



**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: Behavioral Wellness
Department No.: 043
For Agenda Of: 6/2/20
Placement: Departmental (6/2/20:
First Reading);
Administrative (6/16/20:
Second Reading)
Estimated Time: 15 minutes on 6/2/20
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Behavioral Wellness
Director(s) Alice A. Gleghorn, Ph.D., Director, 681-5220
Contact Info: Christie Boyer, CPA, Associate Director of Finance, 681-5231

SUBJECT: Behavioral Wellness Fee Ordinance - FY 2020-21 Published Charges

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: N/A

As to form:

Recommended Actions:

That the Board of Supervisors:

On June 2, 2020:

- a) Receive and file a presentation regarding amendments to the Santa Barbara County Department of Behavioral Wellness Published Charges for inpatient and outpatient mental health services; and
- b) Consider and approve the introduction (First Reading) of an Ordinance to amend the Santa Barbara County Department of Behavioral Wellness Published Charges for inpatient and outpatient mental health services;
- c) Read the title and waive further reading of the Ordinance;
- d) Continue the item to the Administrative Agenda of June 16, 2020 to consider the adoption (Second Reading) of an Ordinance amending the Santa Barbara County Published Charges for inpatient and outpatient mental health services.

On June 16, 2020:

- i) Consider and adopt the Ordinance (Second Reading) to adjust the Santa Barbara County Department of Behavioral Wellness Published Charges for inpatient and outpatient mental health services, effective 30 days after adoption by the Board of Supervisors;
- ii) 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 Board of Supervisors last approved the fee schedule for services at County mental health service locations (“Published Charges”) for the Department of Behavioral Wellness (“Department”), including rates for inpatient and outpatient mental health services, on May 15, 2018. The proposed Published Charges are consistent with the full cost recovery budget principles of Santa Barbara County. California Welfare and Institutions Code (WIC) § 7106 authorizes the County Board of Supervisors to establish a schedule of charges for the care, treatment, or observation of patients at County psychiatric facilities, as defined in WIC §5600. WIC §5710 provides that each County may collect patient fees for the care and treatment of each individual receiving treatment from the County mental health program. Approval of the recommended action to update the Published Charges will assist Behavioral Wellness in recovering the cost of providing services.

Background:

Published Charges are used in the determination of the amount of cost reimbursement the Department receives from Medi-Cal for costs related to providing services to Medi-Cal clients. Medi-Cal reimbursement of eligible costs is limited to the lower of actual costs or Published Charges. It is important that the Published Charges accurately reflect true, fully burdened costs so that the Department is able to receive the maximum reimbursement for providing services to both Medi-Cal and Non-Medi-Cal clients. Published Charges are also charged to private insurance companies and self-pay clients (which represent less than 0.01% of Department revenues). The State’s Uniform Method of Determining Ability to Pay (UMDAP) law limits the amount that non-Medi-Cal clients are required to pay for mental health services, based on an assessment of a client’s income and assets. Therefore, a client who does not have a third party payer (Medi-Cal, Medicare or private insurance) will rarely pay the Published Charges, unless they have significant income and assets.

Behavioral Wellness developed the proposed rates by forecasting costs and dividing by total anticipated services for each service type. Outpatient service costs were forecasted using the actual costs as reported in the FY 18-19 Mental Health Cost Report and applying two years of the Home Health Agency Market Basket Index rate, which is the index commonly used in the health care services sector. Inpatient and crisis stabilization costs were based on the FY 20-21 Recommended Budget as it most accurately captures other future costs not included in the FY 18-19 Mental Health Cost Report.

Service levels were estimated based on the average monthly services with an anticipated reduction due to COVID-19 impacts. This will cause rates to be temporarily higher than normal as costs are spread over less services. For outpatient services, the Department transitioned service delivery to telehealth and has encountered challenges in connecting with adult clientele due to lack of access to technology. An 18% reduction is estimated for at least eight months of FY 20-21 to account for this along with clinical staff being out on leave and unable to provide service delivery. Inpatient services are forecasted to remain relatively consistent with only a 15% decline in service estimated to account for any sporadic reductions

in census that may occur due to COVID-19. Crisis stabilization services are projected to be 20-38% lower than average for at least eight months as less staff are available with many being redirected to the Psychiatric Health Facility (PHF) to maintain mandated staffing ratios.

