



RESOLUTION No. 25-419

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

RESOLUTION APPROVING EXECUTION OF AN UPDATED AGREEMENT WITH THE DEPARTMENT OF HEALTH CARE SERVICES PERTAINING TO THE INTERGOVERNMENTAL TRANSFER AGREEMENT TO REFLECT THE INTEGRATED CONTRACT NUMBER 24-40138 FOR THE SERVICE PERIOD OF JULY 1, 2023, THROUGH DECEMBER 31, 2026 (RES 23-497)

WHEREAS, on September 26, 2023 per Resolution 23-497, the Nevada County Board of Supervisors approved Contract 23-30116 between the County of Nevada and the Department of Health Care Services pertaining to the Intergovernmental Transfer (IGT) whereby Nevada County transfers the non-federal share of Medi-Cal payments and receives federal financial participation revenue for Drug Medi-Cal Organized Delivery System (DMC-ODS) services provided by the County, for the period July 1, 2023, through December 31, 2026; and

WHEREAS, on February 11, 2025, per Resolution 25-036 the Nevada County Board of supervisors approved Contract 24-40138 between the County of Nevada and the Department of Health Care Services to integrate the separate DMC-ODS 23-30116 and Specialty Mental Health contracts into one contract; and

WHEREAS, this Resolution updates the IGT agreement to reference the contract number from the integrated contract instead of the previous DMC-ODS only contract number; and

WHEREAS, the California Advancing and Innovating Medi-Cal (CalAIM) Act requires the Department of Health Care Services to implement Behavioral Health Payment Reform. As a component of Behavioral Health Payment Reform, DHCS is required to design and implement an IGT based payment methodology for DMC-ODS treatment services; and

WHEREAS, an IGT is a transfer of funds from a public agency to the Medicaid Single State Agency (SSA) that the SSA may expend as the nonfederal share in claiming Federal Financial Participation for Medicaid payments. In the context of CalAIM, Behavioral Health Payment Reform, an IGT is a transfer of funds from a county (the public agency) to DHCS (the Medicaid SSA) to be used as the county portion of the nonfederal share of payments to the county for Medi-Cal covered Behavioral Health Services (the "County Share"); and

WHEREAS, the parties desire to update the agreement to reference the current integrated contract number between County of Nevada and the Department of Health Care Services.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Supervisors of the County of Nevada, State of California, that this agreement be updated to reflect Contract No. 24-40138 by and between the County and the Department of Health Care Services, pertaining to the Intergovernmental Transfer, an agreement whereby Nevada County receives federal financial participation funds for Drug Medi-Cal ODS Services for the period of July 1, 2023 through December 31, 2026, is hereby approved in substantially the form attached hereto, and that the Chair of the Board of Supervisors be and is hereby authorized to execute the Contract on behalf of the County of Nevada.

PASSED AND ADOPTED by the Board of Supervisors of the County of Nevada at a regular meeting of said Board, held on the 26th day of August 2025, by the following vote of said Board:

Ayes: Supervisors Heidi Hall, Robb Tucker, Lisa Swarthout, Susan Hoek, and Hardy Bullock.

Noes: None.

Absent: None.

Abstain: None.

Recuse: None.

ATTEST:

TINE MATHIASSEN
Chief Deputy Clerk of the Board of Supervisors

By: 


Heidi Hall, Chair

**INTERGOVERNMENTAL AGREEMENT REGARDING
TRANSFER OF PUBLIC FUNDS**

This Agreement is entered into between the CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES (“DHCS”) and the COUNTY OF Nevada (“Governmental Funding Entity”) with respect to the matters set forth below.

The parties agree as follows:

AGREEMENT

1. Transfer of Public Funds.

1.1. For the county nonfederal share of Medi-Cal payments for Drug Medi-Cal services furnished through the Governmental Funding Entity’s Drug Medi-Cal County (DMC-ODS) delivery system, and consistent with Welfare and Institutions Code 14184.403, the Governmental Funding Entity agrees to the transfer of public funds to DHCS for the service period of July 1, 2023 through December 31, 2026 (“Service Period”). The Governmental Funding Entity shall transfer the public funds in accordance with the terms and conditions of this Agreement, Welfare and Institutions Code 14164, and DHCS issued Behavioral Health Information Notices.

1.2. In any month in which the DMC-ODS County Funds Accounting (“CFA”) balance is less than the amount necessary to fund the county nonfederal share of approved claims in that claim file, the Governmental Funding Entity agrees to transfer funds in an amount necessary to fund the county non-federal share of approved claims. “CFA balance” is defined as the real time balance in the Governmental Funding Entity’s CFA account. DHCS will withhold payment of claims for any month triggering this provision until the necessary funds are received. Upon receipt of these funds, DHCS will credit the funds to the Governmental Funding Entity’s CFA and release the applicable claim file for payment.

