

City of Sacramento

Legislation Text

File #: 2021-00280, Version: 1

Title:

Approvals for Implementation of Pathways to Health + Home Program [Two-Thirds Vote Required]

File ID: 2021-00280

Location: Citywide

Recommendation:

Pass a Motion by two-thirds vote: 1) waiving the requirement for 10-day posting of agreements over \$1 million pursuant to City Code section 4.04.020(C); and 2) authorizing the City Manager or City Manager's designee to: a) execute supplemental agreement No. 10 to Agreement 2019-0260 with Sacramento Self-Help Housing, Inc. to extend Pathways Housing Services through June 30, 2021 for an amount not-to-exceed \$318,750 and a new total not-to-exceed amount of \$4,929,610; b) execute supplemental agreement No. 8 to Agreement 2019-0256 with Lutheran Social Services of Northern California to extend Pathways Housing Services through June 30, 2021 for an amount not-to-exceed \$93,750 and a new total not-to-exceed amount of \$1,611,545; c) execute supplemental agreement No. 8 to Agreement 2019-0257 with WellSpace Health, Inc. to extend Pathways Hub Services through December 31, 2021 for an amount not-to-exceed \$854,100 and a new total not-to-exceed amount of \$2,277,840; d) execute supplemental agreement No. 6 to Agreement 2019-0258 with Sacramento Native American Health Center, Inc. to extend Pathways Hub Services through December 31, 2021 for an amount not-to-exceed \$289,575 and a new total not-to-exceed amount of \$987,690; e) execute supplemental agreement No. 5 to Agreement 2019-0259 with Elica Health Centers to extend Pathways Hub Services through December 31, 2021 for an amount not-to-exceed \$263,250 and a new total not-to-exceed amount of \$861,825; f) execute supplemental agreement No. 4 to Agreement 2019-1061 with Cares Community Health dba One Community Health to extend Pathways Hub Services through December 31, 2021 for an amount not-to-exceed \$219,375 and a new total not-to-exceed amount of \$583,830; and g) execute supplemental agreement No. 7 to Agreement 2019-1542 with Healthy Community Forum for the Greater Sacramento Region dba Sacramento Covered to extend Pathways Outreach, Housing, Hub and IT Services through June 30, 2021 for an amount not-to-exceed \$1,089,000 and a new total not-to-exceed amount of \$9,090,660; h) execute supplemental agreement No. 2 to Agreement 2020-0190 with WellSpace Health, Inc. to extend Pathways Interim Care Program + (ICP +) Services through December 31, 2021 for an amount not-to-exceed \$1,413,500 and a new total not-to-exceed amount of \$3,401,395; i) execute supplemental agreement No. 1 to Agreement 2018-1105 with UC Davis Health for the Pathways Program Year (PY) 6 Intergovernmental Transfer (IGT) for an amount not-to-exceed \$250,000 and a

new total not-to-exceed amount of \$1,000,000; j) execute supplemental agreement No. 2 to Agreement 2018-0407 with Sutter Medical Center for the Pathways PY6 IGT for an amount not-to-exceed \$2,945,550 and a new total not-to-exceed amount of \$11,852,475; k) execute supplemental agreement No. 1 to Agreement 2018-0408 with Dignity Health for the Pathways PY6 IGT for an amount not-to-exceed \$1,500,000 and a new total not-to-exceed amount of \$6,750,000; l) execute supplemental agreement No. 5 to Agreement 2017-1084 with Transform Health, LLC For an amount not-to-exceed \$1,485,049 and a new total not-to-exceed amount of \$6,833,049 to support the continued operations of the City's Whole Person Care pilot program (called Pathways to Health + Home); m) execute supplemental agreement No. 1 to Agreement 2019-0861 with Desert Vista Consulting, LLC to extend the time of performance through June 30, 2021 without an increase to the total not-to-exceed amount of \$199,550 to continue the evaluation of the Pathways program; and n) execute an amendment to the City's agreement with the State Department of Health Care Services (State Agreement No. 17-14184-SA-59) extending the City's Whole Person Care program through December 31, 2021; o) execute four incentive agreements with the following Pathways partners each in the amount of \$100,000: Blue Cross of California, Molina Healthcare, Dignity Health, and UC Davis Health; and 3) resetting the City Manager's authority to approve Supplemental Agreements for all agreements listed above.

Contact: Bridgette Dean, Director, (916) 808-1222, Department of Community Response; Angela Marin, Administrative Officer, (916) 808-7949, Department of Community Response.

