

SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors
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Santa Barbara, CA 93101
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Agenda Number:
Prepared on: 07/23/2004
Department Name: Alcohol, Drug & Mental Health
Department No.: 043
Agenda Date: 08/10/2004
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: James L. Broderick, Ph.D., Director
Alcohol, Drug & Mental Health Services

STAFF CONTACT: Carrie Topliffe, ADMHS Assistant Director - Administration
805.681.5231

SUBJECT: Telecare Corporation and Kindred Pharmacy Services contracts.

Recommendation(s):

That the Board of Supervisors:

1. Approve and execute a contract in the amount of \$2,900,000, with Telecare Corporation (not a local vendor) to continue providing psychiatric, rehabilitation and mental health services to mentally ill adults. The contract term is July 1, 2004, through June 30, 2005.
2. Approve and execute a contract in the amount of \$150,000, with Kindred Pharmacy Services (not a local vendor) to continue providing pharmacy services to indigent Santa Barbara County residents. The contract term is July 1, 2004, through June 30, 2005.
3. Authorize the Director of ADMHS to approve amendments to the proposed contracts, provided that any such amendments do not exceed ten percent (10%) of the contract's dollar amount.

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with Goal No. 2. A Safe and Healthy Community in Which to Live, Work and Visit.

Executive Summary and Discussion:

The services provided under these contracts will enable 354 Medi-Cal eligible and indigent Santa Barbara County residents to continue to be provided medication, residential psychotherapy and rehabilitation services, crisis intervention and mental health services. Services are provided by TeleCare Corp, a

California based company providing similar services in several California counties. Medication is provided in this case by Kindred Pharmacy Specific programs and services are described below:

1. **Telecare Corporation** (TeleCare) operates three distinct programs in Santa Barbara County; Homeless Outreach and Mental Health Treatment Services, Santa Maria Support Services Program, and the McMillan Ranch.

A. TeleCare's **Homeless Outreach and Mental Health Treatment Services** (HOMHES) program, commenced in 2000, as a result of State Assembly Bill (AB) 2034, provides intensive community support services to adults suffering from serious mental illness and who are either homeless or at risk of homelessness and specifically targets Veterans and transitional aged youth (youth in the 18-21 year age range, transitioning into adulthood). Services include assessment, plan development, individual and group therapy, rehabilitation and collateral services, medication and case management, as well as crisis and community support services. This program assists clients in becoming more stable in their living arrangements and less likely to need hospitalization or to be arrested and jailed. The contract amount directed to the HOMHES program is \$1,421,000, up approximately \$16,000, from FY2003-04, due to increased costs. The contract is wholly funded by the State Assembly Bill (AB) 2034 grant.

HOMHES Performance Measures. In FY 2003-04, the HOMHES program provided services to 108 different adults in the Santa Maria area. The program has a resulting annual usage rate of 37,332, bed days. During FY 2003-04, consumers reported 1,108 days spent in "24-hour care facility(ies)," (the very expensive State Hospital, Psychiatric Health Facilities [PHF's] and IMD's) in the twelve months prior to enrollment which was reduced to 120 "24-hour care facility days," in the year following enrollment in the program, a reduction of more than 85%. Consumers also reported a fifty five percent (55%) reduction of days incarcerated (from 3,532 to 1,579 days) when comparing the twelve months prior to enrollment in the program with the twelve months subsequent to enrollment. This rate of improvement is among the best in the state among those counties with AB2034 programs. Similarly, the number of clients who were incarcerated dropped from 25 to 15, a reduction of 40%. Consumers enrolled in school subsequent to enrollment in the program increased 100%, from six to twelve.

B. TeleCare's **Santa Maria Support Services Program** provides service coordination, psychiatric rehabilitation, mental health services, medication and case management, as well as crisis and community support services to 70 adults and transitional aged youth in the North County. Intensive community support services are based on the philosophy that, regardless of the degree of impairment, almost all individuals have the potential to live successfully in the community when needed supports are available.

Santa Maria Support Services Program Performance Measures. Santa Maria Support Services Program serves a maximum of 70 clients at a time and in FY 2003-04 served a total of 82 unduplicated clients. Of those 82 unduplicated clients served, sixty-two (62) were referred from Psychiatric Health Facilities (PHF's, Institutes for Mental Disease (IMD's), or other locked facilities. Of the eighty two clients (82), thirty two (32) have maintained stable housing for more than one year while eighteen (18) others have been able to move to a less restrictive environment as a result of this program. Essentially, fifty (50) of the eighty two (82) clients who participated in the program (61%) experienced improved quality of life as

measured by their improved living situation, a result of this aspect of the Support Services Program.

