



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: 5/18/21
Placement: Departmental (5/18/21:
First Reading);
Administrative (6/15/21:
Second Reading)
Estimated Time: 10 minutes on 5/18/21
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, (805) 681-5220
Contact Info: Christie Boyer, CPA, Associate Director of Finance, (805) 681-5231
SUBJECT: Behavioral Wellness - Amendment of a Fee Ordinance relating to Published Charges for Inpatient and Outpatient Mental Health Services

County Counsel Concurrence

As to form: Yes

Other Concurrence: N/A

As to form:

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

On May 18, 2021:

- 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;
- b) Consider and approve the introduction (First Reading) of an Ordinance amending the Santa Barbara County Department of Behavioral Wellness Published Charges for inpatient and outpatient mental health services;
- c) Read the title of the Ordinance, "An Ordinance Amending Ordinance No. 5016 Santa Barbara County Psychiatric Health Facility and Outpatient Mental Health Services Fees," into the record and waive full reading of the Ordinance; and
- d) Continue the hearing to the Administrative Agenda of June 15, 2021 to consider the adoption (Second Reading) of the Ordinance amending the Santa Barbara County Department of Behavioral Wellness Published Charges for inpatient and outpatient mental health services.

On June 15, 2021:

- a) Consider and adopt (Second Reading) of the Ordinance amending 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; and
- b) Determine that the above actions are government fiscal activities, which do not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment and are therefore not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4) of the CEQA Guidelines.

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 June 16, 2020. 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 19-20 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. Budgeted costs that were not captured in the cost report were also added when necessary.

Service levels were based on the average monthly services with a slight reduction estimated in the first part of the year for COVID-19 impacts. The Department projects that outpatient service delivery will remain stable next fiscal year due to new measures implemented to review staff productivity and the ability to provide nearly all outpatient services via telehealth. Inpatient and crisis stabilization services are also projected to remain relatively consistent with only a slight reduction in services estimated for the beginning of the fiscal year due to COVID-19.

When compared to June 2020, the predominant change is a decrease in fees for all service types. This is a result of higher service delivery anticipated in the upcoming year when compared to the last fee ordinance. Fees in the last fee ordinance were higher due to the inferred impacts of COVID-19 on service delivery. Costs were spread over less services resulting in a higher rate for each service. This will have a minimal impact to departmental funding as revenue generated from Published Charges is a negligible percentage of overall revenues.

Behavioral Wellness Proposed Fees Comparison					
Mode	Service Function Code	Service	FY20-21 Current Fees (A)	FY21-22 Amended Fees (B)	Decrease in Fees (B)-(A)
05	10	Hospital Inpatient Day	\$ 2,571.47	\$ 2,081.38	\$ (490.09)
05	19	Hospital Administrative Day	\$ 2,571.47	\$ 2,081.38	\$ (490.09)
10	25	Crisis Stabilization Urgent Care	\$ 488.39	\$ 459.19	\$ (29.20)
15	01	Case Management, Brokerage	\$ 6.22	\$ 5.71	\$ (0.51)
15	10-19, 30-59	Mental Health Services	\$ 8.03	\$ 7.37	\$ (0.66)
15	60-69	Medication Support	\$ 14.81	\$ 13.60	\$ (1.21)
15	70-79	Crisis Intervention	\$ 11.92	\$ 10.94	\$ (0.98)

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 Psychiatric Health Facility (“PHF”). Recent changes have allowed Behavioral Wellness to claim reimbursement for jail days when the inmate is Medi-Cal eligible. Behavioral Wellness’s FY 21-22 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 May 18, 2021 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 15, 2021 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 adopted Ordinance or summary thereof with the names of the members of the Board of Supervisors voting for and against the Ordinance in a newspaper of general circulation published in the County in compliance with California Government Code § 25124.

Attachments:

Attachment A: Fee Ordinance Presentation FY 21-22

Attachment B: An Ordinance Amending Ordinance No. 5016 Santa Barbara County Psychiatric Health Facility and Outpatient Mental Health Services Fees (strikethrough version)

Attachment C: An Ordinance Amending Ordinance No. 5016 Santa Barbara County Psychiatric Health Facility and Outpatient Mental Health Services Fees (clean version)

cc:

Auditor-Controller
County Executive Office