SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

468

FROM: Department of Mental Health

SUBMITTAL DATE:

SUBJECT: Approve the Addendum to the Memorandum of Understanding between Molina Healthcare of California Partner Plan, Inc. and the Department of Mental Health. **(All Districts)**

RECOMMENDED MOTION: Move that the Board of Supervisors:

1. Approve the Addendum to the Memorandum of Understanding (MOU) between Molina Healthcare of California Partner Plan, Inc. and the Department of Mental Health for Medi-Cal beneficiaries for FY 2013/2014; and
2. Authorize the Chairman of the Riverside County Board of Supervisors to sign the Addendum to the MOU; and
3. Authorize the Director of the Department of Mental Health to sign ministerial amendments and renewals for this MOU with Molina Healthcare of California Partner Plan, Inc. and the Department of Mental Health for Medi-Cal and Medicare Dual Eligible beneficiaries through December 31, 2016.

BACKGROUND: On October 16, 2001 and July 16, 2013, Agenda Items 3.40 and 3.39 respectively, the Riverside County Board of Supervisors approved the MOU between Molina Healthcare of California Partner Plan, Inc and the Department of Mental Health establishing protocols for Riverside County Medi-Cal beneficiaries shared between Molina Healthcare of California Partner Plan, Inc and the Department of Mental Health. The referral protocols address mental health clients who are in need of physical healthcare along with reciprocal arrangement of physical health clients in need of mental health services.

(Continued on Page 2)

JW:WC

Jerry Wengerd, Director
Department of Mental Health

FINANCIAL DATA				
	Current F.Y. Total Cost:	$ 0	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	$ 0	Budget Adjustment:	No
	Annual Net County Cost:	$ 0	For Fiscal Year:	2013/2014

SOURCE OF FUNDS:

Positions To Be Deleted Per A-30	☐
Requires 4/5 Vote	☐

C.E.O. RECOMMENDATION: APPROVE

BY Elizabeth J. Olson

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY ELENA M. BOEVA 8-7-13

MOU Departmental Concurrence
Purchasing Agent

Dep't Recomm.: ☐ Consent ☒ Policy
Per Exec. Ofc.: ☐ Consent ☒ Policy

2013 AUG 13 AM 8:52

RECEIVED RIVERSIDE COUNTY CLERK/BOARD OF SUPERVISORS

Prev. Agn. Ref.: 10/16/01, item 3.40, 07/16/2013 item 3.39 | **District:** ALL | **Agenda Number:** 3-54

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

SUBJECT: Approve the Addendum to the Memorandum of Understanding between MOLINA Healthcare of California Partner Plan, Inc. (MOLINA) and the Department of Mental Health (DMH). **(All Districts)**

BACKGROUND (continued):

The California Code of Regulations (CCR), Title 9, Chapter 11, Section 1810.370, requires Medi-Cal Mental Health Plans to enter into MOU agreements with Medi-Cal Managed Care Plans (physical health care) to ensure appropriate care for Medi-Cal and Medicare Dual Choice beneficiaries. These regulations stipulate that Medi-Cal and Medicare mental health services shall be provided to Medi-Cal and Medicare beneficiaries through the Mental Health Plan, which is administered by DMH.

In addition to the above, the Medi-Cal and Medicare programs are partnering to launch a three-year demonstration project to promote coordinated health care delivery to seniors and people with disabilities who are dually eligible for both of the public health insurance programs, "dual eligible beneficiaries." The program Cal MediConnect will commence September 1, 2013 between MOLINA and DMH.

Dual eligible beneficiaries are people who qualify for both public health insurance programs, Medicare and Medi-Cal. In California, as many as 70%, of the dual eligible beneficiaries are age 65 and older with the majority being women. Approximately 30% are young people with disabilities. The goal of the Cal MediConnect program is to improve care coordination for dual eligible beneficiaries and drive high quality care that helps people stay healthy and in their homes. This will help create a person-centered health care system that is sustainable by shifting services out of institutional settings and into the home and community. The Cal MediConnect program is part of California's larger Coordinated Care Initiative (CCI) which was enacted in July 2012 through SB 1008 (Chapter 33, Statutes of 2012) and SB 1036 (Chapter 45, Statutes of 2012)."

