



## **County of Santa Cruz Board of Supervisors**

### **Agenda Item Submittal**

**From:** Health Services Agency

**Subject:** Revenue Agreement with Central California Alliance for Health - Behavioral Health Care Professional Services

**Meeting Date:** February 25, 2025

**Formal Title:** Approve agreement with Central California Alliance for Health for reimbursement of behavioral health care professional services, and take related actions

### **Recommended Action**

Approve a new multi-year revenue agreement with Central California Alliance for Health, Contract No. 26R0475, for reimbursement of behavioral health care professional services, and authorize the Health Services Agency Director or designee to sign the agreement and any future administrative amendments.

### **Executive Summary**

The Health Services Agency (HSA) Health Centers Division (Health Centers) requests Board approval of a revenue agreement with Central California Alliance for Health (CCAH) for participation in CCAH's network of contracting providers to provide behavioral health services to their members experiencing mild to moderate mental health symptoms.

### **Discussion**

The California Department of Health Care Services (DHCS) assigned CCAH as Santa Cruz County's Medi-Cal managed care plan. Starting July 1, 2025, CCAH will begin managing behavioral health services in-house. This includes taking over responsibility for contracting and credentialing all behavioral health providers, as well as handling claims processing, provider and member support, and authorizations, currently managed by Carelon Behavioral Health (Carelon).

Health Centers' Integrated Behavioral Health (IBH) and Medically Assisted Treatment (MAT) providers provide behavioral health services to CCAH members throughout Santa Cruz County. CCAH's decision to manage behavioral health services in-house will not impact services provided to Health Centers' patients. Claim processing will be sent directly to CCAH, instead of Carelon, for fee-for-service reimbursement which will be 100% of Medicare allowable rates. In addition to the standard payment, bilingual care providers will receive a base pay add-on of \$13.75 to \$26.88 per service, depending on the specific type of care provided.

CCAH is offering to pay HSA Health Centers a one-time sign-on bonus, based on the number of Health Center's credentialed staff members. The bonus amount ranges between \$300-500 per rendering provider.

Board approval of the proposed agreement with CCAH for behavioral health care professional services will enable HSA Health Centers to continue to provide behavioral health services to Santa Cruz County residents, with mild to moderate mental health impairment, who have Medi-Cal insurance. Offering these services greatly improves access to care in the County.

**Financial Impact**

The revenue agreement with CCAH, Contract No. 26R0475, is effective July 1, 2025, and will be automatically renewed annually. As reimbursement rates for behavioral health services will stay consistent, there will be no anticipated financial disruption resulting from the transition from Carelon to CCAH. Additionally, Health Centers projects a \$300,473 increase in Integrated Behavioral Health revenue with CCAH. The revenue for this agreement will be included in the HSA Health Centers' Proposed Budget in Fiscal Year 2026-27 in the following accounts and estimated amounts: 361233/41675 in the amount of \$2,843,683; 361333/41675 in the amount of \$1,785,910; and 361933/41675 in the amount of \$708,019. No new County General Funds are needed nor requested.

**Strategic Initiatives**

Operational Plan - Comprehensive Health & Safety

**Submitted By:**

Monica Morales

**Recommended By:**

Carlos J. Palacios, County Administrative Officer

**Artificial Intelligence Acknowledgment:**

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.