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# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

December 17, 2024

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

36 December 17, 2024

EDWARD YEN  
EXECUTIVE OFFICER

Dear Supervisors:

**DELEGATED AUTHORITY TO EXECUTE FUTURE AGREEMENTS AND/OR AMENDMENTS FROM THE CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES AND EXECUTE HOST COUNTY AGREEMENTS AND/OR AMENDMENTS, CLAIM REIMBURSEMENT AGREEMENTS, AND MEMORANDA OF UNDERSTANDING FOR THE COUNTY-BASED MEDI-CAL ADMINISTRATIVE ACTIVITIES AND/OR TARGETED CASE MANAGEMENT PROGRAMS (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

**SUBJECT**

Request delegated authority to execute future agreements and/or amendments from the California Department of Health Care Services and execute Host County agreements, claim reimbursement agreements, and memoranda of understanding for the County-Based Medi-Cal Administrative Activities and/or Targeted Case Management Programs.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Delegate authority to the Director of the Department of Public Health (Public Health), or designee, to execute amendments to County-Based Medi-Cal Administrative Activities (CMAA) Local Government Agency (LGA) Participation Agreement (PA) with California Department of Health Care Services (DHCS), to continue the CMAA program, subject to review and approval by County Counsel, and notification to your Board and the Chief Executive Office (CEO).
2. Delegate authority to the Director of the Public Health, or designee, to execute future CMAA LGA PA with DHCS, to continue the CMAA program, should DHCS replace the existing PA, subject to review and approval by County Counsel, and notification to your Board and the CEO.
3. Delegate authority to the Director of Public Health, or designee, to execute amendments to

Targeted Case Management (TCM) Provider Participation Agreements (PPA) Number 19-19EVRGRN with DHCS to continue the TCM program, subject to review and approval by County Counsel, and notification to your Board and the CEO.

4. Delegate authority to the Director of Public Health, or designee, to execute new TCM PPA with DHCS to continue the TCM program, should DHCS replace the existing PPA, subject to review and approval by County Counsel, and notification to your Board and the CEO.

5. Delegate authority to the Director of Public Health, or designee, to execute amendments to Host County Agreement Number CMAATCM\_FY22-25 County of Los Angeles, with the County of Santa Cruz, and to execute future Host County agreements and/or amendments for collecting and distributing LGA's participation fees, as required by DHCS, in amounts determined by DHCS and the LGA Consortium, subject to review and approval by County Counsel, and notification to your Board and the CEO.

6. Delegate authority to the Director of Public Health, or designee, to execute amendments to Contract Number PH-003493 with Access Services (Access), and Contract Number PH-004152 with Wayfinder Family Services (Wayfinder), to execute contract renewals or extensions at amounts to be determined by Public Health to continue processing CMAA reimbursement claims for services provided to eligible and potentially eligible Medi-Cal clients, subject to review and approval by County Counsel, and notification to your Board and the CEO.

7. Delegate authority to the Director of Public Health, or designee, to execute future contracts with qualified CMAA and/or TCM participants such as Community-Based Organizations or Los Angeles County Departments, at amounts to be determined by Public Health to process CMAA and/or TCM reimbursement claims for services provided to eligible and potentially eligible Medi-Cal clients, subject to review and approval by County Counsel, and notification to your Board and the CEO.

8. Delegate authority to the Director of Public Health, or designee, to execute future amendments to the contracts referenced in Recommendations 6 and 7 above, that reflect non-material and/or ministerial revisions to the contract terms and conditions, subject to review and approval by County Counsel, and notification to your Board and the CEO.

9. Delegate authority to the Director of Public Health, or designee, to immediately suspend or terminate any contract upon issuing a written notice to the contractor(s) if the contractor(s) fail to fully comply with contractual requirements and to terminate the contract(s) for convenience by providing a 30-calendar day advance written notice to the contractor(s).

10. Delegate authority to the Director of Public Health, or designee, to execute and/or amend future memoranda of understanding (MOU) with Health Net Community Solutions, Inc. (Health Net), Kaiser Permanente, and future Medi-Cal Managed Care Health Plans (MCP) required by DHCS, to implement a collaborative approach between TCM and MCP to define respective responsibilities and necessary coordination and referral of resources, and/or reflect non-material and/or ministerial revisions to the MOU terms and conditions, subject to review and approval by County Counsel, and notification to your Board and the CEO.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

On June 23, 2014, your Board approved the transfer of the administration of the CMAA and TCM Programs from the CEO to Public Health. In this role, Public Health collects claim information,

collaborates with the State to identify reimbursement rates, and provides technical assistance and training to the CMAA and TCM participants. The recommended actions will provide Public Health with the necessary authority required to administer the program.