When compared to May 2018, the predominant change is a 42% increase in the crisis stabilization rate. This is a result of a combination of less service delivery due to COVID-19 along with higher forecasted costs when compared to the last fee ordinance. Inpatient rates remained relatively consistent while outpatient rates increased in tandem with the estimated COVID-19 related impacts.

Behavioral Wellness Proposed Fees Comparison					
Mode	Service Function Code	Service	FY18-19 Current Fees (A)	FY20-21 Amended Fees (B)	Increase in Fees (B)-(A)
05	10	Hospital Inpatient Day	\$ 2,508.42	\$ 2,571.47	\$ 63.05
05	19	Hospital Administrative Day	\$ 2,508.42	\$ 2,571.47	\$ 63.05
10	25	Crisis Stabilization Urgent Care	\$ 343.69	\$ 488.39	\$ 144.70
15	01	Case Management, Brokerage	\$ 5.35	\$ 6.22	\$ 0.87
15	10-19, 30-59	Mental Health Services	\$ 6.91	\$ 8.03	\$ 1.12
15	60-69	Medication Support	\$ 12.75	\$ 14.81	\$ 2.06
15	70-79	Crisis Intervention	\$ 10.26	\$ 11.92	\$ 1.66

Behavioral Wellness will continue to monitor and adjust rates as necessary to help ensure cost recovery.

Impact to Other Departments: The Sheriff’s Department reimburses Behavioral Wellness when inmates of the Santa Barbara County jail require inpatient psychiatric services in the PHF. Recent changes have allowed Behavioral Wellness to claim reimbursement for jail days when the inmate is Medi-Cal eligible. Behavioral Wellness’s FY 20-21 Recommended budget assumes that Behavioral Wellness will receive \$150,000 from the Sheriff’s Department for these services. An increase in the inpatient rate will increase the per day cost to the Sheriff’s Department. It is challenging to predict the level of services the Sheriff’s Department will use at the PHF and, as such, Behavioral Wellness will work with the Sheriff’s Department and CEO’s Office if the amount budgeted is not sufficient to cover the services provided.

Should Behavioral Wellness’ fees to another non-County entity be lower than Behavioral Wellness’s computed cost or Published Charges, Medi-Cal will reimburse at the lower rate and Behavioral Wellness would lose related Federal funding. Adoption of the Ordinance referenced herein will enable Behavioral Wellness to more fully recover costs incurred in providing services.

Fiscal and Facilities Impacts:

Budgeted: No

Revising the Published Charges does not increase or decrease Behavioral Wellness’s costs; rather it impacts Behavioral Wellness’s ability to maximize its reimbursement for Medi-Cal services. By adjusting the Published Charges, the Federal reimbursement of costs by Medi-Cal will be limited only to Behavioral Wellness’s actual costs.

Special Instructions:

After the June 2, 2020 hearing, direct the Clerk of the Board to:

1. Provide a scanned copy of the minute order via email (bwellcontractsstaff@co.santa-barbara.ca.us).

After the June 16, 2020 hearing:

1. Direct the Clerk of the Board to:
 - a. Submit a certified copy of the adopted Ordinance to the Behavioral Wellness Contracts Division; and
 - b. Publish a copy of the ordinance or summary thereof, with names of the members of the Board of Supervisors voting for or against the approval/non-approval within 15 days of the Board hearing.

Attachments:

Attachment A: Fee Ordinance Presentation FY 20-21

Attachment B: Ordinance Amending Santa Barbara County Psychiatric Health Facility and Outpatient Mental Health Services Fees and Fee Schedule FY 20-21 (strikethrough version)

Attachment C: Ordinance Amending Santa Barbara County Psychiatric Health Facility and Outpatient Mental Health Services Fees and Fee Schedule FY 20-21 (clean version)

cc:

Auditor-Controller

CEO