



Providing Behavioral Health Services in
Clallam, Jefferson and Kitsap Counties

SALISH BHO

EXECUTIVE BOARD MEETING

DATE: Friday, June 21st, 2019
TIME: 9:00 AM – 11:00 AM
LOCATION: Jamestown S’Klallam Tribe Council Chambers,
1033 Old Blyn Highway, Sequim, WA 98382

AGENDA

<https://www.kitsapgov.com/hs/Pages/SBHO-EXECUTIVE-BOARD.aspx>

1. Call to Order
2. Announcements/Introductions
3. Opportunity to Address the Board on Agenda Topics (limited to 3 minutes each)
4. Approval of Agenda
5. Approval of Meeting Minutes for Friday, May 17th, 2019 (Attachment 5)
6. Action Items
 - a. Use of State Reserves for “IMD Back-fill”
 - b. Crisis Line Contract
7. Informational Items
 - a. Salish BH-ASO Preparations
 - MCO Pre-delegation
 - MCO Revenue Contracts and Crisis Provider Subcontracts
 - HCA Readiness Review
 - HCA Response to Salish RFI Submission
 - HCA’s Document Request
 - BH-ASO Non-Medicaid Provider Network
 - BH-ASO Operating Budget, Staffing Plan, and Organizational Chart
(Attachment 7.a)
 - b. BayMark Update
8. Opportunity for Public Comment (limited to 3 minutes each)
9. Adjournment

ACRONYMS

ACH	Accountable Community of Health
ASO	Administrative Services Organization
ASAM	Criteria used to determine substance use disorder treatment
BH-ASO	Behavioral Health Administrative Services Organization
BHO	Behavioral Health Organization, replaced the Regional Support Network
CAP	Corrective Action Plan
CMS	Center for Medicaid & Medicare Services (federal)
DBHR	Division of Behavioral Health & Recovery
DCFS	Division of Child & Family Services
DCR	Designated Crisis Responder
DDA	Developmental Disabilities Administration
DSHS	Department of Social and Health Services
E&T	Evaluation and Treatment Center (i.e., AUI, YIU)
EBP	Evidence Based Practice
EPSDT	Early and Periodic Screening, Diagnosis and Treatment
EQRO	External Quality Review Organization
FBG	Federal Block Grant (specifically MHBG and SABG)
FIMC	Full Integration of Medicaid Services
FYSVRT	Family, Youth and System Partner Round Table
HARPS	Housing and Recovery through Peer Services
HCA	Health Care Authority
HCS	Home and Community Services
HIPAA	Health Insurance Portability & Accountability Act
HRSA	Health and Rehabilitation Services Administration
IMD	Institutes for the Mentally Diseased
IS	Information Services
IPA	Independent Practice Association
ITA	Involuntary Treatment Act
LOC	Level of Care
MAT	Medical Assisted Treatment
LRA	Least Restrictive Alternative
MCO	Managed Care Organization
MOU	Memorandum of Understanding
OCH	Olympic Community of Health
OTP	Opiate Treatment Program
PACT	Program of Assertive Community Treatment
PATH	Programs to Aid in the Transition from Homelessness
PIHP	Prepaid Inpatient Health Plans
PIP	Performance Improvement Project
P&P	Policies and Procedures
QUIC	Quality Improvement Committee
QRT	Quality Review Team
RCW	Revised Code Washington
RFP, RFQ	Requests for Proposal, Requests for Qualifications
SABG	Substance Abuse Block Grant
SAPT	Substance Abuse Prevention Treatment
SBHO	Salish Behavioral Health Organization
SUD	Substance Use Disorder
UM	Utilization Management
WAC	Washington Administrative Code
WM	Withdrawal Management
WSH	Western State Hospital, Tacoma



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6. Action Items

a. Use of State Reserves for “IMD Back-fill”