Therefore DMH is requesting that the Riverside County Board of Supervisors approve the Addendum to the MOU between MOLINA and DMH to provide mental health services to Medi-Cal and Medicare Dual Choice and Dual Eligible beneficiaries.

PERIOD OF PERFORMANCE:

This MOU shall commence on September 1, 2013 and shall continue through December 31, 2016.

FINANCIAL IMPACT:

The MOU between MOLINA and DMH has a zero dollar amount ($0) as specified in the agreement. However, MOLINA will reimburse DMH at 100% of the Medicare allowable amount for all billable services and there are no County funds required.

ADDENDUM II

MEMORANDUM OF UNDERSTANDING

BETWEEN COUNTY OF RIVERSIDE, DEPARTMENT OF MENTAL HEALTH

AND

MOLINA HEALTHCARE OF CALIFORNIA, PARTNER PLAN, INC.

This ADDENDUM to the MEMORANDUM OF UNDERSTANDING (MOU) is made by and between the County of Riverside, Department of Mental Health, (hereinafter referred to as (MHP) and Molina Healthcare of California, Partner Plan, Inc. (hereinafter referred to as MOLINA) in order to implement certain provisions of Title 9 of the California Code of Regulations, Chapter 11 (Medi-Cal Specialty Mental Health Services) and Drug Medi-Cal Substance Abuse Services Title 22, California Code of Regulations, Section 51303.

The purpose of this ADDENDUM II to the MOU is to describe the responsibilities of MHP and of MOLINA in the delivery of specialty mental health and Drug services to Medi-Cal and Medicare beneficiaries served by both parties in the **Cal MediConnect** program to improve care coordination for dual eligible beneficiaries and drive high quality care that helps people stay healthy and in their homes for as long as possible.

1. TERMS

This addendum to memorandum shall commence on September 1, 2013 and shall continue through December 2016.

2. TASKS, RESPONSIBILITIES AND/OR OBLIGATIONS

A. Roles and Responsibilities

1. Covered Services are listed in the "Behavioral Health Benefits in the Duals Demonstration" matrix an attachment to this MOU addendum.

2. Determination of Medical Necessity

a. MOLINA and MHP will follow the medical necessity criteria for Medi-Cal specialty mental health 1915(b) waiver services described in Title 9, California Code of Regulations (CCR), Sections 1820.205, 1830.205, and 1830.210.

b. To determine medical necessity for Drug Medi-Cal Substance Abuse Services, MOLINA and MHP will follow Title 22, California Code of Regulations Section 51303. Services shall be prescribed by a physician, and are subject to utilization controls, as set forth in Title 22 Section 51159.

3. Assessment Process

The MOLINA and MHP shall develop and agree to written policies and procedures regarding agreed-upon screening and assessment processes that comply with all federal and state requirements including the Care Coordination Standards and Behavioral Health Coordination Standards.

4. Referrals

a. MOLINA and MHP shall develop and agree to written policies and procedures regarding referral processes, including the following:

   i. The MHP will accept referrals from MOLINA staff, providers and members' self-referral for determination of medical necessity.

   ii. MOLINA will accept referrals from the MHP when the service needed is one provided by MOLINA and not the MHP and the beneficiary does not meet the Medi-Cal specialty mental health and/or Drug Medi-Cal medical necessity criteria.

5. Authorization of Services

MOLINA will work with the MHP to determine if authorization of Medicare covered behavioral health services is required. Any Medicare treatment authorization decisions will be made as expeditiously and as timely as the beneficiary's condition requires.

6. Provider Credentialing

The MHP will provide verification of professional licensure, the National Provider Identifier (NPI), and other information as needed to confirm MHP and its contractors are Medicare eligible and certified providers eligible providers.

7. Payment Mechanism

The reimbursement mechanism between MHP and MOLINA shall be determined locally and agreed upon by both parties, as specified in this MOU Addendum II and subject to federal timeliness and other requirements. MOLINA shall

reimburse the MHP for Medicare-covered mental health services rendered by the MHP.

