



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 19-025

Board Meeting Date: 1/8/2019

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise F. Rogers, Chief, San Mateo County Health  
Stephen Kaplan, Interim Director, Behavioral Health & Recovery Services

**Subject:** Agreement with Sutter Health on behalf of Mills-Peninsula Medical Center for Psychiatric Inpatient Hospital Services

**RECOMMENDATION:**

Adopt a resolution authorizing an agreement with Sutter Health on behalf of Mills-Peninsula Medical Center for psychiatric inpatient hospital services for the term July 1, 2018 through June 30, 2020, in an amount not to exceed \$3,000,000.

**BACKGROUND:**

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 region of the County and when San Mateo Medical Center is full.

For FY 2017-2018, Behavioral Health and Recovery Services (BHRS) contracted with Mills Peninsula Hospitals and John Muir Behavioral Health Center and for FY 2017-2019 with BHC Fremont Hospital, Inc. dba Fremont Hospitals. The contracted psychiatric inpatient hospitals that provide services to San Mateo County clients include: Mills Peninsula Hospitals, John Muir Behavioral Health Center, Fremont Hospital, and Verity Incorporated dba Seton Medical.

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, 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. This agreement is late due to prolonged contract negotiations and is on the Continuing Resolution.

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:**

<b>Measure</b>	<b>FY 2017-18 Actual</b>	<b>FY 2018-19 Projected</b>
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, 2018 through June 30, 2020. The amount of the agreement is not to exceed \$3,000,000 for the two-year term. \$1,500,000 is included in the BHRS FY 2018-19 Adopted Budget. Of that amount, it is anticipated that \$1,461,685 will be funded with 1991 Realignment and \$38,315 will be from 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.