In the January through June 2019 HCA Behavioral Health State Contract (BHSC) amendment, the budget included a line item of “State Enhanced Payment (IMD)” of \$3,910 per month. The “State Enhanced Payment (IMD)” funds are allocated to pay for IMD costs that are not an allowable Medicaid expense. Unfortunately, the actual monthly psychiatric IMD costs for our region average at \$25,000 per month which far exceeds the funding the HCA provides to cover the expense. As the SBHO has sub-capitated contracts with the four Mental Health Providers (KMHS, DBH, PBH and WEOS), the IMD costs are their responsibility. Staff is seeking approval to allocate \$200,000 of State “Unreserve Reserve” funds for the purpose of IMD backfill for Providers. If approved, Staff would include the IMD backfill funds in the Mental Health Providers State Contract amendment for July 1, 2019 – December 2019.

b. Crisis Line Contract

On June 12th, it was brought to Staff’s attention that one of the Regional Crisis Line RFP responses was not included in the review process. After consultation, Staff reached out to the Advisory Board RFP Sub-committee to plan for reconvening and review. Staff will provide an updated recommendation from the Advisory Board RFP Sub-committee.

6. Informational Items

a. Salish BH-ASO Preparations

- MCO Pre-delegation

As noted in the May Executive Board packet, the four MCOs conducted their onsite delegation pre-assessment in April. During the assessment, Salish staff successfully demonstrated readiness for Credentialing delegation. The MCOs assessment of Utilization Management/Crisis services delegation resulted in the need for further document submissions. Following two resubmissions, staff received confirmation from Molina on June 6th, that Salish successfully met Utilization Management/Crisis Services delegation requirements. Staff’s experience thus far has been that Molina’s findings are consistent with the other three MCOs. Salish is awaiting formal confirmation from the remaining MCOs.

- MCO Revenue Contracts and Crisis Provider Subcontracts

As of June 10th, Salish successfully completed contract negotiations with the four MCOs. The MCO/SBH-ASO contracts were submitted to the Office of the Insurance Commissioner (OIC) later that week. The MCOs' contracts will "sit" at the OIC for 30 calendar days prior to being "deemed" approved on the 31st calendar day. Once the contracts are deemed approved, they can be signed. As a part of this process, staff created the Medicaid Crisis Provider (KMHS, DBH, PBH, WEOS, Crisis Line Provider) subcontracts. The subcontract template was included in the OIC submission. Once the subcontract template is approved by the OIC, no changes can be made to the document without resubmitting to the OIC for approval. The MCOs and HCA have agreed on a timeline which requires Salish to have executed MCO Revenue and Medicaid Crisis subcontracts by August 13th. This is an extremely tight turnaround which is achievable if no barriers are presented.

- HCA Readiness Review

- HCA Response to Salish RFI Submission

As noted in the May Executive Board packet, Staff submitted a timely response to the BH-ASO Request for Information (RFI) on April 15th. HCA and Staff participated in a conference call on June 3rd to discuss Salish's response to HCA's BH-ASO (RFI). During the call, HCA staff expressed appreciation for the depth of answers provided in the submission. HCA staff shared that they did not have any concerns related to the responses provided and offered guidance about areas to further expand upon in preparation for the next document submission.

- HCA's BH-ASO Document Request

On June 7th, Salish received the HCA's BH-ASO Readiness Review Document Request. Salish's document submission is due July 29th. Due to staffing challenges within the HCA, their release of the document request was one week late. Salish requested additional time to respond to the request and the deadline was extended by two business days. Staff will summarize the focus of HCA's Document Request.

- BH-ASO Non-Medicaid Provider Network

The Salish BH-ASO Non-Medicaid Provider Network was opened to all in-region, licensed, Behavioral Health Agencies that responded to a letter of interest which was released in early May. All in-region Salish BHO Providers responded to the letter of interest, as did Peninsula Community Health Services. Staff is working on drafting these non-Medicaid ASO contracts and they must be fully executed by the end of August.



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- o BH-ASO Operating Budget, Staffing Plan and Organizational Chart

MCO contract negotiations have resulted in \$310,000 for BH-ASO Administration. The administration and direct Support withholding allowed from the HCA's BH-ASO contract is closely estimated at \$999,000. Between these two funding sources, the BH-ASO's operating budget will be about \$1,300,000. The staffing included in the attached organizational chart equates to \$1,043,000 in salary/benefits when including a contracted Medical Director. Other non-employee salary/benefit related expenses have been reduced to \$251,000. The attached organizational chart includes 8.5 staff. Unfortunately, three key positions were reduced from full-time to part-time and the administrative support was eliminated. Staff will address additional staffing reductions that were necessary to limit administration costs.

