# AMENDMENT I
# TO THE
# MEMORANDUM OF UNDERSTANDING
# FOR THE COORDINATION OF MENTAL HEALTH SERVICES

THIS AMENDMENT I is entered into by and between the Orange County Health Authority, dba CalOptima ("CalOptima") and the Orange County Health Care Agency ("HCA" or "COUNTY") and shall become effective on the first day of the first month following execution of this Amendment I by both parties (the "Effective Date"), with respect to the following facts:

## RECITALS

A. CalOptima and HCA entered into a Memorandum of Understanding for the Coordination of Mental Health Services on February 1, 2015 ("MOU") whereby CalOptima and HCA described the responsibilities of both parties for the coordination of mental health services to ensure access to necessary, appropriate and timely mental health services to CalOptima Members.

B. HCA provides a continuum of care for individuals with substance use disorders who meet medical necessity criteria as defined in 22 CCR Section 51303.

C. HCA has elected to partner with the State of California Department of Health Care Services (DHCS) to implement a Drug Medi-Cal Organized Delivery System ("DMC-ODS" or "Drug Medi-Cal") pilot program for the delivery of health care services for Medi-Cal eligible individuals with substance use disorder (SUD) that reside in Orange County, California. This pilot program requires HCA to provide or arrange for the provision of Drug Medi-Cal services.

D. The purpose of this Amendment I is to describe the responsibilities of HCA and CalOptima for the coordination of SUD services in order to ensure that CalOptima Members are able to access necessary, appropriate, and timely SUD services, and to describe certain elements that will be implemented at the point of care to ensure clinical integration between HCA and CalOptima for SUD services.

E. HCA's implementation date for the Drug Medi-Cal pilot program is targeted for July 1, 2017. HCA submitted its implementation plan to DHCS, on October 28, 2016. DHCS requires that HCA's implementation plan include a copy of this executed Amendment I to the MOU.

F. CalOptima and HCA now desire to amend the MOU on the terms and conditions set forth below.

NOW, THEREFORE, the parties agree as follows:

1. The title of this MOU shall be deleted and replaced in its entirety with "Memorandum of Understanding for the Coordination of Behavioral Health Services".

2. Addendum 1 "Drug Medi-Cal" shall be added to this MOU and incorporated herein via this Amendment I.

3. MOU REMAINS IN FULL FORCE AND EFFECT - Except where this Amendment I conflicts with and supersedes the MOU, all other conditions contained in the MOU shall continue in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment I.

| FOR HCA | FOR CALOPTIMA: |
|---|---|
| Mary R Hale | M.D. S.O.n.On |
| SIGNATURE | SIGNATURE |
| Mary Hale | Michael Schrader |
| PRINT NAME | PRINT NAME |
| Deputy Agency Director, BHS | Chief Executive Officer |
| TITLE | TITLE |
| 10/16/17 | 8-4-2017 |
| DATE | DATE |

## ADDENDUM I
## DRUG MEDI-CAL

I. DEFINITIONS

A. "American Society of Addiction Medicine (ASAM) Criteria" means a comprehensive set of guidelines for treatment placements, continued stay, and transfer/discharge of persons with SUD.

B. "Behavioral Health Services (BHS)" means mental health and substance use disorder prevention, intervention, treatment and recovery services, including crisis, inpatient, intensive outpatient, outpatient, residential and housing services for individuals who are living with a severe mental illness and/or substance use disorder.

C. "California Department of Health Care Services (DHCS)" means the single State department responsible for administration of the federal Medicaid program (referred to as Medi-Cal in California), California Children's Services, Genetically Handicapped Persons Program, Child Health and Disabilities Prevention, and other health related providers. DHCS provides State oversight of Managed Care Plans and County Behavioral Health Programs.

D. "Drug Medi-Cal" means Medicaid funding for services for eligible persons with SUD.

E. "Substance Use Disorder (SUD) services" means an array of substance use disorder services as defined in the federally approved State's Medi-Cal waiver 1115.

II. POPULATION TO BE SERVED

Individuals to be served pursuant to this Amendment I are Members who meet the SUD services Member eligibility requirements as described in Attachment 1-C.

