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BOARD OF SUPERVISORS

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ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

December 17, 2024

39 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

EDWARD YEN
EXECUTIVE OFFICER

Dear Supervisors:

AUTHORIZATION TO ACCEPT AND IMPLEMENT GRANT AGREEMENTS AND FUTURE GRANT AGREEMENTS AND/OR AMENDMENTS FROM THE CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES FOR THE PROVIDING ACCESS AND TRANSFORMING HEALTH – CAPACITY AND INFRASTRUCTURE, TRANSITION, EXPANSION AND DEVELOPMENT AND A FORTHCOMING CAPACITY AND INFRASTRUCTURE, TRANSITION, EXPANSION AND DEVELOPMENT – INTERGOVERNMENTAL TRANSFER FUNDS FOR ENHANCED CARE MANAGEMENT SERVICES TO CHILDREN/YOUTH (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

SUBJECT

Provide authorization to accept and implement grant agreements and future grant agreements and/or amendments from the California Department of Health Care Services Providing Access and Transforming Health – Capacity and Infrastructure, Transition, Expansion and Development; and a forthcoming Capacity Infrastructure Transformation Expansion and Development-Intragovernmental Transfer funds to support the implementation of Enhanced Care Management services.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize and instruct the Director of the Department of Public Health (Public Health), or designee, to accept and implement a Providing Access and Transforming Health – Capacity and Infrastructure, Transition, Expansion and Development (PATH-CITED) grant agreement, (Exhibit I) from the California Department of Health Care Services (DHCS), in the amount of \$5,450,685.88 effective date of execution through September 30, 2026, for Enhanced Care Management (ECM) services to children and youth with special health care needs.
2. Delegate authority to the Director of the Department of Public Health, or designee, to accept and implement a grant agreement with DHCS for Capacity Infrastructure Transformation Expansion and

Development-Intragovernmental Transfer (CITED-IGT) in the estimated amount of \$2,264,344.06, which is anticipated to include matching existing Departmental resources in the estimated amount of \$1,132,172.03, for ECM services not covered by the PATH-CITED grant, effective date of execution through September 30, 2026, 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 accept and implement future grant agreements and/or amendments that are consistent with the requirements of the DHCS PATH-CITED agreement as referenced in Recommendation 1, to extend the funding term at amounts to be determined by DHCS; and/or provide an increase or decrease in funding, 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 accept and implement future grant agreements and/or amendments that are consistent with the requirements of DHCS CITED-IGT agreement as referenced in Recommendation 2, to extend the funding term at amounts to be determined by DHCS; and/or provide an increase or decrease in funding, 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 accept and implement future amendments that are consistent with the requirements of the DHCS PATH-CITED agreement and CITED-IGT agreement referenced above that reflect non-material and/or ministerial revisions to the agreements' terms and conditions and allow for the rollover of unspent funds and/or redirection of funds, subject to review and approval by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of Recommendation 1 will allow Public Health to accept a PATH-CITED grant agreement from DHCS to support implementation of ECM for children, youth, and their families in California Children's Services (CCS) at Public Health's CMS division.

The funds will enable Public Health to launch and initially sustain ECM services that entail:

- Expansion of comprehensive, seamless care management and coordination for children and youth in Medical Therapy Program (MTP) and CCS who have multiple medical and healthcare complexities and challenges; and
- Building internal infrastructure and staff capacity to identify, encourage, enroll, and empower families of vulnerable children and youth to enlist care navigation and support from ECM lead care managers; and
- Integration of Information Technology innovations and adaption of software applications that facilitate real-time, comprehensive healthcare record-keeping for patients in ECM and MTP.

Approval of Recommendation 2 will allow Public Health to accept and implement a CITED-IGT grant agreement with DHCS to further the implementation of ECM services not covered by the PATH-Cited grant.

Approval of Recommendation 3 will allow Public Health to accept and implement future grant agreements and/or amendments that are consistent DHCS PATH-CITED agreement referenced above to extend the term of award at amounts determined by DHCS, and/or provide an increase or decrease in funding.

Approval of Recommendation 4 will allow Public Health to accept and implement future grant agreements and/or amendments that are consistent with the DHCS CITED-IGT agreement to extend

the term of the agreement at amounts determined by DHCS, and/or provide an increase or decrease in funding. The authority in Recommendation 3 and 4 is being requested to enhance Public Health's efforts to expeditiously maximize grant revenue, consistent with Board Policy 4.070: Full Utilization of Grant Funds.

