



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: January 24, 2014
Board Meeting Date: March 11, 2014
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: Amendment to the agreement with 7th Avenue Center, LLC

RECOMMENDATION:

Adopt a Resolution authorizing an amendment to the agreement with 7th Avenue Center, LLC for locked psychiatric care services, increasing the amount by \$217,648 to an amount not to exceed \$1,675,328.

BACKGROUND:

On May 13, 2011, your Board approved an agreement with 7th Avenue Center, LLC (7th Avenue), for the term of July 1, 2011 through June 30, 2014. The agreement is for locked psychiatric care for adults with serious and persistent mental illness. The California Department of Health Care Services requires counties to pay a "basic rate" for skilled nursing/basic care for adults ages 18-64 that are housed in locked Mental Health Rehabilitation Center (MHRC) facilities. The basic rates vary by geographic region and are set annually by the State. Medi-Cal provides basic rate funding for individuals in locked facilities that are age 65 years and older. In addition to the basic rate, selected San Mateo County clients at MHRC facilities may be authorized for supplemental payments, often referred to as "patches" or "enhanced rates", in order to provide augmented services based on the severity of an individual's illness. 7th Avenue has contracted with Behavioral Health and Recovery Services (BHRS) since 2002.

Under the County's B-1 Administrative Memorandum, long-term locked facilities without specialized treatment programs are exempt from the requirement for selection through a Request for Proposals process.

DISCUSSION:

This amendment to the agreement will increase the number of beds made available by 7th Avenue. BHRS is purchasing additional beds due to an increase in need for this level of care. Efforts over the last several years to decrease the length of stay at Napa

State Hospital and at Cordilleras Mental Health Facility have resulted in an increased use of community placements like 7th Avenue, which is a far less expensive alternative. Additionally, 7th Avenue has been willing to work with clients with very difficult behavioral problems and who typically would otherwise be placed in a State Hospital.

The amendment and Resolution have been reviewed and approved by County Counsel as to form.

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.

This agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing locked psychiatric care for San Mateo County adults with serious and persistent mental illness. The provision of locked psychiatric care for San Mateo County clients is one established level of care. The services provided contribute to this measure. It is anticipated that 68% of clients who receive locked psychiatric care will be maintained at the current level of care or discharged to a lower level of care.

PERFORMANCE MEASURE(S):

Measure	FY 2012-13 Actual	FY 2013-14 Projected
Percentage of clients maintained at a current or lower level of care	68%	68%

FISCAL IMPACT:

The term of the amended agreement is July 1, 2011 through June 30, 2014. The agreement maximum is being increased by \$217,648 to an amount not to exceed \$1,675,328. The increase, funded by 1991 Realignment Funds (\$195,883) and Net County Cost (\$21,765), is included in the BHRS FY 2013-14 Adopted Budget. The payment provisions of this amendment are different from the original agreement due to the additional beds to be provided.