



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



DATE: May 8, 2012

BOARD MEETING DATE: June 5, 2012

SPECIAL NOTICE/HEARING: None

VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: Jean S. Fraser, Chief, Health System
Stephen Kaplan, Director Behavioral Health & Recovery Services

SUBJECT: Agreement with John Muir Behavioral Health Center

RECOMMENDATION:

Adopt a Resolution authorizing the:

- A) President of the Board to execute an Agreement with John Muir Behavioral Health Center for the provision of psychiatric inpatient hospital services for San Mateo County youth and adults for the term July 1, 2012 through June 30, 2014, for a maximum obligation of \$1,764,822 in aggregate with all other hospitals that have contracted with Behavioral Health and Recovery Services; and
- B) Chief of the Health System or designee to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

BACKGROUND:

In March 1995 your Board approved the acceptance of State and federal funds to implement the San Mateo County Mental Health Managed Care Plan (MHP). Since 2002 John Muir Behavioral Health Center (previously known as Mt. Diablo Medical Center) has contracted with the County to provide psychiatric inpatient hospital services. Contracting with this provider ensures that San Mateo County clients in need of emergency services have local access to care in order to minimize delays in treatment. For FY 2012-14 Behavioral Health and Recovery Services (BHRS) is contracting with John Muir Behavioral Health Center and Mills-Peninsula Hospitals. Services provided by these facilities comprise the majority of contracted psychiatric inpatient hospital services provided to San Mateo County clients. Under the B-1 Administrative Memorandum the selection of providers delivering inpatient psychiatric hospital services for mental health clients is exempt from the Request for Proposals requirement. In order to improve service capacity, BHRS offers contracts for psychiatric inpatient hospital services to any willing qualified provider.

DISCUSSION:

The Agreement with John Muir Behavioral Health Center is for an aggregate amount for all hospital inpatient services authorized by BHRS. This Agreement contains rates for psychiatric inpatient hospital services for Medi-Cal-covered youth and adults and rates for psychiatric inpatient hospital services for uninsured youth and adults. Administrative Day rates, which are set by the State, are also included. This Agreement is structured on the basis of fee-for-service rates. Only services authorized by BHRS will be paid. The Agreement with Mills Peninsula shall be submitted separately for your Board's approval.

The Agreement and Resolution have been reviewed and approved by County Counsel. Contractor meets insurance certification requirements.

The Contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits.

The Agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing inpatient psychiatric hospital services for youth and adults. BHRS provides a range of services to promote wellness and recovery and to support consumers remaining in the lowest possible level of care. The provision of inpatient services is one established level of care. The services provided through this Agreement contribute to this measure. It is anticipated that no more than 12% of clients who receive psychiatric inpatient hospital services will be re-admitted within 30 days of discharge.

Performance Measure:

Measure	FY 2011-12 Estimate	FY 2012-13 Projected
Percentage of clients who are re-admitted within 30 days of discharge.	12%	12%

FISCAL IMPACT:

The term of this Agreement is July 1, 2012 through June 30, 2014. The maximum amount is \$1,764,822 for the two-year term. The maximum amount for FY 2012-13 is \$882,411 which is the aggregate amount for all contracted hospitals. Of the maximum amount, \$362,717 will be funded with Federal Financial Participation funds, \$362,717 will be from state funds for Managed Care Services, \$102,035 will be funded by sales tax through realignment, \$11,212 will be funded through Medicare, and the remaining \$43,730 is Net County Cost. Funds for these services have been included in the BHRS FY 2012-13 Recommended Budget. A similar arrangement shall be made for FY 2013-14.