Presenter: None

Attachments:

- 01-Description/Analysis
- 02-Sacramento Self-Help Housing Contract Supplement
- 03-Lutheran Social Services of Northern California Contract Supplement
- 04-WellSpace Health, Inc. Hub Contract Supplement
- 05-Sacramento Native American Health Center, Inc. Contract Supplement
- 06-Elica Health Centers Contract Supplement
- 07-One Community Health Contract Supplement
- 08-Sacramento Covered MSA Contract Supplement
- 09- WellSpace Health, Inc. ICP + Contract Supplement
- 10-UC Davis Health IGT Agreement
- 11-Sutter Health IGT Agreement
- 12-Dignity Health IGT Agreement
- 13-Transform Health Contract Supplement
- 14 -Desert Vista Contract Supplement
- 15-Blue Cross of California Incentive Agreement
- 16-Molina Healthcare Incentive Agreement
- 17-Dignity Health Incentive Agreement
- 18-UC Davis Health Incentive Agreement

19-WPC program agreement amendment with the Department of Health Care Services

Description/Analysis

Issue Detail: In June 2017, the City of Sacramento (City) was accepted into the State Department of Health Care Services' (DHCS) Whole Person Care (WPC) program, with a budget of up to approximately \$64 million over a four-year term, inclusive of local funding re-aligned to support WPC and federal matching dollars, to support development of the WPC program model and to fund new services. WPC is a statewide Medi-Cal waiver program that allows communities to create a system of supportive services aimed to improve health outcomes and reduce utilization of high-cost services for vulnerable populations. In Sacramento, the WPC program is called the Pathways to Health + Home (Pathways) program and supports broader City strategies to reduce and prevent homelessness, by creating a robust system of outreach, case management and supportive services for those frequent users of health care, homeless services, and emergency services.

As of February 15, 2021, Pathways had 889 individuals enrolled and had served a total of 2,246 individuals through the life of the program. A total of 312,208 services, including outreach, navigation, care coordination, and housing support, have been provided to the community. Additionally, Pathways has helped permanently or transitionally house a total of 922 individuals. Pathways is collaborating with over 20 health care, housing, and social service providers to ensure continuity of care for program enrollees.

On September 16, 2020, DHCS submitted a request to the federal Centers for Medicare and Medicaid Services (CMS) for an extension of the WPC program for an additional Program Year (PY) 6 that would run through December 31, 2021. On September 8, 2020 and again on October 27, 2020, City Council approved a funding plan for extension of Pathways through PY 6 if DHCS secured an extension of the WPC pilot. On December 15, 2020, Council authorized extending existing Pathways service contracts from January 1, 2021 to March 31, 2021 to support service delivery for the first three months of PY 6, until CMS approved the extension of the WPC program. CMS has now authorized an extension of the WPC pilot through December 31, 2021. This staff report seeks City Council authorization to execute an agreement with DHCS to extend the Pathways program through PY 6 and extend existing Pathways service contracts to correspond with the program extension. This report also seeks authorization to extend and expand the scope of the City's contract with Transform Health (TH), the City's outside program manager, to assist with program operation through December 2021 and then assist in transitioning clients and ramping down the program through June 2022.

Extension of Pathways into PY6

The Pathways Program is a unique model in that wrap-around services are provided to an enrollee to ensure a medical home is established and referrals to housing and social supports are made, with the ultimate goal of decreasing reliance on emergency response systems and decreasing

homelessness within Sacramento. As the program enters its final year, the contract extensions will ensure continuity of services as the City ramps down the program.

Extension of Hub Services

The Pathways hub partners provide individualized care management services aimed at achieving health, behavioral health, and housing stability with a focus on improving functioning levels, and quality of life of participants, as appropriate and acceptable to enrollees. Elica Health Centers, WellSpace Health, Sacramento Native American Health Center (SNAHC), One Community Health (OCH), and Sacramento Covered currently have active Pathways hub contracts and have been serving a range of 125 to 365 program enrollees each. Staff is seeking Council approval for the PY6 extension of the Elica, SNAHC, WellSpace Health and OCH hub contracts through December 31, 2021. By extending the existing hub contracts, Pathways will be able to provide medical care coordination supports for up to 1,035 enrollees.