The MHP will recover the federal Medi-Cal reimbursement for Medi-Cal specialty mental health services after receiving the MOLINA'S payment consistent with the provisions of the demonstration and the current Medi-Cal specialty mental health 1915(b) waiver and California' Medicaid State MOLINA.

MOLINA shall provide information necessary for coordination of benefits in order for the MHP to obtain appropriate reimbursement under the Medi-Cal program.

8. Rates

MOLINA shall provide MHP with payment for authorized medically necessary rendered services covered by Medicare at the most current published Medicare rates.

9. Dispute Resolution Process

MOLINA and MHP agree to follow the resolution of dispute process in accordance to Title 9, CCR, Section 1850.505, and the contract between MOLINA and the State Department of Health Care Services (DHCS) and Centers for Medicare & Medicaid Services (CMS).

10. Telephone Access

MOLINA is responsible for maintaining a telephone line to answer Member inquiries about services. The MHP is responsible for maintaining a 24-7 crisis line with a live person available to assess the need for urgent or emergency services.

B. Information Exchange

1. MHP and MOLINA will develop and agree to Information sharing policies and procedures that include milestones over the three years and agreed upon roles and responsibilities for sharing personal health information (PHI) for the purposes of medical and behavioral health care coordination pursuant to Title 9, CCR, Section 1810.370(a)(3) and other pertinent state and federal laws and regulations, including the Health Insurance Portability and Accountability Act and 42 CFR part 2, governing the confidentiality of mental health , alcohol and drug treatment information. These policies and procedures shall be attached to the MOU by 12/31/13.
2. MOLINA will create a list of demonstration enrollees who are receiving Medi-Cal specialty mental health and/or Drug Medi-Cal services to track their care coordination and service delivery to the extent possible under state and federal privacy laws.

C. Care Coordination

MOLINA and MHP will develop and agree to policies and procedures for coordinating medical and behavioral health care for beneficiaries enrolled in MOLINA and receiving Medi-Cal specialty mental health or Drug Medi-Cal services through the MHP that may include the following. These policies and procedures shall be attached to the MOU by 12/31/13.

1. An identified point of contact from each PARTY who will initiate and maintain ongoing care coordination, including agreement on who has primary responsibility for care planning.

2. MHP will participate in Interdisciplinary Care Teams (ICTs) for members receiving MHP-administered services and identified as needing an ICT, in accordance with a beneficiary's decisions about appropriate involvement of providers and caregivers on the ICT.

3. The MHP would request participation from MOLINA in developing behavioral health care plans.

4. MOLINA will have a process for reviewing and updating the care plan as clinically indicated, such as following a hospitalization, significant change in health or wellbeing, change in level of care or request for change of providers, and for coordinating with the MHP behavioral health providers, when necessary.

5. MOLINA will have regular meetings (at least quarterly) to review the care coordination process, such as the effectiveness of exchange of patient health information.

6. MOLINA will coordinate with the MHP to perform on an annual review, analysis and evaluation of the effectiveness of the care management program to identify actions to implement and improve the quality of care and delivery of services.

D. Shared Accountability

Shared Accountability between MOLINA and MHP aims to promote care coordination. Shared accountability builds on the performance-based withhold of 1%, 2%, and 3% in the capitation rates respectively for years one, two and three of the demonstration. By meeting specified quality measures, MOLINA can earn back the withheld capitation revenue by meeting specified quality objectives. Under this Shared Accountability strategy, one withhold measure each year will be tied to behavioral health coordination with the MHP.

1. MOLINA and MHP agree to the Shared Accountability Performance Metrics, as specified in the three-way contracts between CMS, DHCS and the MOLINA. These measures will be updated upon confirmation, but generally include:

   a. Year 1 (6/1/13 - 12/31/14):

i. Execution of the MOU amendment prior to the launch of the demonstration;

ii. Evidence of revised written policies and procedures for assessments, referrals, coordinated care planning, and information exchange to reflect inclusion of behavioral health coordination in the demonstration. Information sharing policies and procedures should include milestones for increased sharing over the three years, and also include a process for identifying and tracking of demonstration enrollees who receive behavioral health services through the MHP.