Approval of Recommendation 1 will allow Public Health, the LGA, to execute amendments to CMAA LGA PA with DHCS; for continued participation in the CMAA Program.

The current CMAA PA supports CMAA claims reimbursement programs with Access, Wayfinder, the Department of Mental Health – Office of the Public Guardian (DMH – PG), Probation Department, administration costs for Public Health and the Auditor-Controller (A-C) and can support future eligible and approved CMAA providers.

Approval of Recommendation 2 will allow Public Health to execute future CMAA LGA PA with DHCS, to continue the CMAA program, should DHCS replace existing PA.

Approval of Recommendation 3 will allow Public Health to execute amendments to TCM PPA Number 19-19EVRGRN with DHCS, for continued participation in the TCM program.

The current PPA supports TCM reimbursement programs for Public Health's Nurse Family Partnership Program and can support future eligible and TCM providers.

Approval of Recommendation 4 will allow Public Health to execute future TCM PPA with DHCS to continue the TCM program, should DHCS replace existing PPA.

Approval of Recommendation 5 will allow Public Health to execute Host County Agreements with entities selected by the LGA Consortium to collect and distribute LGA participation fees. The CMAA and TCM participation fees cover the administrative costs associated with the processing claims, which include both technical assistance and monitoring activities. The total amount of the fee is based upon anticipated State salaries, benefits, operating expenses, and the equipment needed to administer the claims process.

As a requirement of the participation in the CMAA and TCM programs, and in recognition of revenue generated through the process, the PA and PPA requires all LGAs to pay an annual participation fee through a mechanism agreed by DHCS, the State, and the LGA that oversees the CMAA and TCM Programs. Payment amounts are determined based upon the percentage of revenue received by each program participant.

Approval of Recommendation 6 will allow Public Health to amend the current contracts with Access and Wayfinder; to execute contract renewals or extensions to continue processing claims for services provided to eligible and potentially eligible Medi-Cal clients under the CMAA Program. Access and Wayfinder are not permitted to submit claims directly to the State for CMAA reimbursement.

Approval of Recommendation 7 will allow Public Health to execute future contracts with qualified CMAA and/or TCM participants to process reimbursement claims for services provided to eligible and potentially eligible Medi-Cal clients; that otherwise would not be permitted to submit claims directly to the State for CMAA and/or reimbursement.

Approval of Recommendation 8 will allow Public Health to execute future amendments that reflect non-material and/or ministerial revisions to terms and conditions of the contracts referenced in Recommendations 6 and 7 above.

Approval of Recommendation 9 will allow Public Health to immediately suspend or terminate contract (s) with the contractor(s) who fail to perform and/or fully comply with contractual requirements, and to terminate contract(s) for convenience by providing 30-calendar days' advance written notice to the contractor(s).

Approval of Recommendation 10 will allow Public Health to execute and/or amend future MOUs, with Health Net, and Kaiser Permanente, and future MCPs as required by DHCS, to implement a collaborative approach between TCM and MCP to define respective responsibilities and necessary coordination and referral of resources, and to avoid duplication of services in the TCM program, and/or reflect non-material and/or ministerial revisions to the MOU terms and conditions.

### **Implementation of Strategic Plan Goals**

The recommended actions support North Star 1, Make Investments that Transform Lives; and North Star 2, Foster Vibrant and Resilient Communities, of the County's Strategic Plan.

### **FISCAL IMPACT/FINANCING**

The LGA will be reimbursed for actual quarterly CMAA expenditures in accordance with allowable costs pursuant to the certified public expenditure, and CMAA Invoice provisions of the CMAA Operational Plan provisions. These funds support the CMAA and TCM claim reimbursement programs for Access, Wayfinder, DMH – PG, Probation Department, and administration costs for Public Health and the A-C.

The County of Santa Cruz was designated the Host County from July 1, 2019, through June 30, 2025, by all LGAs participating in the CMAA and TCM Programs. The Host County acts as the administrative and fiscal intermediary between the State and all participating LGAs and is responsible for collecting participation fees for administering the LGA Consortium. Participation fees are determined based on the percentage of revenue received by each program participant. The rate will be incremental over the two-year period of the current contract and will be reviewed and reassessed, annually, thereafter.

