



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: 4-13-10  
Placement: Administrative  
Estimated Tme:  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors

**FROM:** Department Ann Detrick, Ph.D., Director  
Director(s) Alcohol, Drug, and Mental Health Services  
805-681-5220  
Contact Info: Marianne Garrity, RN, ADMHS Deputy Director  
805-681-5220

**SUBJECT: FY 09-10 Inpatient Mental Health Services**

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence:** Risk Management

As to form: Yes

**Recommended Actions:**

Approve and execute an amendment to the contract with Aurora Vista del Mar Hospital (not a local vendor) to continue providing acute hospital services to adults with severe mental illness in the amount of \$510,000 for a total contract maximum of \$1,500,000 for the period of July 1, 2009 through June 30, 2010.

**Summary Text:** This contract amendment will provide reimbursement for anticipated services at Aurora Vista del Mar (Aurora Vista) during FY 09-10. Aurora Vista, located in Ventura, CA provides acute psychiatric inpatient hospital services to adults with severe mental illness who cannot be safely treated at a less intensive level of care. Individuals are admitted involuntarily if they are determined to be of danger to themselves or others or gravely disabled pursuant to Welfare and Institutions Code §5150, and meet medical necessity criteria, as defined in the California Code of Regulations Title 9 §1820.205. Aurora Vista provides psychiatric inpatient hospital services such as psychiatric assessment, medication management, individual and group psychotherapy, and intensive one to one supervision, as appropriate.

**Background:**

As the County's Mental Health Plan, ADMHS is mandated by the State of California to provide specialty mental health services to Medi-Cal beneficiaries (per Title 9 of the California Code of Regulations). This responsibility includes assessment of individuals to determine if they meet criteria for involuntary psychiatric hospitalization, per Welfare and Institutions Code §5150, and provision of acute psychiatric hospitalization, as needed. This assessment is carried out by the ADMHS CARES program which provides mobile outreach to persons in mental health crisis 24 hours per day/7 days per week. For persons not covered by Medi-Cal (indigent), to the extent resources are available, County Mental Health Plans are to give priority to persons with serious mental health conditions and to individuals experiencing a mental health crisis that presents a risk of suicide or harm to others.

The Department provides psychiatric inpatient care in two settings:

- Santa Barbara County Psychiatric Health Facility (PHF), a 16-bed acute psychiatric hospital unit operated by ADMHS staff. The primary revenue sources supporting PHF operations include Medi-Cal, Medicare, and State Realignment funds.
- Aurora Vista, a freestanding psychiatric hospital (Institute for Mental Disease) offers psychiatric inpatient services when the County PHF is at capacity. Under Federal law, an Institute for Mental Disease cannot accept Medi-Cal reimbursement for patients ages 21-64. Nearly all persons admitted to Aurora Vista through ADMHS fall within this age group. Therefore, the invoices ADMHS receives from Aurora Vista are paid from State Realignment funds.

The cost of a bed at Aurora Vista is \$650 per day or \$237,250 per year, which represents high cost care that is standard for psychiatric inpatient services. ADMHS' current FY 09-10 contract with Aurora Vista is \$990,000 which covers the annualized cost of 4 beds. ADMHS is submitting this amendment to the Board of Supervisors to increase the FY09-10 contract by \$510,000 to \$1,500,000 because the demand for Aurora Vista beds was higher than projected in the first 6 months of the fiscal year.

The amended contract amount of \$1,500,000 will cover a rate of bed use at Aurora Vista of approximately 6.3 beds per day across the 12 months of FY 09-10. For FY 10-11, ADMHS is budgeting \$1,200,000 for Aurora Vista for a contracted capacity of 5 beds per day at Aurora Vista. AMDHS is currently tightly managing to a capacity of 5 beds at Aurora Vista to assure cost containment for the rest of FY 09-10 and all of FY 10-11.

ADMHS has experienced an increased community demand for involuntary psychiatric bed use over the past year. Approximately half of all persons admitted by ADMHS for involuntary psychiatric inpatient care at PHF and Aurora Vista are indigent, and of all persons admitted, approximately one-third are individuals who are new to the ADMHS system – not previously served by the Department.

The long term trend of placement costs at Aurora Vista for clients referred by Santa Barbara County is depicted in the table below:

<b>Aurora Vista del Mar Placement Costs</b>					
FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10 Maximum
\$1,271,445	\$1,150,975	\$1,132,466	\$954,822	\$1,366,846	\$1,500,000

An increase in the contract maximum is necessary to reimburse Aurora Vista for the projected costs of the services ADMHS intends to purchase in FY 09-10. The Board approved a Budget Revision Request in August 2009 to revise ADMHS' inpatient services budget; therefore, approval of the recommended action implements that increased allocation in the contract maximum to cover the services ADMHS will purchase this year from Aurora Vista.

**Performance Measure:** Approval of the recommended actions will assist ADMHS in meeting the following **Recurring Performance Measures:**

**RPM 0230** to provide mental health care to adults with serious mental illness.

In FY 08-09, there were 284 client admissions under the County's Aurora Vista contract, for a total of 2,102 hospital bed days. Between July 2009 and January 2010, there were 259 admissions, and a total of 1,662 bed days.

Mental Health Services are mandated by Welfare and Institutions Code §5600 and Title 9, CCR.

**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	\$ 1,500,000.00		
Federal			
Fees			
Other:			
Total	\$ 1,500,000.00	\$ -	\$ -

**Narrative:**

Funding for the Aurora Vista contract is identified in the Adopted FY 2009-10 Budget, Federal and State Revenues (page D-172 in the County Budget, in the Hospital and Jail Services Division). The proposed expenditures are included in the FY 2009-10 budget for Professional and Special Services. The Board approved Budget Revision Request 2008026 on August 18, 2009 to add funding to accommodate the revised contract maximum. Execution of this amendment will not increase the use of general fund dollars by the ADMHS Department.

**Special Instructions:**

Please send one (1) complete copy of amendment and minute order to:

Alcohol, Drug, & Mental Health Services  
ATTN: Contracts Office  
300 North San Antonio Road, Bldg 3  
Santa Barbara, CA 93100

**Attachments:**

Aurora Vista del Mar FY 09-10 Amendment

Aurora BL FY 09-10 4-13-10

**Authored by:**

C. Toma; E. Feliciano

**cc:**