



DATE: 10/24/2019

TO: Honorable Members of the Board of Supervisors
Jeffrey V. Smith, M.D., J.D., County Executive

FROM: René G. Santiago, Deputy County Executive/Director,
County of Santa Clara Health System

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SUBJECT: Corrective Action Plan-Network Adequacy Standards

The Behavioral Health Services Department (Department) is providing this off-agenda report to inform the Board of Supervisors of the Network Adequacy/Timely Access to Care Corrective Action Plan (CAP) from the State's Department of Health Care Services (DHCS). The Department is required to submit a CAP to DHCS by October 28, 2019. This report provides background on the Medicaid Managed Care Final Rule (Final Rule) Network Adequacy standards, the Timely Access requirements and the Department's plans to comply with the requirement of 70% of MediCal beneficiaries receiving care within 10 working days.

The Final Rule Network Adequacy Standards

On July 1, 2017 DHCS released the Final Rule for the Network Adequacy Standards (NACT) for all managed care plans operated by the State. These rules were promulgated by the Center for Medicare and Medicaid Services (CMS) on April 25, 2016. These changes represent the first significant review and overhaul of the managed care regulations since 2002.

CMS provided flexibility in the Final Rule with respect to network adequacy requiring states to implement state-specific standards under the Final Rule's broad requirements. These requirements are specific to time and distance to services and timely access to first appointment. DHCS must certify managed care plans on an annual basis and report to CMS that all plans have met the established standards as set forth by DHCS. These rules are set forth in three sections of the Final Rule: 438.68 Network Adequacy Standards; 438.206 Availability of Services and 438.207 Assurance of Adequate Capacity and Services. The Final Rule requires network adequacy standards for all managed care delivery systems including medical, dental, mental health, substance abuse and long-term care programs.

The Department manages both a Mental Health Plan (MHP) and a Drug Medi-Cal Organized Delivery System (DMC-ODS) under the DHCS category of Medi-Cal Managed Care Health Plans (MCPs).

DHCS implemented a Network Adequacy Certification Tool (NACT) to ensure compliance with CMS regulations and a NACT reporting structure that each County MCP must follow. The MHP must submit a quarterly NACT and the DMC-ODS must submit an annual NACT. The first reports for both plans were submitted in April 2018. The NACT standards include access to services within 15 miles or 30 minutes from a beneficiary's residence and Timely Access first appointment offered within 10 business days of request.

DHCS has also set a standard ratio of staff to beneficiaries that each MHP must meet. The standard requires a full-time (FTE) clinician/rehabilitation provider to serve no more than 50 adults and 30 children or youth and no more than 300 clients for each psychiatrist.

The NACT reports are reviewed by DHCS. The MHP's that do not meet standards are required to submit a CAP to comply with the regulations. If counties fail to correct the underperformance, DHCS can levy financial sanctions until the MHP comes into compliance with the standards. Last summer, 10 Central Valley counties were sanctioned by DHCS for insufficient Network Adequacy (clinical providers and psychiatrists).

The County of Santa Clara has met Network Adequacy standards with each quarterly NACT.

The DHCS review of the June to August 2019 NACT resulted in 44 counties receiving CAPs.

Timely Access to First Appointment Requirements

DHCS requires that MHP's provide at least 70% of beneficiary appointments within 10 working days from referral to first appointment. In the most recent NACT, for the period of June-August 2019, DHCS identified that the Department did not meet the Timely Access 70% standard within 10 business days; 53% of MediCal beneficiaries were offered an appointment within the timeline, based on the aggregate of all County-operated and contract provider services following NACT requirements. This was the first DHCS review of MHP Timely Access.

The Department has been working on Timely Access with the County clinics and the contract provider organizations over the last several months to develop multiple strategies to comply with the requirements. The significant service expansion in the Adult/Older Adult and Family and Children Systems of Care was designed to increase capacity in critical areas and to ensure clients received appropriate and timely care. Prior to new program implementation, timely access was inconsistent across the system, due to limited service capacity. As the new programs have ramped up, timely access has improved.

The Department leadership meets with the Behavioral Health Contractor Association (BHCA) Executive Directors on a monthly basis and timely access has been a priority item. The providers have identified and implemented new processes to ensure timely access within their organizations and are tracking data in each of their programs.

In addition, the Department is streamlining the Call Center's screening and referral processes, so that staff can more easily refer clients to services at the time of referral. The Netsmart/My Avatar electronic record system, with a launch date of July 2020, will include a Capacity Management tool to provide point-in-time capacity across the systems of care, identify slots electronically,

ensure first appointments and manage capacity across the County and contract provider programs.

The Corrective Action Plan and Next Steps

The Department has developed a CAP to achieve the 70% benchmark by January 15, 2020, which will be submitted to DHCS on October 28, 2019. The Decision Support team reviewed the September 2019 timely access data, which indicated an increase of appointments provided within the 10 day period. With continued implementation of new services, new processes and the CAP action steps listed below, the Department anticipates compliance with the 70% timely access standard as required. DHCS will review the CAP and determine if the action steps meet the standards for ensuring compliance by January 15, 2020. The Department will provide an update following the DHCS review of the CAP.

CAP Action Items

Implementation of an online Capacity Management Report on October 11, 2019.

Contract providers are required to provide weekly updates on availability of assessment slots for beneficiaries that have been referred for a mental health intake and assessment. This report identifies available service capacity across programs, which the Call Center uses to refer beneficiaries to the appropriate outpatient program within the time, distance and first appointment standards.

Pilot a new approach to County-operated Adult/Older Adult initial assessments. Clinic Program Managers recommended reducing the length of time for the beneficiary's initial face to face meeting from 60 to 30 minutes and using an abbreviated assessment tool, one page versus a seven page clinical assessment. This pilot will shorten assessment time, with the goal of placing clients directly into services within the 10 day timeline.

High Utilizer Treatment Expansion. The Department executed 400 slots contracted to serve adult and older adult high utilizers of crisis services. The Care Coordination teams will identify high utilizers for placement in this new treatment track, which will open capacity for the Adult outpatient system, which has the highest demand for services.

- Added 300 Adult Intensive FSP slots
- Added 100 Older Adult Intensive FSP slots for individuals who are 60 years old and over; current clients will transition from Adult into Older Adult services, which will open capacity for Adult clients.

Children and Youth Treatment Expansion-Effective July 1, 2019:

- Increased Transition Age Youth (TAY) 66 outpatient slots
- Added 10 slots for Full Service Partnership (FSP) for Children and 6 slots for FSP TAY
- Added 126 slots for Intensive Outpatient for children and youth
- Added 73 slots for Outpatient, 17 slots for Ethnic Outpatient, and 10 slots for the Integrated Service Program-Effective October 8, 2019
- Added 200 Intensive FSP slots (Children 100 and TAY 100)
- Added 22 TAY outpatient slots - Effective December 1, 2019

Capacity Management Tracking: All County clinic managers will implement a tracking mechanism to manage weekly capacity and intakes/assessments. This information will be reported to the appropriate Division Director within the Children and Family and Adult/Older Adult Systems of Care. Target date for implementation is November 15, 2019.

cc: Miguel Marquez, Chief Operating Officer
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