

## **CONTINUITY OF PAYMENT FOR COMMUNITY-BASED ORGANIZATIONS DUE TO COVID-19**

### **INFORMATION**

#### **I. Background**

Alameda County Behavioral Health Care Services (ACBH) relies on our partner Community-Based Organizations (CBOs) to deliver essential services throughout the County. The CBOs have been negatively impacted by the COVID-19 outbreak by a decrease in services following school closures, and the Health Officer's and California Governor's "Shelter in Place" order. The decline in service demands significantly reduces their cash flow and threatens their financial stability.

It is the County's intent to support the sustainability of the CBOs by continuing to provide full or partial payment in the event of programmatic closures that are in accordance with the local government's ordinance. Payments for contracted CBOs for each monthly period are considered interim payments; simplifying and applying a proportion of the contract will act as an advance on future payments.

To address the need to maintain critical behavioral health services for enrolled beneficiaries during the COVID-19 public health emergency, ACBH will provide monthly advance payments for services in March and April 2020 using dedicated funds in the ACBH Fiscal Year 2019-2020 budget. These advanced funds are intended to cover temporary decrease in services as a result of COVID-19, and to be used by CBOs to cover salaries, benefits, and associated costs for all employees and contractors with an active National Provider Identification Number (NPI) who deliver direct services to Mental Health Plan (MHP) and Substance Use Disorder (SUD) Drug Medi-Cal (DMC-ODS) Pilot County beneficiaries.

#### **II. Guidelines**

On March 24, 2020, the Alameda County Board of Supervisors (BOS) unanimously passed an unprecedented action authorizing advanced payments to the CBOs for March and April 2020. In addition, the BOS authorized the County Department Heads to provide longer term solutions after April 2020 for financial stability. ACBH will provide future updates to the community-based organizations as new guidance is released from the Board of Supervisors and the County Administrators Office.

Starting March 31, 2020, ACBH will process and issue advance payments for services provided for these months. This temporary relief will provide stability during the Coronavirus 2019 (COVID-19) pandemic. This is not a loan; therefore, ACBH is not expecting CBOs to repay these payments.

### III. Procedures

The payment methodology that ACBH will apply in processing the advance payment requests from CBOs will be as follows (also refer to the Frequently Asked Questions under Section IV for more details):

- a) CBOs with master contract: 1/12<sup>th</sup> of total contract allocation for two months (straight line projection). Note: For SUD contracts, the highest of the last three months of submitted service reports if CBO never billed to 1/12<sup>th</sup> of their allocation, and have no costs to support it.
- b) Services as Needed (SAN) contract: 1/8<sup>th</sup> of total invoices submitted in the past 8 months (July 2019-February 2020) for two months (straight line projection).

Upon receipt of the claim, CBOs have two options:

- Sign claim via DocuSign (preferred method to expedite processing and payment of the claim) or sign paper form and submit with wet signature, or
- Opt-out if CBO is able to continue to deliver services according to the terms of the contract.

The advanced payments will be reconciled on a monthly basis to the Units of Service (UOS) certified by your organization to determine the amount of Medi-Cal federal financial participation (FFP) associated with these advance payments. The Medi-Cal certified UOS claimed by the CBOs are subject to all federal Medicaid requirements including annual cost reconciliation and settlement.

Additionally, CBOs are encouraged to also apply for all other sources of federal and state assistance available to maintain employees during this emergency. CBOs must report funds received from other sources to ACBH who will then complete a reconciliation based on reported funds to ensure there are no duplicated payments of government funds.

### IV. Frequently Asked Questions (FAQs)

**Q.1 Our program has remained open during this pandemic but experience lower than expected service levels due to school closures which is our main referral source. Will County reimburse us at cost even though our actual units of service are lower than our usual?**

CBOs should continue providing services and documentation per ACBH guidelines. CBOs that have been negatively impacted by COVID-19, causing a reduction in planned services, may request to receive advance payments for the months of March and April 2020. Additionally, ACBH issued memos to providers on the use of telehealth and telepsychiatry using federally-approved platforms while practicing social distancing. Please refer to those memos as a way to continue to deliver services whenever appropriate.

**Q.2 If we opt-in and receive claims for both March and April 2020, will I receive both advance payments soon?**

The March and April 2020 claims are both processed at the same time. The Auditor-Controller will not pay claims after 4/30/20.

**Q.3 Are we still liable for the repayment of previously approved cash advances?**

CBOs are still liable for the repayments of previously approved cash advance which will be deducted from the March and April 2020 claims.