1.3. The Governmental Funding Entity may transfer funds to DHCS to deposit into the Medi-Cal County Behavioral Health Fund at any time during the course of this Agreement through a wire transfer, Automated Clearing House, or physical check.

1.4. If, at the end of the Service Period, the CFA balance reflects an excess of funds transferred that was necessary to fund the county nonfederal share of approved claims with dates of service during the Service Period, DHCS agrees to return the unexpended funds to the Governmental Funding Entity. If mutually agreed to by the parties, amounts due to or owed by the Governmental Funding Entity may be offset against future transfers. Actual approved claims and the associated county nonfederal share amounts will be considered final [two years after] the end of the Service Period.

1.5. The Governmental Funding Entity certifies that any funds transferred pursuant to this Agreement qualify for federal financial participation pursuant to Section 433.51 of Title 42 of the Code of Federal Regulations, any other applicable federal Medicaid laws, and the CalAIM Terms and Conditions, and are not derived from impermissible sources such as recycled Medicaid payments, Federal money excluded from use as State match, impermissible taxes, and non-bona fide provider-related donations. Impermissible sources do not include patient care or other revenue received from federal healthcare programs to the extent that the program revenue is not obligated to the State as the source of funding.

1.6. The funds transferred pursuant to this Agreement represent a voluntary contribution to the non-federal share of Medi-Cal expenditures for purposes of all state and federal laws, including but not limited to Section 14184.403 of the Welfare and Institutions Code and 42 U.S.C. § 1396d(cc).

1.7. The Governmental Funding Entity agrees that failure to timely transfer funds in accordance with this Agreement constitutes a failure to perform functions of a program funded by the Behavioral Health Subaccount that may place federal Medicaid funds at risk such that DHCS may take the steps and issue the notifications set forth in Section 30027.10 of the California Government Code. In the event of a disallowance or deferral of federal funds related to the allowability of funds transferred pursuant to this Agreement, DHCS shall be held harmless from any such deferral or disallowance of federal funds, and associated federally-imposed interest if applicable. If, after conferring with the Governmental Funding Entity, DHCS determines that the disallowances and deferral cannot be cured through the provision of alternate public funds, the Governmental Funding Entity shall be responsible for refunding the federal portion of that disallowance or deferral to DHCS. DHCS shall recoup the dis- allowed federal funding already paid to the Governmental Funding Entity for such purpose. The Governmental Funding Entity shall retain the county nonfederal share of such recouped payments.

1.8. The Governmental Funding Entity must, in accordance with applicable federal regulations, maintain all documentation necessary to verify that the funds transferred meet the requirements of Section 1.5. This documentation must include any records required for Medi-Cal field audits.

2. County Funds Accounting Report

2.1. DHCS shall provide the Governmental Funding Entity a CFA report on the 15th of every month. The CFA report shall include information for the prior calendar month. The CFA report shall include the Governmental Funding Entity's starting CFA amount, which is the ending amount from the prior month, an itemized list of all transactions that increased and decreased the CFA aggregate amount during the reporting month, including but not limited to all approved claims and amounts transferred, as applicable, pursuant to this Agreement, the CFA ending amount based on the listed transactions, and the recommended amount the Government Funding Entity should transfer to meet the account threshold described in Section 1.2. Transaction details will include the transaction identifier or warrant number, the transaction date, a description of the transaction, the amount of the transaction, and the CFA balance after the transaction.

3. Authorized Use of Transferred Funds

3.1. DHCS shall exercise its authority under Section 14184.403 of the Welfare and Institutions Code to accept funds transferred by the Governmental Funding Entity pursuant to this Agreement as public funds, to use for the purpose set forth in Section 3.2.

3.2. The funds transferred by the Governmental Funding Entity pursuant to this Agreement shall be used exclusively to fund the county's nonfederal share of Medi-Cal payments associated with the provision of Drug Medi-Cal services Section 14184.403 of the Welfare and Institutions Code. The funds transferred that constitute the county nonfederal share, together with the applicable federal financial participation and State funds, shall be paid by DHCS to the Medi-Cal behavioral health delivery system associated with the Governmental Funding Entity, consistent with applicable state and federal requirements for the applicable service periods from July 1, 2023 through December 31, 2026, in accordance with Section 14184.403 of the Welfare and Institutions Code.

3.3. DHCS shall seek Federal Financial Participation for the Medi-Cal payments specified in Section 3.2 to the full extent permitted by federal law. The total intergovernmental transfer-funded payment amount, which includes the federal and nonfederal share, paid to a Medi-Cal behavioral health delivery system shall be for the support of behavioral health-related services and activities that benefit patients served by the Medi-Cal behavioral health delivery system, consistent with federal law. The DMC-ODS associated with the Governmental Funding Entity, that receives payments pursuant to Section 3.2, will retain 100% of those payments to use to meet the costs of furnishing such services and activities which may include the Governmental Funding Entity's payment to its subcontract providers. Nothing in this agreement shall be construed to direct the manner, including type or amount, in which the DMC-ODS shall meet such costs.