III. COVERED SERVICES

Covered SUD services related to this Amendment I are those services described in Attachment 1-D.

IV. DELIVERY OF COVERED SERVICES

Beginning no sooner than July 1, 2017, HCA shall provide Drug Medi-Cal Organized Delivery System (DMC-ODS) substance use disorder (SUD) services in accordance with the intergovernmental contract between the State Department of Health Care Services and the County of Orange.

HCA has agreed to:

- Maintain a provider network of County and contracted programs sufficient to meet the needs of the Members, with acknowledgement that the following services are benefits outside of DMC-ODS:

    - medically monitored intensive inpatient services are the responsibility of HCA;

    - medically managed intensive inpatient services in an acute care hospital, for which CalOptima would provide referral coordination and care, are the responsibility of CalOptima; and

    - voluntary inpatient detoxification (VID) services in an acute care hospital are Medi-Cal fee for service benefits.

- Continually monitor and provide oversight to the DMC provider network to ensure Member access to quality SUD care.

HCA will ensure the delivery of SUD services are within the scope of the SUD providers' scope of practice.

## V. SCREENING, ASSESSMENT AND REFERRAL

HCA and CalOptima shall maintain written policies for screening, assessment, and referral processes, including screening and assessment tools used in determining if a Member needs SUD services.

CalOptima is obligated to provide Screening, Brief Intervention, and Referral to Treatment (SBIRT) screenings of all Members by network PCPs. Members with positive screening results indicating medical necessity for SUD treatment services shall be referred to HCA for further assessment and treatment pursuant to the agreed upon policies.

HCA and CalOptima shall establish and maintain mechanisms to identify Members who require non-covered SUD services and ensure that appropriate referrals are made. CalOptima shall consult with HCA as necessary to locate other appropriate community resources and to assist Members to locate available non-covered SUD services.

Referring Members to HCA for SUD services:

- CalOptima shall ensure that its network providers refer Members meeting medical necessity for SUD treatment to HCA via the ASO Access Line. Also, when the Member's SUD diagnosis is uncertain, or the diagnosis is a tentative diagnosis, CalOptima shall ensure that the Member is referred to HCA via the ASO Access Line for further assessment.

- HCA shall accept referrals from CalOptima staff, providers, and Members' self-referrals through the ASO Access Line for screening and referral. When medical

necessity criteria are met as assessed by HCA, HCA will arrange for SUD services. In the case of Member self-referrals or referrals from providers other than the Member's PCP, in which the planned SUD services involves a psychiatrist, HCA will inform the Member's PCP of services to be rendered, with signed consent.

## VI. AFTER HOURS

Members receiving SUD treatment services may access crisis after hours services via the ASO 24/7 Access Line, the HCA BHS Centralized Assessment Team (CAT), and 911 for emergency inpatient care. For non-crisis services, Members may contact the National Alliance on Mental Illness (NAMI) WarmLine.

## VII. CARE COORDINATION

Coordination of Care for SUD Services:

When it has been determined that a Member needs SUD services, the Member will be referred to a SUD provider in HCA's network. HCA will be responsible for initiating, providing, and maintaining ongoing care coordination as mutually agreed by HCA and CalOptima.

HCA and CalOptima will coordinate care within the limits of law regulating information exchange for that purpose. In order to facilitate an integrated care program that includes both HCA and CalOptima:

- Both parties shall agree to policies and procedures for coordinating SUD and physical health care for Members enrolled in CalOptima and receiving SUD services through HCA. CalOptima shall continue to provide medical case management for its Members.

- CalOptima and HCA will engage Members, caregivers and providers in the shared planning of their care, including development and ongoing modification of the care plan throughout the course of care.

- HCA plan coordinators will discuss the importance of coordinating care, including development and ongoing modification of the care plan throughout the course of care, with each Member at the time of engagement in care and will attempt to obtain authorization to exchange information with CalOptima for that purpose. Should the Member decline to permit an exchange of information, the care plan will include coordination of care as an ongoing goal.

