



# San Bernardino County

## Legislation Text

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**File #: 2408, Agenda Item #: 33**

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**REPORT/RECOMMENDATION**

**TO THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SAN BERNARDINO  
AND RECORD OF ACTION**

**June 23, 2020**

**FROM**

**VERONICA KELLEY, Director, Department of Behavioral Health**

**SUBJECT**

Amendment to Contracts for Fee-For-Service Acute Psychiatric Inpatient Services

**RECOMMENDATION(S)**

Approve Amendment No. 1, effective July 1, 2020, to contracts with the following Fee-For-Service hospitals for the provision of acute psychiatric inpatient services, increasing the total aggregate amount by \$2,000,000, from \$12,000,000 to \$14,000,000, and extending the contracts for a period of six months, for the total contract period of July 1, 2017 through December 31, 2020:

1. Aurora Charter Oak Hospital, Contract No. 17-425.
  2. Canyon Ridge Hospital, Inc. dba Canyon Ridge Hospital, Contract No. 17-426.
  3. Community Hospital of San Bernardino, Contract No. 17-427.
  4. Loma Linda University Behavioral Medicine Center, Contract No. 17-428.
  5. Vista Behavioral Hospital, LLC dba Pacific Grove Hospital, Contract No. 17-429.
  6. Redlands Community Hospital, Contract No. 17-430.
- (Presenter: Veronica Kelley, Director, 388-0801)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Provide for the Safety, Health and Social Service Needs of County Residents.**

**Pursue the County Goals and Objectives by Working with Other Agencies**

**FINANCIAL IMPACT**

This item does not impact Discretionary General Funding (Net County Cost). The total aggregate increase of \$2,000,000 is funded 100% by 1991 Realignment funds. Adequate appropriation and revenue have been included in the Department of Behavioral Health's (DBH) 2020-21 budget.

**BACKGROUND INFORMATION**

Fee-For-Service (FFS) hospitals provide acute psychiatric inpatient services and indigent care services to seriously mentally ill individuals at an appropriate level of care. The contracts outline the provisions of care to County residents who are Medi-Cal beneficiaries or indigent persons. The hospitals in the Recommendation have agreed to accept this population for treatment, determine Medi-Cal eligibility, and bill Medi-Cal as appropriate. Indigent persons who are not covered by Medi-Cal receive care under the County's Indigent Care Services program and the FFS hospitals are reimbursed by DBH. During the period of July 1, 2020 and December 31, 2020, DBH anticipates the FFS hospitals will provide an estimated 2,476 adult indigent bed

days at \$605 to \$825 per day and an estimated 5 adolescent or child indigent bed days at \$825 to \$853 per day.

DBH is responsible for providing behavioral health services to County residents who have a serious mental illness, or who have co-occurring serious mental illness and substance use disorders. An integral part of the service delivery system consists of providing psychiatric inpatient services to County Medi-Cal beneficiaries and indigent persons. DBH allocates 1991 Realignment funds for patients who require acute psychiatric care, but are without a third party payer or other resources to pay for care. County residents who qualify for these services are those who are a danger to self or to others or are gravely disabled as a result of a mental disorder and the situation necessitates acute psychiatric inpatient hospitalization. DBH coordinates with Arrowhead Regional Medical Center and contracts with area FFS hospitals identified by the California Department of State Hospitals (State) to provide acute psychiatric inpatient services to Medi-Cal eligible County residents, as well as individuals without insurance meeting income limits.

In January 1995, DBH entered into a contract with the State as a Mental Health Plan (MHP) established under Assembly Bill 757. As the MHP for the County, DBH is responsible for providing quality care and access to specialty mental health services for beneficiaries in the most cost effective manner possible.

### **PROCUREMENT**

On June 13, 2017 (Item No. 26), the Board of Supervisors (Board) approved the contracts with FFS hospitals listed in the Recommendation, in the aggregate amount of \$12,000,000, for the period of July 1, 2017 through June 30, 2020. A procurement is not conducted for the provision of acute psychiatric inpatient services as the State determines the area FFS hospital(s) the County is required to contract with for these services. Historically, DBH receives notification sometime between July and September each year.

DBH is requesting amending the existing contracts with the current contracted FFS hospitals in order to extend the required acute psychiatric inpatient services by six months through December 31, 2020, in order to complete contract language negotiations with the hospitals. Once the negotiations are complete, DBH will present new contracts to the Board for approval for services through June 30, 2025.

The expenditure of funds for the provision of acute psychiatric inpatient services by the FFS hospitals is monitored by DBH staff, with the aggregate amount available to any of the hospitals in the Recommendation based on criteria specified in the contract. This flexibility allows DBH staff to transfer beneficiaries to each of the FFS hospitals based on availability, monitor the expenditures, and make the necessary timely adjustments as needed.

Approval of Amendment No. 1 to the contracts with FFS hospitals will allow DBH to continue to provide FFS acute psychiatric inpatient services through December 31, 2020. DBH will continue to monitor contractor performance on a regular basis to ensure compliance standards are met.

### **REVIEW BY OTHERS**

This item has been reviewed by Behavioral Health Contracts (Ellayna Hoatson, Contracts Supervisor, 388-0858) on May 12, 2020; County Counsel (Dawn Martin, Deputy County Counsel, 387-5455) on May 22, 2020; Finance (Christopher Lange, Administrative Analyst, 386-8393) on June 4, 2020; and County Finance and Administration (Tanya Bratton, Deputy Executive Officer, 388-0332) on June 4, 2020.