

**DHCS Behavioral Health Integration Incentive Program  
Memorandum of Understanding (MOU)**

**MEMORANDUM OF UNDERSTANDING  
BETWEEN**

**AND  
CALOPTIMA**

**FOR PROPOSITION 56 VALUE-BASED PAYMENT BEHAVIORAL HEALTH INTEGRATION  
INCENTIVE PROGRAM**

This Memorandum of Understanding (“MOU”) is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2020, by and between \_\_\_\_\_ (“Provider”) and CalOptima (“Plan”) in order to facilitate successful implementation of the provider’s behavioral health integration project(s) (“BHI Project(s)”) set forth in the approved BHI Incentive Program application.

Whereas, Section 14188.1 of the Welfare and Institutions Code authorized the Department of Health Care Services (“DHCS”) to develop the Proposition 56 Value-Based Payment (“VBP”) Program, including the Behavioral Health Integration (“BHI”) program in Medi-Cal managed care, with the goals of improving physical and behavioral health outcomes, efficiency in care delivery, and improved patient experience by integrating and coordinating primary care, mental health, and substance use disorder treatment for Medi-Cal beneficiaries; and,

Whereas, DHCS established an application process in partnership with managed care plans whereby eligible providers submitted BHI Incentive Program applications establishing BHI project(s) to be considered for BHI Incentive Program payments, and incentivized plans to oversee and administer payment for approved BHI project(s); and,

Whereas, the provider’s BHI project(s) has been selected by the plan for the BHI Incentive Program according to the terms of the provider’s BHI Incentive Program application; and,

Whereas, the plan is responsible for oversight and administration of payments to the provider consistent with the terms of the BHI Incentive Program, any terms imposed as a condition of federal approval of the BHI Incentive Program, and any DHCS guidance related to the BHI Incentive Program.

Therefore, the provider and plan agree as follows:

1. **Term.** The Term of this MOU shall begin on April 1, 2020 and shall terminate on December 31, 2022.
2. **Termination.** The terms of this MOU are contingent upon BHI Incentive Program application approval, the availability of sufficient state and federal Medicaid funding, and all necessary federal approvals to be obtained by DHCS. Should sufficient funds not be allocated, or federal financial participation be unavailable, services may be modified accordingly, or this MOU can be terminated by any party after giving 30 days advance written notice. The plan may terminate this MOU with 30 days advance written notice to the provider and DHCS due to the provider's failure to meet terms of a corrective action plan as set forth in Section 5 (Corrective Action).
3. **Scope.** The provider is responsible for the implementation of and compliance with the project(s), as set forth in their BHI Incentive Program application, which is attached as Exhibit 1 and incorporated here by reference, including reporting to the plan on the achievement of milestones and objectives consistent with the terms of the BHI Incentive Program application. The provider shall promptly notify the plan of any material change in information submitted in support of the project(s) or the BHI Incentive Program application, including changes in organizational leadership, business operations, and financial standing. The plan is responsible for overseeing the project(s), including monitoring and verifying milestone achievement and administering payments consistent with the terms of the project(s) or the BHI Incentive Program application, any terms imposed as a condition of federal approval of the BHI Incentive Program, and any subsequent DHCS guidance related to the BHI Incentive Program.
4. **Confidentiality.** The plan and provider collaboration in support of project(s) may require the exchange of confidential or proprietary information ("Confidential Information") as may be identified by either party. The plan and provider agree to abide by processes and requirements applicable to the exchange of either party's respective confidential information, in accordance with applicable state or federal law.
5. **Corrective Action.** In recognition of the need for project flexibility, the plan may utilize a corrective action plan, or other mutually agreed upon or DHCS-required mechanism, for modifying the project terms to facilitate the provider's compliance with project terms or to adjust project goals and objectives and related payments, as necessary. Such modifications are subject to DHCS review and approval. Provider noncompliance with modified project terms may result in termination of this MOU consistent with Section 2 (Termination). In the event of project termination, the provider shall return funds as directed by the plan.

