



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: October 28, 2014
Board Meeting Date: January 6, 2015
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 Mills-Peninsula Hospitals

RECOMMENDATION:

Adopt a Resolution authorizing an agreement with Mills-Peninsula Hospitals to provide psychiatric inpatient hospital services for San Mateo County youth and adults for the term of July 1, 2014 through June 30, 2016, in an amount not to exceed \$1,764,822 in aggregate with all other hospitals that have contracted with Behavioral Health and Recovery Services.

BACKGROUND:

In 1995, your Board approved the acceptance of state and federal funds to implement the San Mateo County Mental Health Managed Care Plan (MHP). Since 1995, the County has contracted with Mills-Peninsula Hospitals 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 2014-15 and 2015-16, Behavioral Health and Recovery Services (BHRS) is contracting with Mills-Peninsula Hospitals 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 Hospitals is based on fee-for-service rates, which include psychiatric inpatient hospital services for Medi-Cal-covered youth and adults,

and 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. This agreement was on the Continuing Resolution and is late due to turnover at the vendor and protracted negotiations.

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. 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 2013-14 Actual	FY 2014-15 Projected
Percentage of clients who are re-admitted within 30 days of discharge.	12% 238 clients	12% 238 clients

FISCAL IMPACT:

The term of the agreement is July 1, 2014 through June 30, 2016. The amount of the agreement is not to exceed \$1,764,822 for the two-year term. Of the maximum amount, \$362,717 will be funded with Federal Financial Participation funds, \$362,717 will be from 2011 Realignment for Managed Care Services, \$102,035 will be from 1991 Realignment, and \$33,841 will be from Healthy Kids. The remaining \$21,101 will be Net County Cost. The payment provisions and levels of service in this contract are essentially the same as the prior contract. Funds in the amount of \$882,411 have been included in the BHRS FY 2014-15 Adopted Budget. Similar arrangements will be in place for FY 2015-16.