**Q.4 For CBOs with previously approved cash advances whose repayment starts in April 2020, can we request to extend the start of repayment period?**

ACBH will not extend the start of the repayment period. The cash advance payments previously approved including the repayment will continue per the agreed upon terms of the agreement.

**Q.5 What if my contract includes program(s) with multiple funding sources?**

For contracts with programs that include multiple funding sources, ACBH will use the best possible way to capture any contract intricacies related to funding regulations or requirements. This should not delay payment to CBOs. See Section III for more information regarding the payment methodology by contract type.

**Q.6 I have not submitted my cost report/audited financials to ACBH, am I still eligible to receive advance payments if I request them?**

ACBH will not hold payments for CBOs who are having contract performance issues (i.e., low productivity) and CBOs who are out of compliance for other reasons (i.e., cost report submission, audited financials, etc.). However, ACBH encourages CBOs to bring their contract to compliance once they are able to do so.

**Q.7 I have a program that closed in FY 2019-20 before the COVID-19 pandemic. How will this affect my request for advance payments?**

Programs that have closed in FY 2019-20 before COVID-19 will be excluded in calculating the advance payments.

**Q.8 We recently got awarded a new program through a competitive bidding process (i.e., RFP) that does not have an annualized allocation, how will our request for advance payments for March and April be prorated?**

Proration will be based on the contract period. For example, ACBH will apply a 1/6<sup>th</sup> calculation for approving claims for March and April if the contract is for 6 months.

**Q.9 How will these advance payments impact this FY's cost reporting, especially for our programs that are cost-reimbursed or rate-based?**

ACBH is working on the details and will issue a formal notification to all CBOs about cost settlement when available. CBOs should be prepared to provide documentation of services that were expected but unable to deliver and the costs associated with these services.

**Q.10 Are there guidelines for CBOs on how we can use these advance payments? For example, our agency is in the midst of acquiring an Electronic Health Record (EHR) and has a payment commitment with our vendor for the month of March. Can we use the full advance payment for March 2020 to cover this cost?**

CBOs should use these advanced payments in accordance with the funded program budgets subject to contract maximum. For the example above, CBOs can use the full advanced payment for March to cover the CBOs EHR cost if that is included as a line item in the FY 2020-21 budget. See Section III for more guidance on use of advance payments.

**Q.11 We have not billed or invoiced ACBH at all this FY 2020-21 but we are negatively impacted by COVID-19. Can we receive advance payments?**

A late or non-submission of previous months' claim will not stop ACBH from preparing and sending the March and April claims via DocuSign. Please see Section III for more details on how payments will be processed.

**Q.12 We have a Services as Needed (SAN) MH contract and do not bill consistently month to month? Will we be receiving the advance payment?**

MH SAN contracts are paid proportionally based on a straight-line projection of previous claims for FY 19-20, provided there are ACBH clients referred and placed in the program. If CBOs have not experienced a decrease in services, CBOs can opt-out of advance payment and invoice per the terms of the contract.

**Q.13 We have SAN Outpatient Treatment Program (OTP) contracts for SUD? Are we eligible to receive the advance payment?**

Yes, SAN OTPs can request advance payments. ACBH will calculate payments based on the CBOs highest of the last three months of reported services.

**Q.14 Are these advance payments in addition to the amount included in our current contract allocation?**

The March and April advance payments are not in addition to the contract allocations. CBOs are not required to repay these payments; these amounts are included in the current FY 2019-20 contract allocation.

**Q.15 Can CBOs have the choice to opt-out of these advance payments?**

CBOs that are able to continue to deliver services per their contract terms for the months of March and April and are not impacted by low service utilization due to shelter in place/school closures may opt-out of advance payments. The standard process of entering services into InSyst and submitting “Service Reports” on the regular timeline still apply. Opting out also means that the payment method in the current contract(s) remains in full force and effect as it is currently written.

**Q.16 What should I do if one of our program and/or site closed due to COVID-19?**

The County is required to report any events that may affect network adequacy (due to closure of facilities, reduction in hours and/or stopping services) per its State MH contract. For SUD, the County is also required to report to the State at any time a significant change occurs such as changes in services (reduction), geographic services (accessibility), benefits, and payments. As a result, we are asking contracted providers to report program and/or site closures due to COVID-19 to ACBH as soon as possible but no later than five (5) business days after the effective date of change. A separate memo regarding reporting any of these changes will be distributed to all CBOs.

For questions and/or additional information, please contact Edilyn Velasquez, ACBH Interim Contracts Director, [Edilyn.Velasquez@acgov.org](mailto:Edilyn.Velasquez@acgov.org), (510) 383-2873.