



**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: CEO
Department No.: 012
For Agenda Of: June 4, 2013
Placement: Departmental
Estimated Time: 20 minutes
Continued Item: Yes
If Yes, date from: May 21, 2103
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Chandra L. Wallar, County Executive Officer
Director(s)
Contact Info: Terri Nisich, Assistant County Executive Officer, 568-3404
Dr. Takashi Wada, Director of Public Health & Interim Director of
Alcohol, Drug & Mental Health Services
**SUBJECT: Proposed Transitional Alcohol, Drug & Mental Health Services (ADMHS)
Department Organizational Structure and Fiscal Impacts**

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence: Risk Management

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- A. Receive report from staff regarding the proposed transitional organizational structure of the Alcohol, Drug & Mental Health Services Department; and
- B. Direct staff to implement structure as deemed appropriate by the Board of Supervisors.

Summary Text:

This item is on the agenda at the request of the Board of Supervisors to provide additional detail regarding the proposed Alcohol, Drug & Mental Health Services (ADMHS) Department organizational structure and an overview of related fiscal impacts. This agenda item expands on the information previously provided to the Board of Supervisors on May 21, 2013 pertaining to the findings and recommendations of the outpatient and inpatient systems of care.

Background:

On May 21, 2013 the County Executive Office and ADMHS provided the Board of Supervisors with a comprehensive report regarding the implementation of recommendations pertaining to the review of the ADMHS outpatient and inpatient system of care and business practices. A component of the overall recommendation, then before the Board of Supervisors for consideration, involved the establishment of a transitional organizational structure, designed to address the aggressive implementation of the consulting team's recommendation over an initial six month period. As a part of the formal motion of

May 21, 2013, the Board directed staff to return on June 4, 2013, to provide greater detail regarding the current and proposed transitional organizational structure as well as an analysis of the fiscal impacts.

Provided within this report is the current organizational structure of ADMHS, the proposed transitional organizational structure of ADMHS, highlighting significant proposed changes.

Attachment A – The current organizational chart reflects the following functional areas and levels of supervision:

- **Director** – (Filled Interim) Direct reports include the Psychiatric Health Facility (PHF) Manager, Consumer Empowerment Manager, MHSA Program Manager, Alcohol Drug Program Manager and, in the absence of the Assistant Director of Programs, division chiefs (3 FTEs) for all clinical operations and services programs as well as a patients' rights advocate. The interim director also currently oversees the Public Health Department and has six direct reports (community health, finance, administration, medical director, primary care and health officer)
- **Deputy Director** (Filled) –Provides for oversight of administration including human resources, quality assurance, utilization management, compliance, management information systems, facilities, and contracts.
- **Assistant Director Finance** (Filled) – Provides oversight of all fiscal functions and cost reports.
- **Assistant Director Mental Health Programs** (Vacant) - 178.55 FTE. While vacant, originally to supervise 3 division chiefs (programs, special projects and MHSA) as well as all clinic sites and operations and the patient rights advocate. A detail of the current scope of this function is included in Attachment A supporting material (A-5).
- **Medical Director** (Interim 50% time) –Oversight of all psychiatrists and medical branch.
- **Alcohol Drug Program Manager** (Filled) – Provides oversight of treatment and prevention and CalWorks/Perinatal services

Attachment B – The transitional organizational structure as referenced in Attachment B and previously provided to the Board of Supervisors on May 21, 2013 is proposed to remain in place for a minimum of six months in order to provide a targeted approach to implementation of the recommendations of the consultant reports, engage ADMHS staff in a comprehensive customer/patient centered systems change process, and further train functional areas on the establishment of key performance measurements and best practices within the behavioral health arena. The transitional organizational structure is distinguished from the current organizational structure in the following manner:

1. Interim Director remains in shared leadership of Public Health and ADMHS for an additional period of six months while the system change process continues. It is however anticipated as noted, in the TriWest Report, that immediate work should begin on defining the long term administrative structure via the work of the design team. This effort will be undertaken immediately and be complete by 10/1/13 so that any recommendation regarding longer terms structure, once approved by the Board of Supervisors, may be incorporated into the proposed FY14/15 Budget.
2. Establishment of a Chief Operating Officer (COO) of Systems Change as a fulltime extra-help position tasked with ensuring the overall implementation of the consultant recommendations, facilitation of design teams throughout the department and operational support to the director on a day to day basis. The COO reports to the Director yet is closely connected with the CEO's Office which is providing continued oversight and continuity.
3. Reorganization of the Deputy Director of Alcohol, Drug & Mental Health Services and the redistribution of administrative functions to the functional areas to provide for enhanced oversight. Most significant is the identification of a fulltime permanent position dedicated to

the compliance function. Enhanced oversight on various functions and creation of independent Compliance Officer is a specific recommendation within the TriWest report.