- HCA will communicate with CalOptima for the purpose of coordination of care at the time of Member engagement in care, annually for the annual care plan update and at discharge to consult on recommended follow up and referrals. HCA will respond to requests to provide input on the development of CalOptima's care plans.

- HCA will facilitate navigation necessary for linking beneficiaries to needed services, both internal to and external to the BHS system, as part of the care coordination role of the care team members. In addition, HCA maintains a call line, OC Links, specifically to support callers, including beneficiaries, family members, and providers, in navigating the behavioral health system.

Coordination of Care for Emergency Services related to SUD:

- HCA's DMC-ODS physician(s) and pharmacist(s) shall be available to provide clinical consultations, including consultations on medications.

- Both Parties shall agree to policies that ensure timely sharing of information and describe agreed upon roles and responsibilities for sharing protected health information (PHI) for the purposes of medical and behavioral health care coordination pursuant to Title 9, CCR, Section 1810.370(a)(3), 42 CFR, 42 CFR part 2, and in compliance with HIPAA and other State and federal privacy laws.

## VIII. OVERSIGHT

DMC-ODS covered SUD services shall be provided through HCA's County-operated clinics and contracted provider network. HCA is responsible for the monitoring and oversight of duties delegated to its subcontractor(s). HCA shall conduct a full and comprehensive compliance audit of its contracted providers annually, or as deemed necessary by HCA.

The CalOptima/HCA Collaboration Committee shall function as the HCA and CalOptima's joint DMC-ODS oversight and multidisciplinary clinical team. The committee includes representatives of HCA and CalOptima and is responsible for the following:

- Program oversight
- Quality improvement (including HCA's Quality Improvement Plan)
- Utilization Management Program
- Problem and dispute resolution
- Ongoing management of MOU
- Oversight for clinical operations (screenings, assessment, referrals, care management, care coordination, and exchange of medical information)

## IX. DISPUTE RESOLUTION

CalOptima and HCA shall facilitate timely resolution of clinical and administrative disputes, including differences of opinion about whether a Member is eligible for SUD services or whether HCA should provide SUD services. The review process shall not result in delays in Member access to SUD services while the decision from the formal dispute resolution process is pending. CalOptima and HCA agree to follow the resolution of dispute process in accordance Title 9, CCR, Section 1850.505.

When the dispute involves HCA discontinuing services to a Member that CalOptima believes requires SUD services from HCA, HCA shall identify and provide CalOptima

contact information for a qualified licensed SUD professional available to provide clinical consultation, including consultation on medications to the CalOptima provider responsible for the Member's care.

When CalOptima has a dispute with HCA regarding a referral to SUD services, CalOptima staff shall attempt to initially resolve the dispute with the ASO Access Line staff who handled the referral. If the dispute is unresolved, CalOptima and HCA shall participate in the dispute resolution process.

When a dispute between CalOptima and HCA cannot be resolved, CalOptima and/or HCA may submit a request for resolution to the DHCS. A request for resolution by either party will be submitted to the respective party within 30 calendar days of the completion of the dispute resolution process between both parties. The request for resolution will contain the following information:

- A summary of the issue and a statement of the desired remedy, including any disputed services that have or are expected to be delivered to the Member and the expected rate of payment for each type of services.
- History of attempts to resolve the issue.
- Justification for the desired remedy.
- Documentation regarding the issue.

Upon receipt of a request for resolution, the DHCS will notify the other party within 7 calendar days. The notice to the other party will include a copy of the request and will ask for a statement of the party's position on the issue included by the other party in its request. The other party will submit the requested documentation within 21 calendar days, or the DHCS will decide the dispute based solely on the documentation filed by the initiating party.

Nothing in this section will preclude a Member from utilizing CalOptima or HCA's problem resolution process for Members or any similar process, or to request a fair hearing.

