

County of Santa Clara
Santa Clara Valley Health & Hospital System
Mental Health Services
Administration



HHS10 060909


Prepared by: Alexia Worsham
Contracts Manager
Flora Yarza
Management Aide

Reviewed by: Pat Garcia
Acting Administrative Services Director

Submitted by: Nancy Pena, Ph.D
Director, Mental Health Department

DATE: June 9, 2009

TO: Board of Supervisors

FROM: 
Kim Roberts
SCVHHS - Chief Executive Officer

SUBJECT: Agreements with Institutes for Mental Disease, Skilled Nursing Facilities and Mental Health Rehabilitation Centers for the Provision of Mental Health Services

RECOMMENDED ACTION

Consider recommendations relating to agreements with Institutions for Mental Disease, Skilled Nursing Facilities, and Mental Health Rehabilitation Centers:

Possible action:

- a. Approve delegation of authority to the SCVHHS Chief Executive Officer, or designee, to negotiate and execute agreements with new and existing Institutions for Mental Disease, Skilled Nursing Facilities, and Mental Health Rehabilitation Centers for the

provision of mental health services to seriously mentally ill clients pursuant to the Bronzan-McCorquodale Act, and agreements with the State of California, in an amount not to exceed \$14,807,880 for period July 1, 2009 through June 30, 2010, and within the Mental Health Department's approved budget in future years, following approval by County Counsel as to form and legality, and approval by the Office of the County Executive. Delegation of authority to expire June 30, 2014.

- b. Approve delegation of authority to the SCVHHS Chief Executive Officer, or designee, to amend said agreements: (1) to include revising the nature of services, rates for the services, or any other provision upon execution of a written amendment; (2) to allow shifting of funds among contractors provided that the funds do not exceed the Mental Health Department's approved budget; and/or (3) to extend the agreement for four additional 12-month terms, and to add additional funding for the extended term(s) provided that the funds do not incur unbudgeted additional costs to the County, following written approval by the Office of Budget and Analysis, approval by County Counsel as to form and legality, and approval by the Office of the County Executive. Delegation of authority to expire June 30, 2014.

FISCAL IMPLICATIONS

There will be no impact on the General Fund as a result of this action. The cost for these services is included in the recommended FY10 Mental Health Department budget.

These agreements are funded entirely with General Fund. The amount paid to each Contractor will be based upon the actual number of patient days purchased by the County at rates specified in the agreements. Once the Board of Supervisors has approved the budget, any adjustments, if necessary, will be made to ensure that MHD does not exceed the approved budget.

CONTRACT HISTORY

There are few IMD/MHRC/SNF type facilities in the greater Bay Area that are qualified to care for Seriously Mentally Ill (SMI) adults.

MHD has contracted with Crestwood Behavioral Health, Inc., Golden Living Center, Helios Healthcare, Kindred Medical Hill, Seventh Avenue Center, LLC (7th Avenue) for more than five years. These are local placement options available to Santa Clara County clients, which allow the clients to be located closer to their homes and families in the Bay Area.

In addition, MHD contracts with Sierra Vista in San Bernardino County, a sole source provider, who specializes in a deaf program that is designed to address the unique needs of the hearing impaired who also suffer from chronic mental illness. Sierra Vista is only utilized by MHD when a hearing impaired mentally ill client presents with the special care needs provided by an IMD. Currently there are no patients hospitalized at Sierra Vista.

The local IMD/MHRC/SNF agreements were due to re-bid in 1998, but, with the recommendation of the Health and Hospital Committee in September 1998, the Board directed MHD to develop a comprehensive plan and protocol for monitoring the programs and patient care provided, and agreements with evaluation criteria that includes specific performance indicators. Therefore, the MHD renews these agreements each year pending the finalization of the MHD's

full implementation of the evaluation plan and performance agreements.

REASONS FOR RECOMMENDATION

MHD contracts with IMD/MHRC/SNFs to provide psychiatric services to Santa Clara County residents requiring long term care in locked and unlocked psychiatric facilities. An important feature of these programs is the focus on the rehabilitation model of treating clients who, whenever possible, are living close to their families and caregivers. The MHD uses this level of care as a less costly alternative to State Hospital or acute care settings. The goal is to maintain clients in a stable environment and to avoid acute hospitalizations whenever possible. The MHD census as of May 22, 2009 showed 204 patients in IMD facilities and 56 patients in SNF facilities, for a total of 260 patients in this type of placement option.

The current delegation of authority for these agreements expires June 30, 2009. Approval of the recommended action will allow MHD to execute and amend the agreements to respond quickly to unanticipated changes and the unique needs of our clients, and minimize any possible service interruptions.

BACKGROUND

Realignment legislation in July 1992 gave county mental health departments responsibility to contract for the provision of IMD/MHRC/SNF services.

MHD manages all admissions into the IMD/MHRC/SNF facilities as well as facilitates discharges into lower level of care placements. However, the payment rates for the IMD facilities are determined by the State Department of Health Services (DHS). The current rates for these facilities are categorized according to the geographical area, and range from \$156.98 to \$181.95 per client per day, which includes a special treatment program rate per the State Department of Mental Health (DMH) policy.

At the discretion of MHD, some IMD and MHRC facilities receive an individualized treatment rate in addition to the facility rate, ranging from \$14.88 to \$17.00 per client per day, for specific clients with extraordinary treatment needs. In the case of the MHD patients who are medically fragile and need SNF care, MHD will negotiate a mental health individualized treatment rate. Since SNF costs are Medi-Cal billable, MHD only pays for the individualized treatment rate which ranges from \$14.00 to \$159.00 per day depending on the severity of the mental illness.

CONSEQUENCES OF NEGATIVE ACTION

Failure to approve these actions could significantly impact the ability of the MHD to provide less restrictive and less costly psychiatric treatment services for County clients.