**6. Provider Responsibilities:**

**A. Use of Funding**

- i. The provider shall expend project award funds for the purposes of carrying out activities and achieving milestones as set forth in the approved project(s).
- ii. The provider shall document to the plan, in a form and manner determined by the plan, that project activities have been carried out and milestones have been achieved.
- iii. To the extent the provider does not or is unable to carry out project activities and achieve milestones, the provider shall notify the plan and return any funds that the provider may have received related to those project activities or milestones.

**B. Practice Redesign and Infrastructure Development Reporting**

- i. The provider will implement the practice redesign and infrastructure development components set forth in the BHI Incentive Program application.
- ii. The provider will shall report to the plan on the progress of the project's practice redesign and infrastructure development on a schedule in a format and process specified in the BHI Incentive Program application, or as otherwise mutually agreed upon by the plan and provider.

**C. Milestone Achievement**

- i. The provider will perform tasks necessary to meet milestones required by the BHI Incentive Program application. The provider shall provide the plan with information necessary to demonstrate progress in achieving milestones as set forth in the BHI Incentive Program application.

**D. Measure Reporting**

- i. The provider will report to the plan on target population measures on a schedule in a format and process required by the BHI Incentive Program application, or as otherwise mutually agreed upon by the

plan and provider.

- ii. The provider will report measures to the plan consistent with the specifications required by the respective measure author (e.g., National Committee for Quality Assurance).

## 7. Plan Responsibilities

- A. **Monitoring Project Milestones and Measures.** The plan will collect and evaluate all information related to implementation of the provider's project(s) for the purposes of ensuring progress toward the provider's goals and objectives, reporting to DHCS and other objectives as set forth in the BHI Incentive Program application.
- B. **Reporting to DHCS.** The plan will report to DHCS on the project status as specified in the terms of the BHI Incentive Program application, the terms of federal approval for the BHI Incentive Program, and any applicable DHCS-issued guidance.
- C. **Information Exchange.** The plan will provide the provider with the following information to support the provider on reporting project target population(s):
  - i. [TO BE FILLED OUT BY CALOPTIMA PRIOR TO EXECUTION: LIST MEASURES OR DATA ELEMENTS, E.G., "EMERGENCY DEPARTMENT UTILIZATION"]
- D. **Administration of Project Funds**
  - i. **Initial Payment.** Within 30 days of the managed care plan's selection of a BHI Incentive Program applicant, or as otherwise mutually agreed upon by the plan and provider, the plan will provide initial payment to the provider as set forth in the terms of the project and BHI Incentive Program application.
  - ii. **Milestone Payments.** Subsequent to the initial payment, all ongoing payments to the provider will be tied to achieving practice redesign components, milestones, or defined progress toward goals required by terms of the project and BHI Incentive Program application. The plan will remit milestone payments to the provider within 30 days of the provider's successful demonstration to the plan of each milestone achievement per the terms of the project. The plan may adjust milestone measurement and related payments consistent with the terms of a corrective action plan.

The plan will not make any milestone payment until all past due reporting is completed.

8. **Liaison.** The plan and provider will each designate a liaison(s) to serve as a point of contact for activities performed related to this MOU.
9. **MOU Monitoring.** The plan and provider will meet on a mutually agreed upon frequency, or upon request to monitor the performance of parties' responsibilities related to this MOU.
10. **Dispute Resolution.** If there is a dispute that cannot be resolved by the parties through Section 9 "MOU Monitoring," either party can submit a request for resolution to the Department of Health Care Services. A party shall give the other five business days of notice of its intent to submit a request for resolution.
11. **No Liability of County of Orange.** As required under Ordinance No. 3896, as amended, of the County of Orange, State of California, CalOptima and the HMO hereby acknowledge and agree that the obligations of CalOptima under this Contract are solely the obligations of CalOptima, and the County of Orange, State of California, shall have no obligation or liability therefore.

Witness whereof, the parties hereto have executed this MOU as of \_\_\_\_\_.

Attest:

\_\_\_\_\_

By:

\_\_\_\_\_

**CalOptima**

By:

\_\_\_\_\_

**ATTACHMENTS:**

Included in MOU

X

Exhibit/Attachment

Exhibit 1 – Approved Provider VBP BHI Project ("Project")