Another aspect of the **Santa Maria Support Services Program** is a Crisis Response service that is available 24 hours a day, 7 days a week, 365 days a year. Crisis Response services support Santa Maria's existing emergency response system and provides de-escalation and stabilization services to the individual and family in crisis. This community-based intervention model has proven extremely successful in preventing unnecessary hospitalization and increasing access to less restrictive levels of services. The team provides follow-up services for up to three days following an acute episode, working with family, friends, and community agencies to identify necessary resources for meeting ongoing mental health needs. The contract amount directed to the Santa Maria Support Services Program is \$1,065,000, essentially unchanged from FY 2003-04. Funding for this program is split between Medi-Cal funding and state realignments funds.

Crisis Response Performance Measures. During 2003, there were 414 crisis calls, after-hours, of clients who were at high risk of psychiatric hospitalization. Eighty-six (86) of these required a physical response from staff. Of the 414 crisis calls only 17 resulted in hospitalization or the client being moved to a higher level of care. Essentially, 397 acute psychiatric hospitalizations were avoided. An average admission to an acute psychiatric hospital costs approximately \$2,500, per episode.

C. The **McMillan Ranch Program**, a 24 hour per day, seven day per week residential program, located in the Santa Maria area, Services provided include individual and group mental health services including assessment, plan development, individual and group rehabilitation, collateral services, access and support services. The McMillan Ranch Program is a local alternative for seriously mentally ill adults who would otherwise be committed to the State Hospital, Psychiatric Health Facility (PHF) or an Institute for Mental Disease. The contract amount directed to the McMillan Ranch Program is \$414,000, up approximately \$8,000 from FY2003-04 due to increased costs, but is offset by increased Social Security Insurance (SSI) revenues.

McMillan Ranch Program Performance Measures. McMillan Ranch provides psychiatric rehabilitation and board and care services to 10 seriously mentally ill adults, totaling 3,650 bed days per year. Each of the clients housed in McMillan Ranch would otherwise be housed in a costly IMD. McMillan Ranch provided 7,217 hours of mental health services to clients, including individual rehabilitation (7141 hours), targeted case management (60 hours), Medication support (6 hours) and group rehabilitation (5 hours).

D. The total contract amount for the programs and services provided by TeleCare is \$2,900,000, and represents an increase of approximately \$24,285, from the FY2003-04, contract amount. Due to rising costs, this increase will maintain the level of services currently provided within the three distinct programs described above.

2. **Kindred Pharmacy Services** (Kindred). ADMHS is required by law to treat, stabilize and work with indigent clients prior to adjudication or prior to return to the community. Medication is administered to help the client achieve therapeutic progress and to avoid costly hospitalization, incarceration or placement in an

out-of-county institution. Each indigent person served has no other funding source for their medication. Indigent clients are so severely mentally ill they are unable to work or apply for benefits to be Medi-Cal eligible and the county is their only source for treatment. ADMHS has experienced a significant increase in overall medication costs due to newer and more costly medications continually coming into widespread use. The contract amount of \$150,000, for the Kindred contract represents an increase of approximately \$38,000, from the FY2003-04 initial contract amount. This increase is the result of additional medication supplied to indigent Psychiatric Health Facility clients.

Kindred Performance Measures. Kindred, previously known as Vencare, provided psychotropic and other medications prescribed to one hundred fifty-four (154) different indigent clients in FY2003-04. These 154 clients received more than 250 prescriptions of 1530 medications. In FY 2003-04, Kindred also provided 560 stock medications used in the PHF for emergencies or when a client has recently been admitted and a need arises prior to a determination of Medi-Cal eligibility.

Mandates and Service Levels:

Mental Health Services are mandated by the Welfare and Institutions Code, Section 5600.

Fiscal and Facilities Impacts:

The TeleCare contract is funded by a state allocation of \$1,421,000, AB 2034 funds, and \$1,479,000, spread among Medi-Cal and realignment funds. These funding sources are identified in the Adopted FY 2004-05, Budget, line item 3665, State Adult Programs; 5404, Medi-Cal; and 4102, realignment funds in the Adult Services Division, page D-146. The Kindred Pharmacy Services amounts are drawn from realignment funds and can be found on page D-142, in the Hospital and Jail Services Division.

These actions will not result in a need for any additional facilities.

Special Instructions:

Please send one (1) fully executed copy of each contract and endorsed minute order to:

Alcohol, Drug & Mental Health Services
ATTN: Dana Fahey, Contracts Analyst
300 N. San Antonio Road
Santa Barbara, CA 93110

Concurrence:

Auditor-Controller
Risk Management