



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: ADMHS
Department No.: 043
For Agenda Of: January 5, 2016
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Alice Gleghorn, PH.D., Director
Director(s) Alcohol, Drug & Mental Health Services
Contact Info: Dr. Ole Behrendtsen, Medical Director, 681-5220

SUBJECT: FY 14-15 and FY 15-16 ADMHS - California Mental Health Services Authority
(CalMHSA) State Hospital Bed MOU

County Counsel Concurrence:

N/A

Auditor-Controller Concurrence:

N/A

Other Concurrence:

N/A

Recommended Actions:

That the board of Supervisors:

- A. Approve and authorize the Director of Alcohol, Drug & Mental Health Services (ADMHS) to execute the Memorandum of Understanding with the California Mental Health Services Authority (CalMHSA) and the Department of State Hospitals (DSH) for the purchase of State Hospital beds in the amount of approximately \$225,205 per fiscal year for the period of July 1, 2014 through June 30, 2016, for a total maximum amount not to exceed \$450,410 through June 30, 2016.
- 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:

The California Mental Health Services Authority (CalMHSA), a Joint Powers Authority (JPA), has issued Santa Barbara County's Memorandum of Understanding (MOU) for the purchase of state hospital beds for FY 2014-16. 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.

Approval will allow CalMHSA, as the fiscal agent for County Mental Departments including Santa Barbara County ADMHS, to procure hospital beds with DSH through a new billing system which will streamline the process and be a more cost effective payment process. The new CalMHSA process bills for beds as used in lieu of annual county bed purchase agreements with DSH.

Background:

DHS (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. DSH oversees five State Hospitals and three psychiatric programs located in state prisons. The five State Hospitals are Atascadero, Coalinga, Metropolitan, Napa and Patton.

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 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. 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 DSH of the minimum number of State Hospital Beds they planned to use in a year and DSH would subsequently issue the State Hospital Agreements at the end of the year. In 2014, DSH and CalMHSA, acting as administrative agent for 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, which was intended to explore options to transition from the current Short-Doyle 2 Medi-Cal system to a new claims system that is HIPAA-compliant, county based, and utilizes certified vendors/systems to collect and locally store encounter information in a HIPAA-compliant format.

Beginning in FY 13-14, CalMHSA became the administrative agent for the purchase of State Hospital beds, and is now a party to the Memorandum of Understanding. 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. Counties will act jointly through CalMHSA in contracting with providers for access and use of hospital/treatment facility resources to ensure compliance with all applicable requirements and provisions in accordance with Welfare Institutions Code § 5000 et seq.

As a member of CalMHSA as of April 1, 2014, Santa Barbara County ADMHS may now sign on to the negotiated agreement between CalMHSA and DSH for the County's State Hospital bed needs. The CalMHSA MOU process was conducted over a two year period in cooperation with DSH and finalized by all county Behavioral Health Directors on October 30. The CalMHSA MOU is a multi-year MOU (FY 14-15 and FY 15-16). The CalMHSA MOU contains more detailed descriptions of State Hospital service levels and staffing; more detailed admission, discharge planning, transfer, and appeals processes; more detailed financial recordkeeping requirements for State Hospitals; and mutual indemnification between County and DSH.

Execution of the MOU should speed up the process of getting bed placements going forward, and does not financially obligate the county to any fiscal agreement. The contract amount indicated herein is calculated based on the annualized cost of one contracted state hospital bed at Metropolitan State Hospital. Counties are now only being charged for actual use. Negotiations to assure that hospitals cannot increase rates have been successful, allowing significant cost savings in many counties. The county will only be billed when a bed is actually used. If needed, ADMHS may purchase additional beds above the one bed if needed.

Approval of the recommended action would authorize ADMHS to execute the multi-county MOU with CalMHSA and DSH to continue to utilize this level of care or greater with a more streamlined payment process and more cost-effective process for accessing care.

Fiscal and Facilities Impacts

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>FY 14-15 Cost:</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>
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 2014-15, 15-16 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) scanned copy of the Minute Order to: admhscontractsstaff@co.santa-barbara.ca.us

Attachments:

Attachment A: CalMHSA State Hospitals Memorandum of Understanding (MOU) FY 14-15 & 15-16

Authored by:

DMorales/ERF