Extension of Housing Services

The role of the Housing Services Entity is to work with unsheltered Pathways enrollees to locate the most appropriate and available housing, both subsidized and non-subsidized. The Pathways Program is a unique model in that wrap-around services are provided to an enrollee to ensure a medical home is established and referrals to housing and social supports are made, with the ultimate goal of decreasing reliance on emergency response systems and decreasing homelessness within Sacramento. At this time staff is seeking Council approval for the extension of the Sacramento Self-Help Housing (SSHH), Lutheran Social Services (LSS) of Northern California, and Sacramento Covered housing contracts until June 30, 2021. Staff will be renegotiating contract supplements for these services for the last six months of the program and will bring those contract supplements to Council at a later date.

Extension of Interim Care Program Plus Services

As part of the initial program design, the Pathways program included funding to provide medical respite care, as often times emergency shelters and traditional housing options cannot support the medically fragile population who discharge from inpatient facilities. The existing Interim Care Program + (ICP+), operated by WellSpace, provides short-term residential care for individuals who are homeless and recovering from an acute illness or injury and whose condition would be exacerbated by living on the streets, in a shelter, or other unsuitable places. In 2020, Pathways funding was provided to fund an expansion of the ICP+ program by 20 beds. These beds have been continually full since opening, and this report seeks approval to continue this program component through December 31, 2021 via a contract supplement with WellSpace Health.

Extension of Outreach and IT Services

Staff further recommends approval of a contract supplement to the nonprofessional master services agreement no. 2019-1542 with Sacramento Covered to extend outreach services through June 30, 2021. Approval of this contract supplement will also extend IT services through June 30, 2021 to

ensure that Pathways enrollee data, care coordination activities, and program outcomes continue to be monitored and tracked. Staff will be renegotiating a Sacramento Covered contract supplement for these services for the last six months of the program and will bring that contract supplement to Council at a later date.

Table 1 below outlines the requested contract supplements as mentioned in the above narrative.

Table 1: Requested Contract Extensions for PY6 Activities

Service Type	Vendor Name	Contract Number	Supp. Number	Supp. Amount	New Contract NTE Amount	Contract extension end date
Housing	SSHH	2019-0260	10	\$ 318,750	\$ 4,929,610	6/30/2021
Housing	LSS	2019-0256	8	\$ 93,750	\$ 1,611,545	6/30/2021
Hub	WSH	2019-0257	8	\$ 854,100	\$ 2,277,840	12/31/2021
Hub	SNAHC	2019-0258	6	\$ 289,575	\$ 987,690	12/31/2021
Hub	Elica	2019-0259	5	\$ 263,250	\$ 861,825	12/31/2021
Hub	One Community	2019-1061	4	\$ 219,375	\$ 583,830	12/31/2021
Housing, Hub, Outreach, IT	Sacramento Covered	2019-1542	7	\$ 1,089,000	\$ 9,090,660	6/30/2021
ICP+	WSH	2020-0190	2	\$ 1,413,500	\$ 3,401,395	12/31/2021
Total Amount Requested for Contract Supplements				\$ 4,541,300		

Intergovernmental Agreements

Sutter Health, UC Davis Health and Dignity Health have committed funding to support the Pathways program through the last year of program operations. Pathways supports the hospital systems’ broader community goals to reduce unnecessary emergency room visits, increase overall health of vulnerable populations, as it works to secure permanent housing for people experiencing homelessness. Given the success of Pathways thus far and the significant benefit of Pathways to the local community, Sutter Health, UC Davis Health and Dignity Health desire to continue providing funding through the PY 6 Pathways extension.

These partners’ contributions act as match dollars for the City to transmit intergovernmental transfers (IGT) to DHCS. The IGTs are done twice a year (in May and October), and the partners provide half of their commitment twice a year. In general, the IGT process requires the City to transfer funding to the State who then transfers it to CMS. CMS matches the City’s funding and returns it, typically within six to eight weeks.

Staff is seeking approval of amendments to the IGT agreements with Sutter Health, UC Davis Health and Dignity Health for a new iteration of funding to continue the program through PY 6. Table 2 below outlines the requested contract amendments as mentioned in the above narrative.

