



Legislation Text

File #: 12-0319, Version: 1

Health and Human Services Agency, Mental Health Division, recommending the Board authorize the Chair to sign Amendment II to Agreement 234-S1110 with North Valley Behavioral Health, LLC to provide acute psychiatric inpatient services for mentally disordered adults. This Amendment II extends the term of the Agreement through June 30, 2013 and increases the not-to-exceed amount by \$373,000.

FUNDING: Medi-Cal, CMSP and Mental Health Realignment.

BUDGET SUMMARY:		
Total Estimated Cost		\$431,000
Funding		
Original Agmt	\$30,000	
Amendment I	\$28,000	
Amendment II	\$373,000	
Other	\$	
Total Funding Available	\$431,000	
Change To Net County Cost		\$0

Fiscal Impact/Change to Net County Cost: There is no Net County Cost associated with this Agreement. The Mental Health Division (MHD) budgeted sufficient appropriations in contracted/professional services expenditures during FY 2011-12. During the fiscal year, MHD has experienced savings with respect to contracted expenditures and was able to incur the increase in this contract due to decreased spending in other contracts. In the planning of FY 2012-13 budgets, MHD has included sufficient appropriations to provide for this Amendment II.

Background: North Valley Behavioral Health (NVBH) is a non-profit, acute care psychiatric inpatient treatment facility located in Yuba City, California, that is licensed by the State of California Department of Mental Health as a 16-bed psychiatric health facility (PHF). NVBH provides psychiatric services to residents of northern California counties referred for services who are unable to maintain and safely function at home or in the community, contracting directly with counties for said services. The treatment program at NVBH utilizes medical and social rehabilitation models using medication support and social rehabilitation practices designed to meet the needs of the patient in the context of the treatment program.

MHD has documented a significant increase in the number of clients requiring treatment at the 10-bed County PHF. This trend in use of services is too recent to have supporting statistical data;

however, anecdotal considerations include increased need by the local population for mental health services as a result of economic stressors, and recognition of the increased need resulting from a more collaborative approach to treatment. Since the consolidation of the Health Services Department and the Department of Human Services into the Health and Human Services Agency, MHD and the Public Guardian have been developing an integrated approach to client assessment and consideration for conservatorship. This collaborative effort has resulted in a more consistent treatment planning process and at times a higher than previously experienced census at the County PHF. The increase in usage at the County PHF results in a need to secure capacity for clients in excess of the beds available at the County PHF.

NVBH has been providing treatment services to patients referred there by MHD under the current Agreement, and providing capacity for patients in need of treatment when the County PHF population has run at higher than expected levels. During the course of the current agreement both the need for patient placement, and in some cases, the level of treatment needed have exceeded original expectations. At this time MHD desires to extend the term of the current agreement and increase the not-to-exceed amount to (1) allow continuation of needed services and (2) ensure sufficient funding for future needs based on historical and recent usage. The original Agreement set the not-to-exceed amount at \$30,000; Amendment I increased the not-to-exceed by \$28,000 for a total of \$58,000 which was nearly depleted as of November 2011.

Since November, as a result of the increased usage of the County PHF, an unanticipated increase in clients referred to the vendor, and higher than anticipated levels of service for these clients has resulted in a need to increase the not-to-exceed to cover current invoices and allow for future services to clients. Although the MHD may not reach the \$431,000 maximum not-to-exceed amount on this contract, this amount provides MHD the flexibility necessary to accommodate current services and any unanticipated increase in referrals to this vendor.

In addition to the integrated assessment and treatment planning over the past few months, the PHF has assigned a staff member to determine eligibility for Medi-Cal and CMSP coverage for the clients admitted to the County PHF. As a result of this increased focus on ensuring services provided are appropriately covered by available resources, this Amendment II to that Agreement incorporates compensation language for those patients admitted to NVBH with coverage provided by the traditional County Medical Services Program (CMSP) and the new CMSP Path2Health program as billable entities.

Compensation for Services: Payments are made to the contractor based on monthly invoicing at specified rates for actual services performed and documented per contract requirements.

Contract Termination: The Agreement includes the County's standard Fiscal Considerations termination language, as well as a provision for the County to terminate the Agreement without cause with seven (7) calendar days written notice.

Reason for Recommendation: Approval of this Amendment II to that Agreement will allow MHD to

continue using NVBH as a placement for those patients in need of treatment during times of unusually high census at the County PHF.

Action to be taken following Board approval:

1. Chair to sign three (3) original Amendments II to Agreement 234-S1110.
2. Board Clerk's Office to return two (2) signed original Amendments II Agreements to MHD.
3. MHD to distribute documents as appropriate.

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Concurrences: County Counsel and Risk Management.