4. Dispute Resolution Process.

4.1. In the event of a dispute arising under this Agreement, including but not limited to, disputes related to the CFA report, the Governmental Funding Entity must submit an appeal letter to DHCS. Such appeal letter must be submitted within 120calendar days of receipt of the CFA report or other relevant documentation. The dispute letter must set forth the relevant facts and explanation of the dispute.

4.2. Within 60 calendar days of receipt of the appeal letter, DHCS will issue a final decision to the Governmental Funding Entity. The 60-day time period may be extended if the Governmental Funding Entity and DHCS agree in writing on an extension of time to evaluate and resolve the dispute.

5. Amendments.

5.1. No amendment or modification to this Agreement shall be binding on either party unless made in writing and executed by both parties.

5.2. The parties shall negotiate in good faith to amend this Agreement as necessary and appropriate to implement the requirements set forth in Section 3 of this Agreement.

6. Notices. Any and all notices required, permitted, or desired to be given hereunder by one party to the other shall either be sent via secure email to the below stated contacts or in writing and delivered to the other party personally or by United States First Class, Certified or Registered mail with postage prepaid, addressed to the other party at the address set forth below:

To the Governmental Funding Entity:

Phebe Bell, Behavioral Health Director
County of Nevada Behavioral Health
950 Maidu Ave
Nevada City, CA 95959
Phebe.bell@nevadacountyca.gov

With copies to:

Allison Dobbins, Administrative Services Officer
County of Nevada HHSA
950 Maidu Ave
Nevada City, CA 95959
Allison.dobbins@nevadacountyca.gov

To DHCS:

Kenneth Rhodes, Fiscal Section
California Department of Health Care Services Local Government Finance
Division
1501 Capitol Ave., MS 4413
Sacramento, CA 95814
BH-IGT@dhcs.ca.gov

7. Other Provisions.

7.1. This Agreement contains the entire Agreement between the parties with respect to the County's nonfederal share of payments associated with the Governmental Funding Entity's Medi-Cal behavioral health delivery system that are voluntarily funded by the Governmental Funding Entity, and supersedes any previous or contemporaneous oral or written proposals, statements, discussions, negotiations or other agreements between the Governmental Funding Entity and DHCS relating to the subject matter of this Agreement. This Agreement is not, however, intended to be the sole agreement between the parties on matters relating to the funding and administration of the Medi-Cal program. This Agreement shall not modify the terms of any other agreement, existing or entered into in the future, between the parties.

7.2. The non-enforcement or other waiver of any provision of this Agreement shall not be construed as a continuing waiver or as a waiver of any other provision of this Agreement.

7.3. Section 2 of this Agreement shall remain in effect for 15 months after the expiration or termination of this Agreement.

7.4. Nothing in this Agreement is intended to confer any rights or remedies on any third party, any third party provider(s) or groups of providers, or any right to medical services for any individual(s) or groups of individuals. Accordingly, there shall be no third party beneficiary of this Agreement.

7.5. Time is of the essence in this Agreement.

7.6. Each party hereby represents that the person(s) executing this Agreement on its behalf is duly authorized to do so.

7.7. For purposes of this Agreement, "approved claims" shall mean Drug Medi-Cal claims submitted to the Short-Doyle Medi-Cal claiming system submitted by and approved for payment to the Governmental Funding Entity.

8. State Authority. Except as expressly provided herein, nothing in this Agreement shall be construed to limit, restrict, or modify the DHCS' powers, authorities, and duties under Federal and State law and regulations.

9. Approval. This Agreement is of no force and effect until signed by the parties.

10. Term. This Agreement shall be effective as of July 1, 2023 and shall expire as of December 31, 2026 unless terminated earlier by mutual agreement of the parties.

11. The parties hereto have mutually agreed that upon execution of this IGT agreement,

CONTRACT # 24-40138

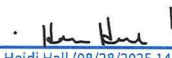
the previous IGT Agreement and all amendments thereto shall automatically terminate, with the effect of such termination retroactive to January 1, 2025, and this IGT Agreement shall supersede the previous IGT Agreement in its entirety.

CONTRACT # 24-40138

SIGNATURES

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on
the date of the last signature below.

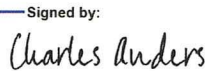
THE (County of Nevada):

By: 
Heidi Hall (08/28/2025 14:00:03 PDT)

Date: 08/28/2025

(Funding Entity Signer)

THE STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES:

By: 
AD/A05B99F390402...
Charles Anders

Date: June 9, 2026

[DHCS SIGNATORY]

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