 5                      |
| Licensed Vocational Nurse      | 2                               | 1             | 2                | 2               | 1                   | 8                      |
| Community Health Worker        | 5                               | 4             | 5                | 5               | 4                   | 23                     |
| <b>Total Positions</b>         | <b>8</b>                        | <b>6</b>      | <b>8</b>         | <b>8</b>        | <b>6</b>            | <b>36</b>              |
| <b>Estimated WPC Enrollees</b> | <b>300</b>                      | <b>200</b>    | <b>300</b>       | <b>300</b>      | <b>200</b>          | <b>1,300</b>           |

In addition, a Program Administrator I will be hired to support both the existing and clinic-based WPC teams to provide housing navigation services to WPC-eligible patients who are homeless or at-risk for homelessness. This position will also provide implementation support for WPC's one time housing funds allocation approved in 2019. Housing services will be provided in coordination with the Continuum of Care and the Coordinated Entry System and will be documented in the homeless management information system (HMIS). This position will be funded by WPC's fee for service housing services allocation for the first six months of FY 2021-22 and CalAIM or the WPC one time housing funds allocation through calendar year 2025.

The expansion of WPC staff and services to five Ambulatory care clinics will be implemented in alignment with the County's clinic integration project and in preparation for CalAIM, where it is anticipated that additional staff will be needed to serve patients eligible for CalAIM's enhanced care management benefit as a standard benefit for all eligible Medi-Cal enrollees. Medi-Cal managed care plans are required to show a significant increase in enrollment in 2022 over historical WPC enrollment.

CalAIM revenue is currently unknown but projected to be comparable to WPC, as the State budget allocation for CalAIM is aligned to current WPC spending levels. The State plans to announce regional reimbursement rates in May, 2021 and Medi-Cal managed care plans will begin negotiating contracts to allow start-up by January, 2022.

This letter has been reviewed by the County Executive Office, County Counsel, Auditor-Controller's Office, and Human Resources. If you have any questions regarding this item, please call Barry Zimmerman, HCA Director at (805) 677-5110.



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Barry L. Zimmerman  
Health Care Agency Director

#### Exhibits

- Exhibit 1 – DHCS award letter
- Exhibit 2 – DHCS WPC contract amendment
- Exhibit 3 – WPC program year 6 budget summary
- Exhibit 4 -- Resolution