

County of Santa Clara
Santa Clara Valley Health & Hospital System
Mental Health Services



89207

DATE: March 20, 2018

TO: Board of Supervisors

FROM: Toni Tullys, Director, Behavioral Health Services

SUBJECT: First Amendment to Memorandum of Understanding for State Hospital Beds

RECOMMENDED ACTION

Approve First Amendment to Memorandum of Understanding with California Department of State Hospitals and California Mental Health Services Authority (CalMHSA) relating to providing State hospital beds, with no change to the maximum contract amount, and extending the agreement for a 36-month period through June 30, 2019, that has been reviewed and approved by County Counsel as to form and legality.

FISCAL IMPLICATIONS

The Amendment is funded by the County General Fund, and the funds are included in the Behavioral Health Services Department's (BHSD) Fiscal Year (FY) 2018 Board Approved Budget. The amount budgeted for each fiscal year is \$13,469,960.

CONTRACT HISTORY

The original Memorandum of Understanding (MOU) went to the Board of Supervisors on December 14, 1999 (ID#48681). Afterwards, all subsequent MOUs were executed through the annual Master Contract List (MCL). The most recent MOU was executed through the approved FY 2016 Master Contract List (MCL).

REASONS FOR RECOMMENDATION

Pursuant to Board Policy 5.6.5.1 (D)(1) (c), the Amendment with the California Department of State Hospitals and California Mental Health Services Authority (CalMHSA) is exempt from competitive procurement because the California Department of State Hospitals and CalMHSA are governmental entities.

Intergovernmental Agreements: Agreements exclusively with the State of California, the federal government, or other governmental entities within the State of California. All parties

to these agreements must be governmental entities. These agreements are categorically exempt and do not require pre-approval by OCCM or Procurement.

This Amendment would allow the BHSD to purchase State hospital beds for clients displaying severe symptoms of mental illness who cannot be managed in a locked Mental Health Rehabilitation Center (MHRC) or Institute of Mental Diseases (IMD). State hospitals (Napa, Atascadero, Patton, and Metro) are the highest level of care within the BHSD adult system level of care. Placing clients into this level of care will assist in reducing the overall costs related to rates of recidivism by ensuring the clients are placed at the necessary level of care when needed and reducing costs from other levels of care, such as inpatient psychiatric facilities, Emergency Psychiatric Services, and other emergency departments.

Justification for Retroactive Start Date

Three years ago, the State chose to move away from developing yearly agreements with counties, and the CalMHSa took over negotiating State hospital contracts on behalf of all counties throughout California. With the CalMHSa negotiating on the BHSD's behalf, there is no rate increase associated with this Amendment, only a 36-month extension. A retroactive start date is requested because the CalMHSa requires that all counties accept a July 2016 start date for its Amendments, and CalMHSa did not send this Amendment to BHSD until late 2017 due to the unforeseen amount of time needed to review and negotiate on behalf of all counties throughout California. Afterwards, time was needed for County Counsel to discuss and obtain guidance from CalMHSa regarding the requirements and obligations under this MOU before signature. This required additional time for CalMHSa to research and respond to County Counsel's questions. Future revisions to the MOU, including adding additional County terms and updating the point of contact, will be brought before the Board of Supervisors for approval.

This Amendment assists the Santa Clara Valley Health and Hospital System in achieving its Strategic Road Map goals of decreasing the burden of illness and injury through delivering personalized care, resulting in improved health outcomes for Seriously Mentally Ill (SMI) clients.

CHILD IMPACT

The recommended action will have no/neutral impact on children and youth.

SENIOR IMPACT

The recommended action will have a positive impact on seniors by providing State hospital beds to accommodate clients with complex medical issues and severe psychiatric conditions.

SUSTAINABILITY IMPLICATIONS

The recommended action balances policy and program interests, and enhances the Board of Supervisors' sustainability goal of social equity and safety by providing State hospital bed placements for clients diagnosed with severe psychiatric illnesses and medical issues to ensure appropriate levels of care are delivered.

BACKGROUND

State hospital clients are those who have been rejected by other providers in less restrictive settings. This original MOU was created to serve the most vulnerable and challenging comorbid clients with complex psychiatric and medical issues by ensuring that they receive the appropriate levels of care needed in State hospital bed settings. These placements are aimed to reduce costs by placing clients with severe mental illness in facilities where they can receive the appropriate treatment and care needed for their complex symptoms.

CONSEQUENCES OF NEGATIVE ACTION

Failure to approve the recommended actions would result in the BHSD's inability to reimburse services rendered at the State hospitals and increase the overall cost of providing the additional services to the SMI population.

STEPS FOLLOWING APPROVAL

Upon approval, the Clerk of the Board is requested to collect wet signatures on three (3) copies of the Amendment and send e-mail notifications to Rina Banks (Rina.Banks@hhs.sccgov.org) and Evonne Lai (Evonne.Lai@hhs.sccgov.org) for pick up. BHSD will send these copies to CalMHSA for final signature. A fully executed copy will be sent to the Clerk of the Board once CalMHSA returns their signed Amendment.

LINKS:

- Linked To: 48681 : 48681

ATTACHMENTS:

- Agreement-CA Dept State Hospitals-FY15-FY16 (PDF)
- FY17-19 CA Dept State Hospitals MOU Amendment for BOS Signature (PDF)