Approval of Recommendation 5 will allow Public Health to accept and implement future amendments that are consistent with the requirements of DHCS PATH-CITED agreement and CITED-IGT agreement referenced above that reflect nonmaterial and/or ministerial revisions to the agreements' terms and conditions and will also allow Public Health to roll over unspent funds, and/or redirect funds.

Implementation of Strategic Plan Goals

The recommended actions support North Star 1: Priority 1: Child Protection, and Priority 2: Alliance for Health Integration, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

Public Health will accept the DHCS PATH-CITED grant agreement in the amount of \$5,450,685.88, effective date of execution through September 30, 2026, and the CITED-IGT grant agreement in the estimated amount of \$2,264,344.06 which includes an estimated amount of \$1,132,172.03 in State-leveraged federal funds and matching existing Departmental resources in the estimated amount of \$1,132,172.03.

Funding is included in Public Health's Fiscal Year (FY) 2024-25 Final Adopted Budget and will be included in future FYs, as necessary.

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

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Through DHCS' California Advancing and Innovating Medi-Cal (CalAIM) initiative, California is transforming the Medi-Cal system with a mission to provide more coordinated and equitable care. CalAIM emphasizes a whole-person care approach by addressing physical health, behavioral health, and social determinants of health of Medi-Cal beneficiaries and their families. The initiative seeks to integrate services across healthcare, behavioral health, and social services, reducing health disparities, and improving outcomes for vulnerable populations. CalAIM features new benefits such as ECM and Community Supports (e.g., housing services), and transitions Medi-Cal to a value-based system that prioritizes health equity and sustainability. This includes improving care coordination, reducing disparities, and improving health outcomes through whole-person care. Through ECM, DHCS is addressing the root causes of poor health and high healthcare costs by offering ECM to individuals with complex needs, focusing on vulnerable populations by appointing a lead care manager who coordinates across healthcare, behavioral health, social services, and community resources to ensure integrated care. For Los Angeles County, this involves a significant transformation of healthcare services, requiring new types of care and services, and efforts to strengthen infrastructure and update workforce training.

Through PATH-CITED and CITED-IGT, DHCS initially invests in capacity and infrastructure growth to ensure counties and organizations can sustainably manage CalAIM reforms long-term. PATH-

CITED enables local organizations and jurisdictions to navigate these systemic transitions more effectively. PATH-CITED grants, available to counties and community organizations serving Medi-Cal beneficiaries, provide critical resources for capacity building, infrastructure development, service expansion, and prioritizes health equity practices.

County Counsel has reviewed and approved Exhibit I as to form.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will permit Public Health to manage ECM services for vulnerable children/youth and their families at CMS as it pilots, oversees, and evaluates enhanced care coordination in the broader CalAIM framework, exploring the long-term viability for providing whole-person care, promoting health equity, and supplementing current services with a comprehensive, sustainable project model for care management in Los Angeles County.

Respectfully submitted,



Barbara Ferrer, PhD, MPH, MEd

Director

BF:mk
#07933

Enclosures

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

September 27, 2024

LA County Department of Public Health, Children's Medical Services

9320 Telstar Avenue #200

El Monte, CA, 91731

RE: PATH CITED Initiative

Dear Craig Vincent-Jones,

The California Department of Health Care Services (DHCS) and the TPA completed the final review of your Capacity Infrastructure Transformation Expansion and Development (CITED) Round 2 application and we are pleased to inform you that DHCS awards you a final amount of \$5,450,685.88.

The attached activities and amounts were approved during the review process. DHCS will not disburse funds based on budget items or activities but on completed milestones including retroactive milestones. DHCS and the TPA created an initial progress report that allows awardees to request funding for retroactive milestones. To complete your initial progress report, please sign into your GrantsConnect portal and follow the instructions. Further details on progress reporting can be found on the TPA website [here](#).