The annual additional administrative funds need to return the three key positions to full-time is \$56,000. Since most of these key staff will be completing BHO Closeout work in early to mid 2020, some of the administration can be charged back to the BHO.

- b. BayMark Update

BayMark continues to report progress towards opening OTP clinics in Port Angeles and Kitsap County. Construction remains underway at both Port Angeles and Kitsap County locations. BayMark has submitted for their license through Department of Health and are awaiting a final response. BayMark Staff report they are still targeting a clinic opening date of end of June or early July for Port Angeles. This is also dependent on state processes with the Board of Pharmacy who will not conduct a site visit until construction is complete. The Drug Enforcement Agency will also need to visit the site but will not do so until after the Board of Pharmacy. BayMark is actively recruiting staff for the Port Angeles clinic. Salish Staff have a recurring call scheduled with BayMark on Thursdays to obtain timely updates and help coordinate care transitions when the time arrives.

**Meeting Minutes of the
Salish Behavioral Health Organization
Executive Board**

Friday, May 17, 2019

9:00 a.m. – 11:00 a.m.

Jamestown Social and Community Services,
72 Zaccardo Road, Sequim, WA 98382

CALL TO ORDER – Commissioner Ozias, Chair, called the meeting to order at 9:00 a.m.

ANNOUNCEMENTS – None.

OPPORTUNITY FOR PUBLIC TO ADDRESS THE BOARD ON AGENDA TOPICS – It is requested that any business that requires a vote should be executed before 10:00 a.m. for a quorum with Board Member Liz Mueller.

APPROVAL OF AGENDA – Add action item 6.e – Discussion on the addition of Robert Welch to the Executive Board as the interim Tribal Representative.

MOTION: Commissioner Greg Brotherton motioned to approve the agenda as amended. Liz Mueller seconded. Motion carried unanimously.

APPROVAL OF MINUTES – No amendments.

MOTION: Commissioner Greg Brotherton motioned to approve the March 15, 2019 meeting minutes as submitted. Liz Mueller seconded. Motion carried unanimously.

ACTION ITEMS

➤ **SALISH BH-ASO INTERLOCAL AGREEMENT**

An Interlocal Agreement must be executed to move forward with the revenue and provider contracts. The draft BH-ASO Interlocal Agreement mirrors the current BHO Interlocal Agreement. Due to time constraints, it made sense to move forward with a similar agreement as amendments can always be made.

- The BHO Interlocal Agreement ends June 30, 2020.
- The ASO Interlocal Agreement is effective upon final signatures as it must be in effect to execute contracts.
- The two agreements will run parallel since the BHO's fiscal responsibilities are separate from the ASO fiscals.
- The BHO closes on December 31, 2019. Staff expects the closeout period to extend through the end of June 2020. However, if closeout takes longer, the date of the BHO Interlocal Agreement can be extended.

MOTION: Commissioner Greg Brotherton motioned to approve the advancement of the BH-ASO Interlocal Agreement. Liz Mueller seconded. Motion carried unanimously.

➤ **CRISIS LINE RFP**

The Salish RFP for the Regional Crisis Line closed April 4, 2019. The three respondents were: Kitsap Mental Health Services, CommCare, and Volunteers of America. After review, the SBHO Advisory Board RFP Sub-Committee unanimously recommended Volunteers of America as the Crisis Line Provider. The recommendation to the SBHO Advisory Board who also unanimously agreed to the pursuit of Volunteers of America based on cost, infrastructure, and location.

- BH-ASO contract with Volunteers of America to begin August 2019 and go live January 2020.

MOTION: Commissioner Greg Brotherton motioned to approve Volunteers of America as the Regional Crisis Line Provider for the Salish BH-ASO. Liz Mueller seconded. Motion carried unanimously.

➤ **BH-ASO POLICIES AND PROCEDURES**

Staff assembled a Policies and Procedures (P&P) Committee to create the BH-ASO Policies and Procedures Manual. The BH-ASO contract and NCOA standards were used as guides in the construction of the P&Ps. Staff has completed the administrative, clinical, and information systems portion of the manual. Approximately 1/3 of the P&P Manual is complete.