Table 2: Requested Contract Increase for Pathways PY6 Contributions

Partner	Contract Number	Previous contributions	PY6 Contribution	New Contract NTE Amount
UC Davis Health	2018-1105	\$ 750,000	\$ 250,000	\$ 1,000,000
Dignity Health	2018-0408	\$ 5,250,000	\$1,500,000	\$ 6,750,000
Sutter Health	2018-0407	\$ 8,906,925	\$2,945,550	\$ 11,852,475
Total PY6 Contributions			\$4,695,550	

Transform Health Contract Extension and Increased Scope

Transform Health (TH) provides support to the City for the management and operations of the Pathways program. The City first contracted with TH in 2017, at the start of the Pathways program, and has amended this contract four times since. The current structure of the contract pays TH a monthly retainer, calculated based off the level of work for that month. The contract is set to end on June 30, 2021, with the final six months of the contract (January - June 2021) as a “ramp down” period, with minimal services provided to properly close out the program. With the program continuing through December 30, 2021, staff is seeking authorization to extend the TH contract through June 30, 2022 to support another full year of program activities (2021) and six months of ramp down support from January - June 2022.

The contract supplement ensures the proper transition of Pathways clients into successor programs by conducting workgroup meetings with providers, health plans and other partners, developing a transition plan, as required by the State, and monitoring and oversight of transition related activities. In addition, TH would take on tasks and activities previously provided by City staff that have recently left the City, such as extending the City’s IGT agreements, processing city incentive donations, producing regular program recaps, program coordination with Sacramento Housing and Redevelopment Agency (SHRA) regarding vouchers, regular and ongoing coordination and oversight meetings with partners, and completing reporting activities for the City’s Kaiser grants for WPC. Lastly, TH will assist the City in sunsetting the program, including ensuring final provider invoices are paid, audit files are complete, and a final invoice is submitted to the State in May of 2022.

Desert Vista Pathways Program Evaluation

The City aims to meet the goals set forth in the Whole Person Care application to DHCS including but not limited to decreasing inpatient utilization, emergency room visits, and 30-day all cause readmissions, and improving permanent housing outcomes. The purpose of the Pathways program evaluation by contractor Desert Vista, is to determine if the program’s goals and objectives are reflected in the activities and outcomes of the program and use the key evaluation findings to guide program improvement and policy decision making, as needed. The goal of this evaluation is also to identify promising practices and/or areas for improvement within the current housing and healthcare

service delivery system and to identify sustainable strategies to serving Sacramento's medically complex homeless population. Staff is seeking an extension of the Desert Vista contract without an increase of the not-to-exceed amount, to continue the evaluation of the Pathways program.

PY5 Incentive Agreements

This report also seeks approval of an additional four Pathways PY5 Incentive Agreements for participating program partners, whereby the City provides incentive payments to partners who are providing services and/or participating in the Pathways program design. Staff brought 11 of these agreements to Council on December 15, 2020. At the time staff noted that additional agreements with managed care and hospital partners were budgeted to receive incentives and had met the requirements to bill for activities completed in PY5, however the contracts had not been finalized and would be brought to Council at a later date. Staff is now seeking authority to execute PY5 incentive agreements with Blue Cross of CA, Molina Healthcare, Dignity Health, and UC Davis Health.

Policy Considerations: The Pathways program aligns with the federal directive and City commitment that funding for addressing homelessness follow a "housing first" approach, which offers permanent housing as quickly as possible for individuals and families experiencing homelessness. In housing first programs, supportive services are offered (but not required as a condition of tenancy) to help people keep their housing and avoid returning to homelessness. This evidence-based approach is consistent with the strategies and funding priorities of the other public agencies working to end homelessness in Sacramento. Partnering with other agencies to leverage resources and improve livability is consistent with the City Council's past actions and current direction.

Economic Impacts: None.

Environmental Considerations: The actions specified in this report do not constitute a "project" under the California Environmental Quality Act (CEQA) because they are continuing administrative activities and amount to general policy and procedure making [CEQA Guidelines section 15378(b) (2)].

Sustainability: Not Applicable

Commission/Committee Action: None

Rationale for Recommendation: The Pathways program is an opportunity for a community to transform healthcare and housing systems serving vulnerable populations by aligning services and data through performance-based contracts. The impact of Pathways on both service delivery for vulnerable populations and the expansion of partnerships with the health care community has been significant. On October 27, 2020, the City Council approved a funding plan for extension of the Pathways program with DHCS through December 31, 2021. Staff's recommendation will allow maintenance of the level of services under Pathways which include health care coordination,

outreach and referral, as well as housing supports through the end of PY 6.

Financial Considerations: There is existing budgetary authority in the Whole Person Care Multi-Year Operating Project (102000900), in Operating Grants (Fund 2702) to fund the contract extensions and incentive agreements.

Local Business Enterprise (LBE): All the Pathways service partners are local businesses with established operations in Sacramento and have a history of serving Sacramento's medically fragile and homeless populations.