CITED Terms and Conditions

The CITED Terms and Conditions document, linked [here](#) for reference, formalizes the contract between both parties explaining the responsibilities and expectations upon acceptance of the CITED grant. The Terms and Conditions document applicable to your organization will be sent in a separate email. ***Please sign the emailed CITED Terms and Conditions document and submit within twenty (20) business days of receipt keeping a copy for your records.***

Managed Care Plan Contract Important Information

A letter stating your intent to contract with an MCP or other entity to provide ECM and/or Community Supports services was included as part of the application process. Prior to the end of the funding period, you are required to provide a signed contract with an MCP or other eligible entity. If you do not provide a minimum of one signed contract to provide the ECM and/or Community Support(s) supported by the CITED grant by the last progress report, the TPA will withhold 5% or \$5,000 of funds, whichever is lower, until a contract with the MCP or other eligible entity is provided.

Progress Report Important Information

As the CITED Terms and Conditions indicate, CITED awardees are required to submit quarterly (3-month) progress reports and a final report when your project is completed. Awardees will have up to two years to spend CITED funding and complete all milestones. Awardees will only be reimbursed for milestones marked complete in each quarter's progress report. Further details on progress reporting will be released by the TPA prior to the first quarterly progress reporting deadline. If you have any questions, please contact cited@ca-path.com.

Establish Your Financial Institution

In order to receive grant disbursements from the CITED Initiative under PATH, you must submit your organization's tax and financial institution information to the TPA. Please navigate to your GrantsConnect portal to start this process. ***Your banking information must be submitted within ten (10) business days. Applicants who fail to complete banking information and other documents are at risk of losing their awards.***

Sincerely,
The CITED TPA Team

**California Providing Access and Transforming Health
Capacity and Infrastructure, Transition, Expansion and Development Program –
Intergovernmental Transfer**

Acknowledgement of Grant Terms and Conditions

As an express condition of receiving grant funds from the California Department of Health Care Services (DHCS) under the Capacity and Infrastructure, Transition, Expansion and Development (CITED) Program – Intergovernmental Transfer (IGT), which is part of the California Providing Access and Transforming Health (“PATH”) Initiative, _____ (Applicant), whose business address is _____ and whose Federal Tax Identification number is _____, hereby warrants and guarantees that it will comply with all applicable federal, state, and local laws and regulations, as well as with the following terms and conditions:

- I. **Role of Third-Party Administrator.** DHCS has designated Public Consulting Group LLC (PCG) as the Third-Party Administrator (TPA), to administer the grant program and to communicate with Applicant with respect to grant administration in connection with the CITED Program. Applicant understands that the TPA is acting solely as a third-party administrator on behalf of DHCS and is not liable or responsible for DHCS decisions or actions. Applicant hereby releases and holds harmless the TPA and its officers, agents, employees, representatives, and/or designees from and against any liability, actions, claims, demands, or suits, and all related costs, attorney fees, and expenses arising out of, or relating to the receipt of grant funds. DHCS shall not be liable to Applicant for any incidental, indirect, special, punitive, or consequential damages, including, but not limited to, such damages arising from any type or manner of commercial, business, or financial loss, even if PCG or DHCS had actual or constructive knowledge of the possibility of such damages and regardless of whether such damages were foreseeable. Applicant hereby releases and holds harmless DHCS and its officers, agents, employees, representatives, and/or designees from and against any liability, actions, claims, demands, or suits, and all related costs, attorney fees, and expenses arising out of, or relating to receipt of grant funds and associated activities in connection with CITED.

- II. **Eligibility.** To receive grant funds under this program, the Applicant must be actively contracted with a Medi-Cal Managed Care Plan (MCP) or an MCP’s authorized subcontractor or other entity authorized to contract with for the provision of Enhanced Care Management (ECM) and/or Community Supports, or have a signed attestation letter from an MCP or an MCP’s authorized subcontractor or other entity authorized to contract with that they strongly intend to contract with Applicant to provide ECM and/or Community Supports within the timeframe of these Terms and Conditions. If the intent or ability to contract with an MCP has changed, ended, or been altered, Applicant must contact the TPA within twenty-four (24) hours to advise of this change. If there is no longer a contract as enumerated above or documented intent to contract, the grant may be terminated pursuant to Section VI, below. To receive grant funds through CITED-IGT, the Applicant

must contribute the non-federal share through IGT. Entities eligible to apply for CITED-IGT include: cities, counties, other local government agencies and public hospitals.

