



# County of Monterey

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

## Board Report

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**File #:** 20-249, **Version:** 1

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Authorize the Monterey County Health Director to modify and execute Behavioral Health Bureau provider agreements retroactive to March 1, 2020, as necessary, to provide immediate financial support for continuity of operations as a result of COVID-19 related disruptions, where term of existing agreements and total agreement amounts remain unchanged.

**RECOMMENDATION:**

It is recommended that the Board of Supervisors:

Authorize the Monterey County Health Director to modify and execute Behavioral Health Bureau provider agreements retroactive to March 1, 2020, as necessary, to provide immediate financial support for continuity of operations as a result of COVID-19 related disruptions, where term of existing agreements and total agreement amounts remain unchanged.

**SUMMARY/DISCUSSION:**

Valued providers deliver essential services to Monterey County on behalf of the Monterey County Health Department. Due to the public health emergency related to COVID-19, this provider network has experienced, and will continue to experience, significant service disruptions, decreased service delivery levels, client cancellations, school closures, and mounting fiscal pressures.

This action is intended to provide immediate financial support for providers that continue to deliver our highest priority services. These services include, but are not limited to, direct face-to-face client services (and acceptable alternatives) delivered in the field, home, or clinic settings. Services to high need individuals and families, particularly through intensive care programs, are key to the wellbeing of the vulnerable populations we serve and much of which cannot be met solely through telehealth-based interventions.

Twenty-five agreements have been initially identified as potential candidates for modification. Their combined total FY 2019-20 annual amount is \$43,305,686. Not to exceed amounts may not be modified by this action.

Agreement modification is offered as an option to providers and will not be mandatory for each contract.

Provider agreements may be modified using the following guidelines:

- Fee-for-service contracts may be paid a monthly Cash Flow Advance to alleviate cash-flow issues. This is effective as of March 1, 2020. Providers are to prepare and submit a monthly invoice in an amount not to exceed 1/12<sup>th</sup> of the annual maximum contract amount.
  - This is an advance only, and subject to the year-end cost report settlement process.
- Rates currently contained in the agreement may be temporarily increased by as much as 10%. This is to compensate for temporary drops in productivity. These rates are to be mutually agreed upon by both parties. Providers shall determine appropriate rate levels that are consistent with their projected/actual costs.
  - Existing contractual not-to-exceed amounts will remain unchanged.
- Agreed to modifications shall only be in place for the duration of the COVID-19 pandemic emergency,

as defined by the Health Director.

- Additional administrative modifications may be made to provider agreements in keeping with the objective of providing immediate financial support for continuity of payments and operations as a result of COVID-19 related disruptions, including additional rate adjustments as deemed appropriate by the Health Director.

This work supports the Monterey County Health Department 2018-2022 Strategic Plan Initiatives to enhance community health and safety through prevention and engage MCHD workforce and improve operational functions to meet current and developing population health needs. It also supports three of the ten essential public health services, specifically, 2) diagnose and investigate health problems and health hazards in the community; 3) inform, educate, and empower people about health issues; and 6) enforce laws and regulations that protect health and ensure safety.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved as to legal form.

FINANCING:

The potential fiscal impact is estimated at approximately \$1.1M per month in lost Federal Financial Participation. As Medi-Cal billing is done in arrears, the actual impact is anticipated to materialize in June or July. The Bureau is monitoring all funding streams closely and will make adjustments where necessary as soon as the need is identified. The Bureau will apprise the Budget Office of developments and will seek its collaboration on any required actions.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiatives:

☐Economic Development:

- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐Administration:

- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☐Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☒Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Jon Drake, Assistant Bureau Chief, Behavioral Health Bureau, 755-4357

Approved by:

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Date: \_\_\_\_\_  
Elsa M. Jimenez, Director of Health, 755-4526

Attachments:

Board Report on file with the Clerk of the Board.