iii. [Specified] percent of demonstration enrollees identified as receiving Medi-Cal specialty mental health and/or Drug Medi-Cal services who have individual care plans that include evidence of collaboration with the primary behavioral health provider at the MHP, indicating that care is being coordinated between the PARTIES.

b. Year 2 (1/1/15-12/31/16): [Specified] percent reduction from the baseline in emergency department (ED) visits for beneficiaries with serious mental illness or indication of need for substance use treatment. (Further development of exact specifications for the measure will be reflected in three-way contracts).

c. Year 3 (1/1/16-12/31/16): [Specified] percent reduction (greater than Year 2) from the baseline in ED visits for beneficiaries with serious mental illness or indication of need for substance use treatment.

2. MOLINA and MHP agree that if the specified shared accountability measure is met in each year, MOLINA will provide an incentive payment to the MHP under mutually agreeable terms. This payment will be structured in a way so it does not offset the MHP's Certified Public Expenditure (CPE).

E. Provider and Member Education

MOLINA and MHP will develop, in coordination with one another, education materials and programs for their members and providers about the availability of behavioral health services, including roles and responsibilities in the demonstration and care coordination policies and procedures. At a minimum, education will include initial and regularly scheduled provider trainings (at least annually), and a provider manual that includes information regarding access to services, the beneficiary problem resolution processes, authorization process, provider cultural and linguistic requirements, regulatory and contractual requirements, and other activities and services needed to assist beneficiaries in optimizing their health status, including assistance with self-management skills or techniques, health education and other modalities to improve health status.

IN WITNESS WHEREOF, the parties hereto have agreed to and executed this addendum to the memorandum by their Officers thereunto that are duly authorized. The individual signing below on behalf of MHP acknowledges, warrants and represents that said individual has the authority and proper authorization to execute this addendum to the memorandum on behalf of MHP and does so freely with the intent to fully bind MHP, to the provisions of this addendum to the memorandum.

RIVERSIDE COUNTY

By:
Jerry A. Wengerd, Director
RCMHP

Date: ______________________________

By: ______________________________
Chairperson, Board of Supervisors

Date: ______________________________

MOLINA HEALTHCARE OF CALIFORNIA, PARTNER PLAN, INC.

By:
Greg Hamblin, Vice President of
Finance & Analytics

Date: 8/7/13

FORM APPROVED COUNTY COUNSEL
BY: ELENA M. BOEVA 8/8/13 DATE

Coverage Matrix 1: Mental Health Benefits

Inpatient Services			
	Type of Service	**Benefit Coverage**	**Primary financial responsibility under the Demonstration**
Psychiatric inpatient care in a general acute hospital	Facility Charge	**Medicare** *Subject to coverage limitations **	Health Plan
	Psychiatric professional services		
	Medical, pharmacy, ancillary services		
Inpatient care in free-standing psychiatric hospitals *(16 beds or fewer)*	Facility Charge	**Medicare** *Subject to coverage limitations and depends on facility and license type **	Health Plan
	Psychiatric professional services		
	Medical, pharmacy, ancillary services		
Psychiatric health facilities (PHFs) *(16 beds or fewer)*	Facility Charge *(Most are not Medicare certified)*	**Medi-Cal**	County
	Psychiatric professional services	**Medicare**	Health Plan
	Medical, pharmacy, ancillary services	**Medicare**	Health Plan
Emergency Department	Facility Charges	**Medicare**	Health Plan
	Psychiatric professional services		
	Medical, pharmacy, ancillary services		
Long-Term Care			
Skilled Nursing Facility	Facility Charges	**Medicare/ Medi-Cal+**	Health Plan
	Psychiatric professional services	**Medicare**	Health Plan
	Medical, pharmacy, ancillary services	**Medicare**	Health Plan
SNF-STP (fewer than 50% beds)	Facility Charges	**Medicare/Medi-Cal+**	Health Plan
	Psychiatric professional services	**Medicare**	Health Plan
	Medical, pharmacy, ancillary services	**Medicare**	Health Plan

* County Mental Health Plans (MHPs) are responsible for the balance of inpatient psychiatric care that is not covered by Medicare for those beneficiaries who meet the medical necessity criteria for specialty mental health services. This includes any deductibles and copayments, and any services beyond the 190-day lifetime limit in a freestanding psychiatric hospital. Additionally, the County MHP is responsible for local hospital administrative days. These are days, as determined by the county, that a patient's stay in the hospital is beyond the need for acute care and there is a lack of beds available at an appropriate lower level of care.

