

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY

DEPT: Behavioral Health And Recovery Services BOARD AGENDA #: *B-4

AGENDA DATE: June 28, 2016

SUBJECT:

Approval of Amendment to Extend the Agreement with Doctors Medical Center for Fee for Service Inpatient Psychiatric Services through July 31, 2016

BOARD ACTION AS FOLLOWS:

No. 2016-330

On motion of Supervisor Withrow, Seconded by Supervisor Chiesa
and approved by the following vote,

Ayes: Supervisors: Chiesa, Withrow, DeMartini, and Vice-Chairman O'Brien

Noes: Supervisors: None

Excused or Absent: Supervisors: Chairman Monteith

Abstaining: Supervisor: None

1) Approved as recommended


2) Denied

3) Approved as amended

4) Other:


MOTION:

ATTEST:


ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Behavioral Health And Recovery Services BOARD AGENDA #: *B-4
Urgent Routine ms AGENDA DATE: June 28, 2016
CEO CONCURRENCE:  4/5 Vote Required: Yes No

SUBJECT:

Approval of Amendment to Extend the Agreement with Doctors Medical Center for Fee for Service Inpatient Psychiatric Services through July 31, 2016

STAFF RECOMMENDATIONS:

1. Approve an amendment to the agreement with Doctors Medical Center for Fee for Service Inpatient Psychiatric Services to extend the agreement for one month, through July 31, 2016.
2. Authorize the Behavioral Health Director or her designee to finalize and execute the amendment for Fee for Service Inpatient Psychiatric Services with Doctors Medical Center through July 31, 2016.

DISCUSSION:

Effective October 31, 2007, Stanislaus County sold its 67-bed inpatient acute psychiatric facility, Stanislaus Behavioral Health Center, to Doctors Medical Center of Modesto (DMC), a Tenet Healthcare affiliate. The Center subsequently became known as Doctors Behavioral Health Center (DBHC). At that time the County entered into a provider agreement with DMC for the purchase of 35 beds on a daily basis for County patients, defined as: Medi-Cal adult beneficiaries of Stanislaus County, adult indigent uninsured residents of Stanislaus County, and "restoration to competency" patients.

Behavioral Health and Recovery Services (BHRS) continues to utilize beds at DBHC. While the Psychiatric Health Facility (PHF), which opened in March 2014, has lessened the need for beds at DBHC, there are patients who require the higher level of care provided at DBHC. Complicating the situation is the shortage of placement resources for the most ill patients. Consequently, patients, who are ready to be discharged, are staying longer at DBHC because there are no openings in other locked facilities, either in Institutes of Mental Disease (IMDs) or in State Hospitals. Often, these patients require more attention and supervision than other patients awaiting placements in locked facilities. A potential subacute rate is being negotiated to fairly compensate DBHC for the level of care that these individuals require.

The current agreement with DMC expires June 30, 2016. Staff from the County Chief Executive Office and Behavioral Health and Recovery Services began working with DMC representatives during the Spring 2016 to renegotiate a three-year agreement for access of up to 12 beds at DBHC. Additional beds may be available, depending on the census at DBHC.

Approval of Amendment to Extend the Agreement with Doctors Medical Center for Fee for Service Inpatient Psychiatric Services through July 31, 2016

Those negotiations are still in process and are not anticipated to be complete by June 30, 2016. To avoid a break in service to County patients, the Department is requesting to extend the current agreement and terms through July 31, 2016 in order to complete negotiations with DMC.

POLICY ISSUE:

Welfare and Institutions Code, Section 5600.3, establishes the primary goal for the use of funds deposited in the mental health fund is to serve the target population. One of the target populations described in the statute is an individual who requires acute psychiatric inpatient care because of a mental illness with symptoms of psychosis, suicidality, or violence.

FISCAL IMPACT:

The estimated total cost of this one month extension for Fiscal Year 2016-2017 is \$498,952, with a net cost to the County of \$229,519. Funding for this agreement comes from the following sources: Medi-Cal Federal Financial Participation, 2011 Realignment, and Departmental Fund Balance. For the term of this extension, no Fund Balance will be needed. The Department included appropriations and estimated revenue for this agreement in its Adopted Proposed Budget for Fiscal Year 2016-2017. There is no additional County General Fund costs associated with this amendment.

Cost of recommended action:		\$	498,953
Source(s) of Funding:			
Federal Financial Participation	269,434		
2011 Realignment	229,519		
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Funding Total:		\$	498,953
Net Cost to County General Fund		\$	<hr/> <hr/> -

Fiscal Year:

FY2016-2017

Budget Adjustment/Appropriations needed:

No

BOARD OF SUPERVISORS' PRIORITY:

Execution of this extension of the Agreement with Doctors Medical Center supports the Board's priorities of A Safe Community, A Healthy Community, and Efficient Delivery of Public Services by enabling County patients to be treated at a local facility.

STAFFING IMPACT:

Existing staff provide oversight of this Agreement.

CONTACT PERSON:

Madelyn Schlaepfer, PhD Director (209) 525-6205

Approval of Amendment to Extend the Agreement with Doctors Medical Center for Fee for Service Inpatient Psychiatric Services through July 31, 2016

ATTACHMENT(S):

1. First Amendment to Agreement for Inpatient Psychiatric Services

Attachment 1

**AMENDMENT TO
PROVIDER AGREEMENT**

This Amendment to the Agreement for Inpatient Psychiatric Services is made and entered into in the City of Modesto, State of California, by and between the County of Stanislaus (hereinafter referred to as "County"), and Doctor's Medical Center of Modesto, Inc., a California Corporation (hereinafter referred to as "DMC"), effective the date of the last signature, for and in consideration of the premises, and the mutual promises, covenants, terms, and conditions hereinafter contained.

WHEREAS, County and Contractor entered into an agreement dated July 1, 2014 to provide comprehensive inpatient psychiatric services for County patients; and

WHEREAS, County and DMC are currently negotiating the terms of an Agreement for the Fiscal Years 2016/2017, 2017/2018 and 2018/2019; and

WHEREAS, County and DMC require additional time to complete the negotiations for the Agreement for the Fiscal Years 2016/2017, 2017/2018 and 2018/2019 and desire to amend the Fiscal Years 2014/2015 and 2015/2016 Agreement to extend it for one month in order to complete the contract negotiations.

NOW, THEREFORE, in consideration of the mutual promises, covenants, terms, and conditions hereinafter contained, the parties hereby agree that the Agreement entered into for the Fiscal Years beginning on July 1, 2014 through June 30, 2016 is amended to extend the Agreement through July 31, 2016. This Amendment is incorporated into the Agreement as follows:

- I. Item 32.1, under Section 32, Term, of Terms and Conditions of the Agreement is deleted and replaced with the following:
 - 32.1 This Agreement shall commence on July 1, 2014 ("Effective Date"), and continue through July 31, 2016.
- II. All other terms and conditions of said Agreement shall remain in full force and effect.

(SIGNATURES SET FORTH ON FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties have executed this Amendment on the date(s) shown below.

**COUNTY OF STANISLAUS
BEHAVIORAL HEALTH AND
RECOVERY SERVICES**

**DOCTORS MEDICAL CENTER OF
MODESTO, INC.**

Madelyn Schlaepfer 6-28-2016
Madelyn Schlaepfer, Ph.D. Date
Behavioral Health Director

Warren J. Kirk 6/22/16
Warren J. Kirk Date
Chief Executive Officer

APPROVED AS TO FORM:

John P. Doering
John P. Doering
County Counsel

BOS Action Item: 2016-330, Date: June 28, 2016