



BOARD OF SUPERVISORS  
AGENDA LETTER

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

Agenda Number:

Department Name: BWell  
Department No.: 043  
For Agenda Of: July 18, 2017  
Placement: Administrative  
Estimated Time: N/A  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors

**FROM:** Department Alice Gleghorn, PH.D., Director  
Director(s) Behavioral Wellness 681-5220  
Contact Info: Dr. Ole Behrendtsen, Medical Director,  
Behavioral Wellness 681-5220

**SUBJECT:** California Mental Health Services Authority (CalMHSA) State Hospital Bed  
MOU Amendment, FY 16-19

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**County Counsel Concurrence:** Yes

**Auditor-Controller Concurrence:**

**Other Concurrence:**

**Recommended Actions:**

That the board of Supervisors:

- A. Approve, ratify and authorize the Director of the Department of Behavioral Wellness to execute an amendment to the Memorandum of Understanding between the California Mental Health Services Authority (CalMHSA) and the Department of State Hospitals (DSH), for the purchase of State Hospital beds in the estimated amount of \$225,205 per fiscal year, for a total estimated cost of \$675,615 during the period of July 1, 2016 through June 30, 2019; and
- B. Determine that these activities are exempt from California Environmental Quality Act review per CEQA Guideline Section 15378(b)(4), since the recommended actions are government fiscal activities which do not involve commitment to any specific project which may result in a potentially significant physical impact on the environment.

**Summary Text:**

Section 4330 of the California Welfare and Institutions Code (WIC) requires counties to reimburse Department of State Hospitals (DSH) for use of state hospital beds and services provided to their residents. The California Mental Health Services Authority (CalMHSA), a Joint Powers Authority (JPA), negotiates the State Hospital Bed Memorandum of Understanding (MOU) with DSH on behalf of city and county mental health authorities, including the Santa Barbara Department of Behavioral Wellness. This Amendment extends the term of the existing FY 14-16 MOU for Santa Barbara County's purchase of State Hospital beds at the same rates for FY 2016-19.

**Background:**

DSH has jurisdiction over State Hospitals which provide services to persons with mental illness, in accordance with WIC § 4100 et seq. These services include inpatient psychiatric health care, treatment and support services for County residents who have mental, emotional or behavioral disorders and are referred by Behavioral Wellness. DSH oversees five State Hospitals. State hospitals admit individuals who have been referred from their home county under a civil commitment or through the courts on a forensic commitment. Clients referred to state hospitals by Behavioral Wellness are individuals who require continuing care inpatient services or individuals under Lanterman Petris Short Act “Murphy” Conservatorships who were previously found incompetent to stand trial on certain specified felony charges.

All individuals admitted to state hospitals have a major mental illness. The State Hospitals offer a broad range of diagnostic, treatment, and rehabilitation services including: pharmacological therapy, individual and group psychotherapy, educational, vocational and competency training, independent living skills development, and cognitive skills development. The State Hospitals provide any required health care services for the clients admitted to the hospital. For placements other than forensic court commitments, Behavioral Wellness is responsible for determining the appropriateness of a client’s placement and level of care.

In 2014, CalMHSA, acting as administrative agent for some city and county behavioral health departments including Santa Barbara County, recommended that the county departments act jointly to fund and manage the process of the new billing system for DSH hospital beds, which was intended to explore options to transition from the current Short-Doyle 2 Medi-Cal system to a new claims system. Beginning in FY 13-14, CalMHSA became the administrative agent for the county purchase of State Hospital beds through an MOU with DSH, and Santa Barbara County has been a party to the MOU since 2014.

The California Mental Health Services Authority (CalMHSA), a Joint Powers Authority (JPA) under Gov. Code §6500 et seq., serves California counties and cities as an independent administrative and fiscal intergovernmental structure for jointly developing, funding, and implementing mental health services and educational programs at the state, regional, and local levels. Services and programs include the negotiation with the State or other providers of psychiatric hospital beds and similar or related services. CalMHSA, DSH and Behavioral Wellness originally entered into a MOU to purchase State Hospital beds with the term of July 1, 2014 through June 30, 2016. Approval of this amendment to the MOU will extend the term by an additional three years, from July 1, 2016 through June 30, 2019.

Prior to CalMHSA involvement in negotiating this MOU, the rates for State Hospital beds were higher and increased annually. Execution of the amendment to the MOU will freeze the bed rates for three more years; and does not financially obligate the county to any payments if Behavioral Wellness does not need the bed allocated in the agreement. Nor does it preclude Behavioral Wellness from utilizing additional beds. Approval of the recommended action would authorize Behavioral Wellness to execute the multi-county MOU amendment with CalMHSA and DSH, to continue to utilize State Hospital beds with a more streamlined payment process and retain more cost-effective bed rates.

**Fiscal and Facilities Impacts**

Budgeted: Yes

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>FY 16-17 Cost:</u></b>	<b><u>FY Cost FY 17-18:</u></b>	<b><u>FY Cost FY 18-19:</u></b>
General Fund	\$ -	\$ -	\$ -
State	\$ 225,205.00	\$ 225,205.00	\$ 225,205.00
Federal			
Fees	\$ -	\$ -	\$ -
Other:			\$ -
Total	\$ 225,205.00	\$ 225,205.00	\$ 225,205.00

Narrative: The above referenced contract is funded through State Mental Health Realignment funds. This funding source was included in the FY 2016-2017 and FY 17-18 budget process and was approved. The subsequent year will be contingent on Board of Supervisor budget approval. Approval of this agreement does not impact the general fund contribution.

**Special Instructions:**

Please send one (1) scanned copy of the Minute Order to Denise Morales: [dmorales@co.santa-barbara.ca.us](mailto:dmorales@co.santa-barbara.ca.us).

**Attachments:**

Attachment A: CalMHSA State Hospital Beds MOU Amendment FY 16-19

Attachment B: CalMHSA State Hospital Beds MOU FY 14-16

**Authored by:**

D. Morales