\+ A facility must be Medicare certified and the beneficiary must meet medical necessity criteria for Medicare coverage. Medicare pays up to 100 days after placement following acute hospital stay. For long-term care placement, Medi-Cal fee-for-service pays for these costs today.

Coverage Matrix 1: Mental Health Benefits

Institutes for Mental Disease			
Long-term care		Benefit Coverage	Primary financial responsibility under the Demonstration
SNF-IMD, locked community-based facility for long-term care (more than 50% of beds are for psychiatric care)§	Facility Charges ages 22-64 *Subject to IMD Exclusion**	Not covered by Medicare or Medi-Cal+	County
	Facility Charge ages 65 and older	Medi-Cal	Health Plan
	Psychiatric professional services	Medicare	Health Plan
	Medical, pharmacy, ancillary services (some of these services may be included in the per diem reimbursements)	Medicare	Health Plan
Mental health rehabilitation centers (MHRCs) (IMD)	Facility Charges	Not covered by Medicare or Medi-Cal	County
	Psychiatric professional services	Medicare	Health Plan
	Medical, pharmacy, ancillary services (some of these services may be included in the per diem reimbursements)	Medicare	Health Plan
Psychiatric health facilities (PHFs) with more than 16 beds	Facility Charges ages 22-64 *Subject to IMD Exclusion**	County	County
	Facility Charge ages 65 and older *(most are not Medicare certified)*	Medi-Cal*	County
	Psychiatric professional services	Medicare	Health Plan
	Medical, pharmacy, ancillary services (some of these services may be included in the per diem reimbursements)	Medicare	Health Plan
Free-standing psychiatric hospital with 16 or more beds	Facility Charges ages 22-64 *Subject to IMD Exclusion **	Medicare*	Health plan
	Facility Charge ages 65 and older	Medicare	Health Plan
	Psychiatric professional services	Medicare	Health Plan
	Medical, pharmacy, ancillary services (some of these services may be included in the per diem reimbursements)	Medicare	Health Plan

* Medicare coverage for Institutions for Mental Diseases (IMDs) depends on the facility type, licensure and number of beds. IMDs include skilled nursing facilities (SNFs) with special treatment programs (STPs) with more than 50% of beds designated for primary psychiatric diagnosis, free standing acute psychiatric hospitals with more than 16 beds, psychiatric health facilities (PHFs) with more than 16 beds, mental health rehabilitation centers (MHRCs), and State hospitals. For those facilities that are Medicare reimbursable, once a beneficiary has exhausted his Medicare psychiatric hospital coverage then Medi-Cal is the secondary payer. The Medi-Cal coverage would be subject to the IMD exclusion. Federal law prohibits Medicaid Federal Financial Participation (FFP) payment for beneficiaries age 22 to 64 placed in IMDs. This is known as the "IMD exclusion" and is described in DMH Letters 02-06 and 10-02.

+ A facility must be Medicare certified and the beneficiary must meet medical necessity criteria for Medicare coverage. Medicare pays up to 100 days after placement following acute hospital stay. For long-term care placement, Medi-Cal fee-for-service pays for these costs today.

§ Patients placed in locked mental health treatment facilities must be conserved by the court under the grave disability provisions of the LPS Act

