



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 20-196

Board Meeting Date: 4/7/2020

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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  
Scott Gilman, Director, Behavioral Health and Recovery Services

**Subject:** Amendment to the Agreement with 7th Avenue Center, LLC for Locked Psychiatric Care Services

**RECOMMENDATION:**

Adopt a resolution authorizing an amendment to the agreement with 7th Avenue Center, LLC for locked psychiatric care services, increasing the amount by \$101,896 to an amount not to exceed \$5,581,896, with no change to the term.

**BACKGROUND:**

Mental Health Rehabilitation Centers (MHRC), such as 7th Avenue Center, LLC (7th Avenue), provide locked psychiatric care for adults with serious and persistent mental illnesses. Counties are required by the State Department of Mental Health to pay a “basic rate” for skilled nursing/basic care for adults 18-64 years of age who are housed in MHRC facilities. The basic rates vary by geographic region and are set annually by the State Department of Health Services. Medi-Cal provides basic rate funding for individuals in locked facilities who 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.

On April 25, 2017, the Board approved an agreement with 7<sup>th</sup> Avenue Center, LLC for locked psychiatric care services for the term of July 1, 2017 through June 30, 2020, in an amount not to exceed \$5,480,000.

**DISCUSSION:**

The agreement with 7th Avenue is for the provision of 20 beds for San Mateo County residents. Efforts over the last several years to decrease the length of stay at Napa State Hospital and at Cordilleras have resulted in an increased use of community placements like 7th Avenue. For severely mentally ill clients, 7th Avenue is a less expensive alternative placement than Napa State Hospital.

7th Avenue has been willing to work with clients with very difficult behavioral problems who are placed directly from the State Hospital.

It is now necessary to amend this agreement to add two dedicated beds, increasing the maximum amount by \$101,896.

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

It is anticipated that 60% 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:**

| <b>Measure</b>   | <b>FY 2019-20 Estimated</b> | <b>FY 2020-21 Projected</b> |
|--|-----------------------------|-----------------------------|
| Percentage of clients who receive locked psychiatric care who are maintained at the current level of care or discharged to a lower level of care | 60% 12 clients              | 60% 12 clients              |
|  |                             |                             |

**FISCAL IMPACT:**

The term of the agreement is July 1, 2017 through June 30, 2020. This amendment increases the contract amount by \$101,896, to an amount not to exceed \$5,581,896. Of that amount, \$101,896 has been included in the BHRS FY 2019-20 Adopted Budget. Of that amount, 1991 Realignment will fund \$91,706. The Net County Cost will be \$10,190.