- The remaining chapters of the Policies and Procedures will be presented at the July 19, 2019 Executive Board Meeting.

MOTION: Commissioner Greg Brotherton motioned to approve the presented first iteration of the BH-ASO Policies and Procedures pending a new BH-ASO logo. Liz Mueller seconded. Motion carried unanimously.

➤ **APPOINTMENT OF NETWORK AGENCY DESIGNATED CRISIS RESPONDER**

All four crisis mental health providers have Designated Crisis Responders (DCR). Each Network Agency shall have a SBHO Executive Board formally appointed and designated as the Network Agency DCR.

- Discovery Behavioral Health (DBH), with the SBHO's support, believe Dana Milagrosa (a DBH employee) should be appointed and designated as the Network Agency DCR.

MOTION: Commissioner Greg Brotherton motioned to appoint and designate Dana Milagrosa as the Network Agency Designated Crisis Responder. Liz Mueller seconded. Motion carried unanimously.

➤ **APPOINTMENT OF INTERIM TRIBAL REPRESENTATIVE**

Robert Welch, S'Klallam Tribe Member, has expressed interest to stand in as the Interim Tribal Representative for the SBHO Executive Board. SBHO Executive Board Member Liz Mueller has chosen to relieve herself of all Executive Board duties/business. Consensus among the Tribes is required to appoint a permanent SBHO Executive Board Tribal Representative. When the SBHO successfully transitions to an ASO the Executive Board will discuss, with the Tribes, a permanent nominee.

- The SBHO supports the nomination of Robert Welch as Interim Tribal Representative until the transition of the BHO to an ASO is complete.

MOTION: Commissioner Greg Brotherton motioned to appoint Robert Welch as the Interim Tribal Representative for the SBHO Executive. Liz Mueller seconded. Motion carried unanimously.

INFORMATIONAL ITEMS

➤ **BAYMARK UPDATE**

The Port Angeles site is on track for a June 2019 opening and the Kitsap site is scheduled to open a month after Port Angeles' site opening. The licensing process and construction must be completed to open the OTP sites. BayMark will have to discuss contracting with the MCOs, however the contracts cannot be executed until BayMark is licensed. Staff will check in regularly with BayMark updates.

➤ **UPDATE ON 2020 TIMELINE**

- MCO Delegation Pre-assessment
 - The MCOs conducted their Delegation Pre-assessment on April 19, 2019. Salish was found compliant in the Credentialing portion. Approximately 1/3 of the Utilization Management/Crisis Services portion was stated to be "unmet". After review,

Salish discovered that much of the “missed” information was overlooked by the MCOs. Staff highlighted the requested info and addressed any remaining concerns. The documents were resubmitted to the MCOs May 3, 2019. Staff hopes to have a response/determination in June 2019.

- Staff is actively negotiating contracts with the MCOs. Two favorable agreements have been made with two of the MCOs. The contracting is private and proprietary. Once agreements are made, they will be submitted to the Office of the Insurance Commissioner (OIC). The HCA’s involvement in the MCO contracting process is minimal. The only thing that the HCA is tracking is the forward movement of the MCO/ASO contract. The HCA/ASO contract and the MCOs/ASO contracts are separate and distinct from one other.
- Data reporting is important to maintain staff and keep the providers and ASO whole, the data that is provided is what administrative payment is based on. For instance, 10% reconciled claims = 10% administrative.
- Discussions regarding 1/10th involvement will continue as the transition is furthered.
- HCA’s BH-ASO Readiness Assessment
 - Staff has completed and submitted all deliverables due at this point. Included is Salish’s plan on how the BHO will meet the BH-ASO contract requirements.
 - The HCA will schedule a meeting with Salish for the formal Request for Information.
 - The HCA met with Staff May 1, 2019 to discuss a “hypothetical” BH-ASO budget and services that may not be available through the HCA contract. This budget basically reflects the State budget with a 70/30 split. The smaller proviso funds are also split 70/30. When the revenue was budgeted, approximately \$850,000 HARPS funding was included. HARPS is separate from the “core” BHASO contract, but it can still be contracted to the BH-ASO. The budget also indicates there will be a 25% reduction in staffing rates. It is estimated that nine Salish Staff can be paid for within the allowed Administrative budget. During the BHO closeout, some of the administration costs can be charged to the BHO.
 - Next BH-ASO readiness deliverable is a response to HCA’s “BHO Document Request”. It is assumed that a complete ASO Policies and Procedures Manual must be submitted as part of this document request. A response to the request is due July 25, 2019.
 - Fully executed contracts with the 2020 BH-ASO Network Providers by the end of August and proof of network adequacy due September 1, 2019.
 - Onsite readiness reviews will be held the first and second weeks of September.

