



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Health System



**Date:** April 28, 2016  
**Board Meeting Date:** July 12, 2016  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise Rogers, Chief, Health System  
Stephen Kaplan, Director, Behavioral Health & Recovery Services

**Subject:** Agreement with Mills-Peninsula Hospital for Psychiatric Inpatient Hospital Services

**RECOMMENDATION:**

Adopt a resolution authorizing an agreement with Mills-Peninsula Hospital for psychiatric inpatient hospital services, for the term July 1, 2016 through June 30, 2018, in an amount not to exceed \$2,000,000.

**BACKGROUND:**

Since 1995, the County has contracted with Mills-Peninsula Hospital for psychiatric inpatient hospital services. These services are used to accommodate emergency admissions in the northern part of the County and when the San Mateo Medical Center is full.

For FY 2016-17 and 2017-18, Behavioral Health and Recovery Services (BHRS) is contracting with Mills-Peninsula Hospital and John Muir Behavioral Health Center. These facilities comprise the majority of contracted psychiatric inpatient hospitals that provide services 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 may contract for psychiatric inpatient hospital services with any willing qualified provider.

**DISCUSSION:**

The agreement with Mills-Peninsula Hospital is based on fee-for-service rates, which include psychiatric inpatient hospital services for Medi-Cal-covered youth and adults, as well as psychiatric inpatient hospital services for uninsured youth and adults.

Administrative Day rates, which are set by the state, are also included. Only services authorized by BHRS will be paid.

The resolution contains the County's standard provisions allowing amendment of the County's fiscal obligations by a maximum of \$25,000 (in aggregate).

The agreement and resolution have been reviewed and approved by County Counsel as to form.

Approval of this agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing inpatient psychiatric hospital services for youth and adults. 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(S):**

Measure	FY 2015-16 Estimate	FY 2016-17 Projected
Percentage of clients who are re-admitted within 30 days of discharge.	12% 30 clients	12% 30 clients

**FISCAL IMPACT:**

The term of the agreement is July 1, 2016 through June 30, 2018. The amount of the agreement is not to exceed \$2,000,000 for the two-year term. \$1,000,000 is included in the BHRS FY 2016-17 Recommended Budget. Of that amount, it is anticipated that \$480,824 will be funded with Federal Financial Participation funds, \$375,043 will be from 2011 Realignment for Managed Care Services, \$105,782 will be from 1991 Realignment, and \$38,351 will be from Healthy Kids. There is no Net County Cost. Similar arrangements will be made for future years. The payment provisions and levels of services in the agreement are essentially the same as the prior agreement.