## X. QUALITY IMPROVEMENT REQUIREMENTS AND REPORTING

Both Parties have agreed to the following policies, procedures, and reports to address quality improvement requirements for SUD services including, but not limited to:

a. Regular meetings, as agreed upon by both Parties, to review referral and care coordination process, to monitor Member engagement and utilization, and to review information exchange protocols and processes.

b. No less than semi-annual calendar year review of referral and care coordination processes to improve quality of care; and at least semi-annual reports summarizing quality findings, as determined in collaboration with DHCS. Reports summarizing findings of the review address the systemic strengths and barriers for effective collaboration between both Parties.

c. Review reports that track cross-system referrals, Member engagement, and service utilization are to be determined in collaboration with DHCS, including but not limited to, the number of disputes between both Parties, the dispositions/outcomes of those disputes, the number of grievances related to referrals and network access, and the dispositions/outcomes of those grievances. Reports shall also address utilization of mental health services by Members receiving such services from CalOptima and HCA, as well as quality strategies to address duplication of services.

d. Performance measures and quality improvement initiatives to be determined in collaboration with DHCS.

## XI. MEMBER AND PROVIDER EDUCATION

Both parties have determined requirements for coordination of Member and provider information about access to HCA for covered SUD services.

HCA shall develop and maintain a list of DMC-ODS certified providers or provider organizations for DMC-ODS covered services. HCA shall develop and maintain a list of DMC-ODS certified providers or provider organizations for HCA SUD services. The list of HCA providers shall be made available to Members and CalOptima upon request.

# Attachment 1-C
# SUD Eligibility Criteria Chart for Medi-Cal Managed Care Members
# ELIGIBILITY

## DMC-ODS Medical Criteria

In order to receive SUD services through HCA, the Member must meet the following medical necessity criteria:

1. Must have one diagnosis from the Diagnostic and Statistical Manual of Mental Disorders (DSM) for Substance-Related and Addictive Disorders with the exception of Tobacco-Related Disorders and Non-Substance-Related Disorders; or be assessed to be at risk for developing substance use disorder (for youth under 21).

2. Must meet the ASAM Criteria definition of medical necessity for services based on the ASAM Criteria.

3. If applicable, must meet the ASAM adolescent treatment criteria. As a point of clarification, Members under age 21 are eligible to received Medi-Cal services pursuant to the Early Periodic Screening, Diagnostic and Treatment (EPSDT) mandate. Under the EPSDT mandate, Members under age 21 are eligible to receive all appropriate and medically necessary services needed to correct and ameliorate health conditions that are coverable under section 1905(a) Medi-Cal authority. Nothing in the DMC-ODS pilot overrides any EPSDT requirements.

## DMC-ODS Determination of Medical Need

1. The initial medical necessity determination for the DMC-ODS benefit must be performed through face-to-face review or telehealth by a Medical Director, licensed physician, or Licensed Practitioner of the Healing Arts (LPHA). After establishing a diagnosis, the ASAM Criteria will be applied to determine placement into the level of assessed services.

2. Medical necessity qualification for ongoing receipt of DMC-ODS is determined at least every six months through the reauthorization process for individuals determined by the Medical Director, licensed physician or LPHA to be clinically appropriate, except for Narcotic Treatment Program (NTP) services which will require reauthorization annually.