➤ **BHO CLOSEOUT**

The SBHO Fiscal Closeout Plan was submitted April 29, 2019. The plan can potentially change several times over the course of the year. The Plan revealed that all liabilities should be covered through the end of summer next year.

- HCA’s response to the Fiscal Closeout Plan is due May 17, 2019.
- BHO Operational Closeout Plan is due May 20, 2019.
- Out of fiscal cautiousness, a plan was prepared that assumed the BHO would *not* become an ASO and all Salish Staff would be laid off.

➤ **COMMUNITY HOSPITAL BILLING ISSUE**

While creating the Fiscal Closeout Plan, it was discovered that the HCA has been incorrectly billing psychiatric IMD costs to Medicaid. If a patient’s psychiatric stay in an IMD is greater than 15 days, it must be billed as Non-Medicaid. On a monthly basis,

the HCA sends Salish community hospital billings that designates Medicaid from Non-Medicaid hospital expenses. Because of the error on HCA's side, the BHO has too been incorrectly assigning these costs to the 4 Mental Health Providers who are responsible for inpatient costs (due to sub-capitation). The issue seems to go back as far as July 2017 through January 2019 and affects many regions across the state. The HCA is said to be recalculating hospital bills for all BHOs back to 2017. Early internal calculations estimate the error to be about \$700,000 for our entire region.

➤ **END OF LEGISLATIVE SESSION UPDATE**

Brad Banks provided an update on the end of the legislative session. The Legislature did meet the session cutoff date. Regrettably, it has become clearer that the State does not understand the system.

- A 16% increase in revenue related to the Crisis System, however the line item remains unchanged. The BH Crisis System is unfortunately lacking, even at the State level.
- The State, at this time, is unwilling to address services that will not be provided. The State's viewpoint is that the BHOs and BH-ASOs are not seeing problems currently and if they are, the State believes the funds should be negotiated into the MCO contracts. Salish will need to monitor the gaps in services as the transition moves forward. In comparison, Beacon seems to not need the "inflated funding" because work is outsourced, and the range of services is narrow.
- The HCA is asking the Counties to dip into County tax dollars. It's important to understand that it is the State's responsibility to cover the program change, not each Region.
- SB-5432 replaces BHOs with ASOs and MCOs, however the budget needs, to uphold this bill, were not discussed in great length nor in detail. It must be kept in mind that supplemental budgets *can* be substantial.
- Brad will come back towards the end of summer to provide an update.

ADVISORY BOARD – No report.

GOOD OF THE ORDER – No report.

PUBLIC COMMENT – Jamestown together with Olympic Medical Center of Port Angeles and Jefferson Healthcare Hospital will build a new behavioral health facility with State approved funding. There is a meeting scheduled in June to discuss the idea of partnering with the BH-ASO.

ADJOURNMENT – Consensus for adjournment at 11:06 a.m.

ATTENDANCE –

❖ **BOARD MEMBERS**

- Commissioner Mark Ozias
- Commissioner Robert Gelder
- Commissioner Greg Brotherton
- Celeste Schoenthaler, Executive Director OCH
- Russ Hartman, Chair, SBHO Advisory Board
- Robert Welch, Tribal Representative, Jamestown S'Klallam Tribe
- Liz Mueller, Tribal Representative, Jamestown S'Klallam Tribe

❖ **STAFF**

- Stephanie Lewis, Regional Administrator, SBHO
- Jolene Kron, Deputy Administrator, SBHO

- Ashlee DeMoss, Recording Secretary, SBHO
- Doug Washburn, Director, Kitsap County Human Services

❖ GUESTS

Wendy Sisk, PBH
Lois Hoell, SBHO Advisory Board
Steve Workman, SBHO Advisory Board
Colleen Bradley, Salish FYSPRT