III. Use of Funding.

- a. Project Plan. Applicant shall use grant funds exclusively to implement the project plan as outlined in Applicant’s submitted and approved grant application dated _____.
- b. Program Guidance and Conditions. In using the funds to implement the project plan, Applicant must follow all terms, conditions, and guidelines provided in the CITED Program guidance, found at www.ca-path.com, and in these Terms and Conditions.
- c. Changes and Modifications. Changes and modifications made to the submitted and approved grant application or to the program guidelines may be proposed by Applicant in writing and are subject to the approval of DHCS. No change or modification will be valid without the approval of DHCS.

IV. Grant Amount and Method of Payment.

- a. Grant Amount. The total grant amount awarded to Applicant shall not exceed \$_____. Applicant acknowledges that the grant amount has been determined by DHCS and will not be negotiated. Qualified Funding entity shall certify that the funds transferred qualify for federal financial participation pursuant to 42 Code of Federal Regulations (CFR) part 433, subpart B, and not derived from impermissible sources.

Total Award Amount	Federal Share	Applicant Contribution
\$	\$	\$

- b. Method of Payment. Following the receipt and approval of Applicant’s CITED-IGT Progress Report, DHCS will issue requests to Applicant for the necessary IGT amounts, provided Applicant has submitted all required information, forms, and documentation, including Applicant’s signature on this Acknowledgement, required to facilitate payment. Applicant shall make IGT of funds to DHCS in the amount specified within seven (7) days of receiving the State’s request. If the IGTs are made within the requested timeframe, DHCS will issue the payment within fourteen (14) days after the transfers are made.
- c. Reliance on Provided Information. DHCS and the TPA are entitled to rely on the accuracy and completeness of information provided by Applicant in the disbursement of grant funds.

V. Reporting Requirements.

- a. Quarterly Reports. Applicant is required to submit quarterly progress reports to the TPA through secured data portal specified by DHCS and PCG every three (3) months until the final project milestones described in the submitted and approved grant application are met. Each progress report must include a detailed description of completed milestones, status of activities for that quarter, and any deviations from the agreed-upon milestones. Applicant should expect to include documentation providing proof that expenditures were made for permissible items and activities as described in the approved application.
- b. Reporting Schedule. The reporting schedule is as follows:

CITED Round 3 IGT Awardees				
Progress Report	Report Measurement Period	Open Date	Due Date	Month of Funds Disbursement (Estimate)
Midway	September 1, 2024 - August 31, 2025	August 24, 2025	September 15, 2025	November-December 2025
Final	September 1, 2025 - August 31, 2026	August 24, 2026	September 14, 2026	November-December 2026

- c. Failure to Report. If Applicant fails to submit any quarterly report within five (5) calendar days of the report becoming due, DHCS may terminate the grant pursuant to Section VI, below.

VI. Additional DHCS Terms and Conditions.

- a. Funding received through the CITED Program will not duplicate or supplant¹ funds received through previous CITED funding rounds; other programs or initiatives; or by other federal, state, or local funding sources.
- b. DHCS may, in its reasonable discretion, modify payment dates or amounts and will notify Applicant of any such changes in writing.

¹ Other federal, state, or local funding sources and programs that are complementary to or enhance PATH funds will not be considered supplanted by PATH funds or duplicate reimbursement. If applicable, Applicant must describe how similar or related services and activities supported by other federal, state or local funding sources are complemented or enhanced by efforts funded by PATH. For example, if other funding 1) may allow additional/different populations to be served or 2) may allow additional/different services to be provided beyond those funded by PATH. To the extent otherwise allowable PATH activities are reimbursed by other federal, state, or local programs, PATH funding must not duplicate such reimbursement.

- c. DHCS or the TPA may conduct outreach to any Applicant to request additional information, ask questions, or seek clarification on information provided in a CITED Application or CITED Progress Report. If outreach is conducted by DHCS or the TPA, Applicant must respond within three (3) business days, unless an alternative timeline is approved by DHCS or the TPA. Failure to respond within this timeframe may result in delay or deferred fund disbursement.
- d. Applicant may be subject to audit or inquiry with respect to the receipt and use of grant funds at any time. Applicant must respond to inquiries, communications, and reasonable requests for additional information or documentation from DHCS or the TPA within one (1) business day of receipt and must provide any requested information within three (3) business days, unless an alternative timeline is approved by DHCS or the TPA.
- e. Applicant must alert DHCS and the TPA within twenty-four (24) hours of identifying any circumstances that prevent carrying out any of the activities described in the submitted and approved grant application or of identifying any circumstances that prevent provision of the non-federal share via IGT. In such cases, Applicant may be required to return unused funds to DHCS if an alternative solution cannot be reached.
- f. All inquiries and notices relating to this Agreement should be directed to the representatives listed below:

Department of Health Care Services, Managed Care Quality & Monitoring Division	Organization's Name:
Branch Chief, Managed Care Programs Oversight Branch	Title:
Attention: Michel Huizar	Attention:
Email: 1115path@dhcs.ca.gov	Email:

General CITED Program questions may be directed to cited@ca-path.com.

