



City and County of San Francisco
Edwin M. Lee
Mayor

San Francisco Department of Public Health

Barbara A. Garcia, MPA
Director of Health

MEMORANDUM

TO: Angela Calvillo, Clerk of the Board of Supervisors

FROM: Colleen Chawla, Deputy Director of Health and Director of Policy and Planning

THROUGH: Barbara A. Garcia, MPA, Director of Health

DATE: March 8, 2017

SUBJECT: Multi-Year Organized Delivery System Intergovernmental Agreement for Substance Use Disorder Services for Fiscal Years 2016-17 through 2018-19

Purpose of this memorandum:

This memorandum provides an explanation of the latest Multi-Year Intergovernmental Agreement for Substance Use Disorder Services (SUDS) between the City and County of San Francisco and the California Department of Health Care Services (DHCS), a contract that is handled by the San Francisco Department of Public Health, Behavioral Health Services. It outlines changes in the delivery of Drug Medi-Cal Services in accordance with the Drug Medi-Cal Organized Delivery System (DMC/ODS) as described in the 1115 Demonstration Waiver titled Medi-Cal 2020.

Changes from previous SUDS Contracts:

- Redesign of services consistent with the Affordable Care Act and Parity Law
- Redefines substance use services from inconsistent quality self-help to medical treatment
- Institutes evidence-based care
- Enhances coordination of treatment
- Increases level of professionalism for SUDS programs
- Designates federal funding for the DMC/ODS
- Allows the county to determine locally set cost-based rates to bill Medi-Cal
- Removes some Medicaid roadblocks, which will allow counties to bill for additional services including Case Management, Physician Consultation, Withdrawal Management, Medication Assisted Treatment and expanded ability to bill Residential, Outpatient and Intensive Outpatient Treatment
- The county becomes a substance use health plan for San Francisco Medi-Cal beneficiaries, similar in structure to the SF Mental Health Plan
- Increases county accountability
- Benefits homeless and indigent persons

Mandatory nature, and type of contract:

- This is a mandatory contract between the State and each California County. The contract includes federal pass-through dollars (Substance Abuse Prevention and Treatment Block Grant, or SAPT grant), state general fund dollars and is also the payment mechanism for Drug Medi-Cal Services.
- This is not a budget document, and does not interfere with the usual budget process. The contract includes terms and conditions for budgeted, allocated and fee-for-service SUDS Programs.