Access, Wayfinder, DMH – PG, and Probation Department will reimburse Public Health and the A-C for the cost associated with processing reimbursement claims based on a detailed itemization of Public Health staff time and activities. Access, Wayfinder, DMH – PG, and Probation Department will be billed 50 percent (50%) of Public Health's administrative costs with the balance to be reimbursed by the CMAA Program.

There is no additional net County cost associated with this action.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

County-based Medi-Cal Administrative Activities Program:

Under California's Medicaid State Plan agreement with the Centers for Medicare and Medicaid Services (CMS), DHCS has been designated the "single State agency" responsible for the administration and oversight of the Medi-Cal program. The County of Los Angeles (County) is the LGA that administers the CMAA program to provide services to Medi-Cal eligible populations of the

Los Angeles County.

Under the Medi-Cal program, LGAs that meet Medi-Cal requirements and claim qualified expenditures associated with the administration and provision of services for the Medi-Cal program may be eligible to receive reimbursement from the federal government for a portion of the expenditures for the actual cost of providing services and/or activities, known as certified public expenditures. DHCS and County agencies promote access to health care for clients in the County public health system, minimizing both health care costs and long-term health care needs for at-risk populations, and coordinating clients' health care needs with other providers. Reimbursable CMAA activities include but are not limited to, conducting Medi-Cal outreach, facilitating Medi-Cal eligibility determinations, Medi-Cal contract administration, and Medi-Cal program planning.

#### Targeted Case Management Program:

The TCM Program is an optional Medi-Cal program funded by federal and local funds. The goal of the program is to ensure that the changing needs of Medi-Cal eligible persons are addressed on an ongoing basis and appropriate choices are provided among the widest array of options for meeting those needs.

LGAs participating in the TCM program are eligible to receive federal reimbursement for the cost of providing services covered under the State Medicaid Plan(s). Reimbursable TCM services are provided to Medi-Cal eligible clients in these designated target populations 1) children under the age of 21; 2) medically fragile individuals; 3) individuals at risk of institutionalization; 4) individuals in jeopardy of negative health and psycho-social outcomes; and 5) individuals with a communicable disease. The TCM service components and procedures for constructing an appropriate process for claiming federal reimbursement are specified in the California State Medicaid Plan.

#### Local Administration of the CMAA and TCM Programs:

Public Health, as the administrator of the CMAA and TCM programs for the County, processes claims for the CMAA and TCM reimbursement on behalf of the following: A-C, Public Health, DMH-PG, Probation Department, Access, and Wayfinder. Public Health will execute MOUs with the identified County Departments and provide oversight of all aspects of the program including coordination of all CMAA and TCM programs: provision of training regarding State, federal and local requirements for the CMAA and TCM claims; and administration and coordination of the development of all CMAA and TCM agreements. A-C is responsible for the handling all the fiscal aspects of the CMAA and TCM reimbursement program including the review and approval of claims and distribution of payments.

On June 10, 2003, your Board approved Countywide implementation of the CMAA and TCM Program; designated the CEO as the lead LGA responsible for coordinating countywide participation in the program; and delegated authority to the CEO, or designee, to execute a contract with DHCS for the period of July 1, 2002, through June 30, 2003, and subsequent fiscal years.

On June 23, 2014, your Board approved the transfer of the LGA function and its staff from CEO to Public Health, and on July 1, 2014, the LGA Consortium selected Plumas County to serve as the Host Entity or fiscal intermediary between DHCS and all participating LGAs.

On December 2, 2014, the CEO assigned the Interim Director of Public Health as the CEO's designee to accept and implement Standard Agreements and amendments from DHCS for the implementation of the CMAA and TCM programs, and to execute and amend contracts for the CMAA

and TCM programs (e.g., County provider participation, and host agreements).

On May 31, 2019, your Board was notified of the use of delegated authority to execute PPA Number 19-19EVERGRN, which replaced the prior PPA Number 19-17EVERGRN from the DHCS for the TCM program.

On April 14, 2020, your Board approved the execution of Standard Agreement Number 20-10012, and subsequent execution of amendment 20-10012 A01, from DHCS to support implementation of the CMAA program.

On February 22, 2023, your Board was notified of the use of delegated authority to execute CMAA PA Number County of Los Angeles LGA CMAA that replaced Standard Agreement Number 20-10012 A01 with the DHCS to support implementation of the CMAA program.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommended actions will ensure access to health care services for Medi-Cal eligible and potentially eligible individuals in Los Angeles County.

Respectfully submitted,



Barbara Ferrer, PhD, MPH, MEd

Director

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c: Chief Executive Officer  
County Counsel  
Executive Office, Board of Supervisors