- g. DHCS and the TPA may rely on the authority of the above-named individual to speak and act on behalf of Applicant. Either party may make changes to the information above by providing written notice to the other party within twenty-four (24) hours. Said changes shall not require an amendment to this Agreement. Applicant will retain all records and documentation related to the receipt and use of PATH grant funds, including all documentation used to support and detail expenditures, for no less than three (3) years beyond the date of final payment and will make such records available for complete inspection by DHCS upon request.
- h. DHCS reserves the right to receive, use, and reproduce all reports and data produced, delivered, or generated by or about Applicant and its activities pursuant to this grant and may authorize others to do so without limitation, except as restricted by applicable law.

- i. Applicant will not unlawfully discriminate against any person because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status in the conduct of any activity funded by DHCS.
- j. Applicant expressly agrees and acknowledges that DHCS is a direct beneficiary of the Terms and Conditions with respect to all obligations and functions undertaken pursuant to the Terms and Conditions, and DHCS may directly enforce all provisions of the Terms and Conditions.
- k. Applicant is required to provide a signed contract with an MCP or an MCP's authorized subcontractor or other entity authorized to contract with to provide ECM and/or Community Supports services. Alternatively, Applicant may submit a signed agreement indicating that the MCP or the MCP's authorized subcontractor or other entity authorized to contract with intends to contract with Applicant for the provision of ECM and/or Community Supports.
- l. If Applicant's existing ECM/Community Supports contract with an MCP or an MCP's authorized subcontractor or other entity authorized to contract with is terminated and Applicant does not have an approved contract or intent-to-contract with another MCP or an MCP's authorized subcontractor or other entity authorized to contract with, Applicant is precluded from receiving additional CITED funding until they provide the TPA and/or DHCS proof of an existing ECM/Community Supports contract or intent to contract with an MCP or an MCP's authorized subcontractor or other entity authorized to contract with.
- m. The IGT funds will qualify for federal financial participation per 42 CFR part 433, subpart B, and will not be derived from impermissible sources, such as recycled Medicaid payments, federal money excluded from use as a state match, impermissible taxes, and non-bona fide provider-related donations, per STC 126.a. Sources of non-federal funding shall not include provider taxes or donations impermissible under section 1903(w) of the Social Security Act, impermissible IGT from providers, or federal funds received from federal programs other than Medicaid (unless expressly authorized by federal statute to be used for claiming purposes, and the federal Medicaid funding is credited to the other federal funding source). For this purpose, federal funds do not include Public Hospital Redesign and Incentives in Medi-Cal (PRIME) payments, patient care revenue received as payment for services rendered under programs such as the Designated State Health Programs, Medicare, or Medicaid.

VII. Termination. Upon written notice to Applicant, DHCS may terminate the grant award in any of the following circumstances:

- a. If Applicant fails to perform any one or more of the requirements set forth in these Terms and Conditions;
- b. If any of the information provided by Applicant to DHCS or to the TPA is untruthful, incomplete, or inaccurate;

- c. Upon Applicant's debarment or suspension by competent authority, if such debarment or suspension precludes any activity funded by the grant;
- d. Upon Applicant's indictment in any criminal proceeding;
- e. If Applicant is reasonably suspected of fraud, forgery, embezzlement, theft, or any other misuse of public funds;
- f. If DHCS does not receive or maintain sufficient funds to administer the program;
- g. If any restriction, limitation, or condition is enacted by Congress or by any other governing body or agency that impedes the funding or administration of the grant; or
- h. For any other purpose deemed necessary or advisable by DHCS.

In the case of early termination, Applicant may be subject to audit, recoupment by DHCS of unused or misused funds, and/or preclusion from receiving additional funding, dependent upon the circumstances of the termination.

IN WITNESS THEREOF, APPLICANT has executed this Acknowledgment as of the date set forth below.

APPLICANT

(Signature)

(Printed Name and Title)

Date