4. Establishment of a fulltime Compliance Officer which operates independently from the daily activities of the department and reports to the Director. This is a specific recommendation within the TriWest report and considered a best practice.
5. Filling the Assistant Director of Clinical Operations (aka Assistant Director of Programs) - this position and function represents over 80% of the total FTE's within ADMHS and the vast majority of the direct client services provided via the outpatient system of care. Additional work is required in order to bring staffing ratios in line with best management practices. A recommendation regarding staffing levels for this particular functional area is not however being presented at this time. Additional analysis will be conducted in this area via the work of the Chief Operating Officer, design teams and human resources to determine appropriate staffing levels and management to staff ratios given system and client needs. Recommendations in this area will be provided to the Board of Supervisors in 6 months as part of a comprehensive follow up report on progress to date within the department. Filling the Assistant Director position is a specific recommendation within the TriWest report.
6. Establishment of Medical Director as a full time position (90% Medical Director 10% direct client services). The Medical Director will be supported by existing physicians through time allocated to manage key functions including adult and children psychiatric needs.
7. Expansion of existing CEO Advisory Committee on Behavioral Health as guiding body to provide continued feedback throughout the systems change process on key findings of the report specifically regarding additional outreach and engagement of stakeholders. In addition as approved by the Board of Supervisors TriWest /Zia Partners will again be retained to continue to provide technical oversight and guide best practices during the implementation phase. The contract of these services will be before the Board of Supervisors on June 18, 2013.

Transitional Phase Costs and Funding Opportunities

The chart below provides for an overview of all costs and funding opportunities associated with the transitional organizational structure.

Salary Savings:

- **Admin Deputy Director** (\$226,000): Reorganization of administration function and position. Position budgeted in FY13/14.
- **ADMHS Director** (\$256,000): Position budgeted in FY 13/14. Salary savings anticipated for period not filled.
- **Misc. Salary Savings** (\$88,000): Estimate of multiple positions currently budgeted for FY13/14 yet not filled or able to be retained by July 1, 2013.

Additional Salary Costs:

- **Clinical Operations Deputy** (\$169,000): Proposed to be filled, currently not within the proposed FY13/14 Budget. Nine months of salary costs reflected.
- **Compliance Officer** (\$182,000): New position proposed; currently not within the proposed FY13/14 Budget.
- **Chief Operating Officer** (\$228,000): Fulltime time temporary position. Costs not included within proposed FY13/14 Budget

- **Interim Director Additional Time (6 months/50% time) (\$91,000):** Presently, the proposed ADMHS budget for FY13/14 contains 6 months of the interim director position with 5% of time charged to the department. This additional \$91,000 provides for a full year in the interim capacity with 50% of time changed to the ADMHS department in the event additional time is needed for a significant recruitment for permanent ADMHS position.

Other Costs & Funding Anticipated

- **Additional Clinical Services (\$200,000)** - It is anticipated that staff presently dedicated to direct client service and/or billable service will be engaged in the systems change process. In order to ensure that client/consumer needs are met and overall productivity and billing is not adversely impacted, funding in the amount of \$200,000 is suggested for additional part time clinician and physician services.
- **Tobacco Settlement Account (TSAC) Funding (\$300,000)** – Recently the Public Health Department received notification of an enhanced distribution of TSAC funding. TSAC funding is eligible to be used for overall health services including behavioral health. An item to receive funding and establish appropriations for the additional TSAC funding will be before the Board of Supervisors during the FY 13/14 budget review and adoption process. As part of the estimated \$1.4 million anticipated in additional TSAC funds, \$300,000 is proposed to be dedicated to this ADMHS systems change effort and will primarily offset cost associated with additional clinical and physician services if needed.

ADMHS Organizational Restructure Costs	
Admin Deputy Director	\$ 226,000
ADMHS Director	\$ 256,000
Misc. Salary Savings	\$ 88,000
Total Salary Savings	\$ 570,000
Clinical Operations Deputy	\$ 169,000
Compliance Officer	\$ 182,000
Chief Operating Officer	\$ 228,000
Interim Director Additional (6mo/.5 time)	\$ 91,000
Additional Salary Costs	\$ 670,000
Net Salary Costs Increase/(Decrease)	\$ (100,000)
Additional Costs Anticipated	\$ -
Additional Clinical Services	\$ (200,000)
Additional Revenue Anticipated	\$ -
TSAC Funding	\$ 300,000
Total	\$ -

Fiscal and Facilities Impacts: Please reference above section for overview of fiscal impacts.

Attachments:

Attachment A – Current ADMHS organizational structure and supporting materials (A1-A7)

Attachment B – Proposed transitional ADMHS organizational Structure

CC:

Dr. Wada, Director of Public Health & Interim Director ADMHS

Elena Morelos, HR Manager, Public Health

Ted Myers, Chief Operating Officer, ADMHS