Coverage Matrix 1: Mental Health Benefits

Outpatient Mental Health Services			
		Primary Financial Responsibility	
Type of Service	**Benefit Coverage**	**Patient meets criteria for MHP specialty mental health services^**	**Patient does NOT meet criteria for MHP specialty mental health services**
Pharmacy	**Medicare**	Health Plan	Health Plan
Partial hospitalization / Intensive Outpatient Programs	**Medicare**	Health Plan	Health Plan
Outpatient services within the scope of primary care	**Medicare**	Health Plan	Health Plan
Psychiatric testing/ assessment	**Medicare**	Health Plan	Health Plan
Mental health services§ *(Individual and group therapy, assessment, collateral)*	**Medicare**	Health plan	Health Plan
Mental health services§ *(Rehabilitation and care plan development)*	**Medi-Cal**	County	Not a covered benefit for beneficiaries not meeting medical necessity criteria
Medication support services§ *(Prescribing, administering, and dispensing; evaluation of the need for medication; and evaluation of clinical effectiveness of side effects)*	**Medicare**	Health plan	Health Plan
Medication support services§ *(instruction in the use, risks and benefits of and alternatives for medication; and plan development)*	**Medi-Cal**	County	Not a covered benefit for beneficiaries not meeting medical necessity criteria
Day treatment intensive	**Medi-Cal**	County	Not a covered benefit for beneficiaries not meeting medical necessity criteria
Day rehabilitation	**Medi-Cal**	County	Not a covered benefit for beneficiaries not meeting medical necessity criteria
Crisis intervention	**Medi-Cal**	County	Not a covered benefit for beneficiaries not meeting medical necessity criteria
Crisis stabilization	**Medi-Cal**	County	Not a covered benefit for beneficiaries not meeting medical necessity criteria
Adult Residential treatment services	**Medi-Cal**	County	Not a covered benefit for beneficiaries not meeting medical necessity criteria
Crisis residential treatment services	**Medi-Cal**	County	Not a covered benefit for beneficiaries not meeting medical necessity criteria
Targeted Case Management	**Medi-Cal**	County	Not a covered benefit for beneficiaries not meeting medical necessity criteria

^ 1915b waiver and State Plan Amendments for targeted case management and expanded services under the rehabilitation option

§ Medicare and Medi-Cal coverage must be coordinated subject to federal and state reimbursement requirements. For further details on the services within these categories that are claimable to Medicare and Medi-Cal please see the following:

- DMH INFORMATION NOTICE NO: 10-11 May 6, 2010;
- DMH INFORMATION NOTICE NO: 10-23 Nov. 18, 2010;
- DMH INFORMATION NOTICE NO: 11-06 April 29, 2011

Coverage Matrix 1: Mental Health Benefits

	Type of Service	Benefit Coverage	Demonstration Responsibility
Inpatient Acute and Acute Psychiatric Hospitals	Detoxification	Medicare	Health Plan
	Treatment of Drug Abuse[1] (Medicare Benefit Policy Manual, Chapter 6 §20, and Chapter 16 §90)	Medicare	Health Plan
Outpatient	Alcohol Misuse Counseling: one alcohol misuse screening (SBIRT) per year. Up to four counseling sessions may be covered if positive screening results. *Must be delivered in a primary care setting.*[2]	Medicare	Health Plan
	Group or individual counseling by a qualified clinician	Medicare	Health Plan
	Subacute detoxification in residential addiction program outpatient	Medicare	Health Plan
	Alcohol and/or drug services in intensive outpatient treatment center	Medicare	Health Plan
	Extended Release Naltrexone (vivitrol) treatment	Medicare	Health Plan
	Methadone maintenance therapy	Drug Medi-Cal	County Drug & Alcohol[3]
	Day care rehabilitation	Drug Medi-Cal	County Drug & Alcohol
	Outpatient individual and group counseling *(coverage limitations)*[4]	Drug Medi-Cal	County Drug & Alcohol
	Perinatal residential services	Drug Medi-Cal	County Drug & Alcohol

[1] Medicare inpatient detoxification and/or rehabilitation for drug substance abuse when it is medically necessary. Coverage is also available for treatment services provided in the hospital outpatient department to patients who, for example, have been discharged for the treatment of drug substance abuse or who require treatment but do not require the availability and intensity of services found only in the inpatient hospital setting. The coverage available for these services is subject to the same rules generally applicable to the coverage of outpatient hospital services. Click here to learn more.

[2] Medicare coverage explanation: Click here to learn more.

[3] In San Diego and Orange Counties, county alcohol and drug do not provide these services. Providers have direct contracts with the State.

[4] Title 22, Section 51341.1 limits DMC individual counseling to the intake, crisis intervention, collateral services and treatment and discharge planning.