



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

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

**Department Name:** ADMHS  
**Department No.:** 043  
**For Agenda Of:** 3-12-13  
**Placement:** Administrative  
**Estimated Tme:** N/A  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors

**FROM:** Department Takashi Wada, MD, MPH, Interim Director  
Director(s) Alcohol, Drug & Mental Health Services 681-5220  
Contact Info: Marianne Garrity, Deputy Director, 681-5220

**SUBJECT:** FY 12-13 State Hospital Bed MOU

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**County Counsel Concurrence**

As to form:

**Other Concurrence:** N/A

As to form: Select\_Concurrence

**Recommended Actions:**

Approve and authorize the Interim Director of Alcohol, Drug & Mental Health Services to execute the Memorandum of Understanding with the California Department of State Hospitals for the purchase of state hospital beds in the amount of \$225,205 for the period of July 1, 2012 through June 30, 2013.

**Summary Text:**

The California Department of State Hospitals (DSH) has issued Santa Barbara County's Memorandum of Understanding for the purchase of state hospital beds for FY 2012-13. Section 4330 of the California Welfare and Institutions Code (WIC) requires counties to reimburse DSH for use of state hospital beds/services provided to their residents.

**Background:**

DSH (formerly known as the Department of Mental Health) 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 Alcohol, Drug and Mental Health Services (ADMHS).

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

ADMHS are individuals who require continuing care inpatient services or individuals who have been converted to Murphy Conservatorships after being on felony incompetent to stand trial for longer than three years. All individuals admitted to state hospitals have a major mental illness. The 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. In addition, the state hospitals provide any required health care services for the clients admitted to the hospital. ADMHS is responsible for determining the appropriateness of a client's placement and level of care.

Historically, Counties have been required to notify the former DMH of the minimum number of State Hospital Beds they plan to use in a FY and DMH would subsequently issue the State Hospital agreements at the end of the FY. DSH changed the agreement format and issued the FY 12-13 State Hospital Bed MOU to Counties in December 2012. Since then, ADMHS along with other Counties have worked to review the new format and determine the rate changes implemented by DSH. DSH's analysis indicates the previous methodology set by the Department of Developmental Services resulted in an understated daily bed rate, because it included costs for developmental care. DSH's FY 12-13 methodology, which reflects an increase of 22%, is based exclusively on the specific cost of psychiatric services to County clients in the state hospitals. The FY 12-13 rate methodology generates an all-inclusive bed rate that captures actual costs of care, including inpatient mental health services and any outside medical services. The contract amount indicated herein is calculated based on the annualized cost of one contracted state hospital bed at Metropolitan State Hospital. Approval of the recommended action would authorize ADMHS to execute the State MOU and continue to utilize this level of care.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized On-going Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
General Fund			
State	\$ 225,205	\$ 225,205	
Federal			
Fees			
Other:			
Total	\$ 225,205	\$ 225,205	\$ -

Narrative:

The above referenced contract is funded through State Mental Health Realignment funds. This funding source was included in the FY 2012-13 Recommended Budget, Federal and State Revenues (page D-84). Approval of this agreement does not impact the general fund contribution.

**Special Instructions:**

Please send one (1) minute order to:

Alcohol, Drug & Mental Health Services  
ATTN: Contracts Division  
300 N. San Antonio Road Bldg. 3  
Santa Barbara, CA 93110

**Attachments:**

Department of State Hospitals Memorandum of Understanding

**Authored by:**

C. Toma