## Attachment 1-D
## SUD Services Description Chart for Medi-Cal Managed Care Members
## SERVICES

**ASAM Criteria Continuum of Care Services and the DMC-ODS System**

| ASAM Level of Care | Title | Description | Provider | Payer |
|---|---|---|---|---|
| 0.5 | Early Intervention | Screening, Brief Intervention, and Referral to Treatment (SBIRT) | Managed care provider | CalOptima |
| 1 | Outpatient Services | Less than 9 hours of service/week (adults); less than 6 hours/week (adolescents) for recovery or motivational enhancement therapies/strategies | DHCS Certified Outpatient Facilities | County DMC |
| 2.1 | Intensive Outpatient Services | 9 or more hours of service/week (adults); 6 or more hours/week (adolescents) to treat multidimensional instability | DHCS Certified Intensive Outpatient Facilities | County DMC |
| 2.5 | Partial Hospitalization Services | 20 or more hours of service/week for multidimensional instability not requiring 24-hour care | N/A (optional service) | N/A (optional service) |
| 3.1 | Clinically Managed Low-Intensity Residential Services | 24-hour structure with available trained personnel; at least 5 hours of clinical service/week and prepare for outpatient treatment. | DHCS Licensed and DHCS/ASAM Designated Residential Providers | County DMC |
| 3.3 | Clinically Managed Population-Specific High-Intensity Residential Services | 24-hour care with trained counselors to stabilize multidimensional imminent danger. Less intense milieu and group treatment for those with cognitive or other impairments unable to use full active milieu or therapeutic community and prepare for outpatient treatment. | N/A (optional service) | N/A (optional service) |
| 3.5 | Clinically Managed High-Intensity Residential Services | 24-hour care with trained counselors to stabilize multidimensional imminent danger and prepare for outpatient treatment. Able to tolerate and use full milieu or therapeutic community | DHCS Licensed and DHCS/ASAM Designated Residential Providers | County DMC |
| 3.7 | Medically Monitored Intensive Inpatient Services | 24-hour nursing care with physician availability for significant problems in Dimensions 1, 2, or 3. 16 hour/day counselor availability | Chemical Dependency Recovery Hospitals; Hospital, Free Standing Psychiatric hospitals | County DMC |
| 4 | Medically Managed Intensive Inpatient Services | 24-hour nursing care and daily physician care for severe, unstable problems in Dimensions 1, 2, or 3. Counseling available to engage patient in treatment | Medical – Surgical acute care Hospitals (reflect both VID and MedSurg) | Medical Surgical = CalOptima<br><br>VID = Medi-Cal FFS |
| OTP | Opioid Treatment Program | Daily or several times weekly opioid agonist medication and counseling available to maintain multidimensional stability for those with severe opioid use disorder | DHCS Licensed OTP Maintenance Providers, licensed prescriber | County DMC |

**ASAM Criteria Withdrawal Services (Detoxification/Withdrawal Management) and the DMC-ODS System**

| Level of Withdrawal Management | Level | Description | Provider | Payer |
|---|---|---|---|---|
| Ambulatory withdrawal management without extended on-site monitoring | 1-WM | Mild withdrawal with daily or less than daily outpatient supervision. | N/A (optional service) | N/A (optional service) |
| Ambulatory withdrawal management with extended on-site monitoring | 2-WM | Moderate withdrawal with all day withdrawal management and support and supervision; at night has supportive family or living situation. | N/A (optional service) | N/A (optional service) |
| Clinically managed residential withdrawal management | 3.2-WM | Moderate withdrawal, but needs 24-hour support to complete withdrawal management and increase likelihood of continuing treatment or recovery. | DHCS Licensed Residential Facility with Detox Certification; Physician, licensed prescriber; ability to promptly receive step-downs from acute level 4. | County DMC |
| Medically monitored inpatient withdrawal management | 3.7-WM | Severe withdrawal, needs 24-hour nursing care & physician visits; unlikely to complete withdrawal management without medical monitoring. | Chemical Dependency Recovery Hospitals; Hospital, Free Standing Psychiatric hospitals | County DMC |
| Medically managed intensive inpatient withdrawal management | 4-WM | Severe, unstable withdrawal and needs 24-hour nursing care and daily physician visits to modify withdrawal management regimen and manage medical instability. | Medical – Surgical acute care Hospitals (reflect both VID and MedSurg) | Medical Surgical = CalOptima<br><br>VID = Medi-Cal FFS |

**Required and Optional DMC-ODS Services**

| Service | Required | Optional |
|---|---|---|
| Early Intervention (SBIRT) | • Provided and funded through FFS/managed care | |
| Outpatient Services | • Outpatient (includes oral naltrexone) | • Partial Hospitalization |
| Residential | • At least one ASAM level of service initially<br>• All ASAM levels (3.1, 3.3, 3.5) within three years<br>• Coordination with ASAM Levels 3.7 and 4.0 (provided and funded through FFS/managed care) | • Additional levels |
| NTP | • Required (includes buprenorphine, naloxone, disulfiram) | |
| Withdrawal Management | • At least one level of service | • Additional levels |
| Additional Medication Assisted Treatment | | • Optional |
| Recovery Services | • Required | |
| Case Management | • Required | |
| Physician Consultation | • Required | |