



Board Agenda Item 38

DATE: June 23, 2020

TO: Board of Supervisors

SUBMITTED BY: Dawan Utecht, Director, Department of Behavioral Health

SUBJECT: Retroactive Amendment II to Purchase of State Hospital Beds Memorandum of Understanding

RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chairman to execute a retroactive Amendment II to Purchase of State Hospital Beds Memorandum of Understanding No. 16-068 with the California Department of State Hospitals and the California Mental Health Services Authority for mandated psychiatric hospital beds and services, extending the term by one year from July 1, 2019 to June 30, 2020 and increasing the contract maximum by \$850,000 to a total of \$3,851,044.**
- 2. Approve and authorize the Behavioral Health Director, or designee, to act as the authorized representative for the County and receive notices related to Memorandum of Understanding No. 16-068.**

Approval of the first recommended action will allow for a one-year extension to the Memorandum of Understanding (MOU) with the California Department of State Hospitals (DSH) and the California Mental Health Services Authority (CalMHSA) for state hospital beds. Pursuant to Welfare & Institutions Code (W&IC), section 5000 and following, the MOU will provide mandated beds and services for Lanterman-Petris Short (LPS) Conservatees who are gravely disabled mentally ill clients, as ordered by the Fresno County Superior Court (Court). The extension will be funded with Mental Health Realignment funds. Approval of the second recommended action will allow the Department of Behavioral Health Director, or designee, to serve as the authorized representative on behalf of the County to receive notices regarding the MOU and to provide input and/or feedback as necessary to accomplish the purposes of the MOU.

ALTERNATIVE ACTION(S):

Your Board may opt not to approve the recommended actions; however, that will prevent the Department from authorizing state psychiatric hospital placement and services through the CalMHSA Joint Powers Agreement (JPA) and the Purchase of State Hospital Beds MOU for adults with severe mental illness deemed by the Court to require a higher level of care in a locked facility.

RETROACTIVE AGREEMENT:

The recommended amendment is retroactive to July 1, 2019 as the Department received the final approved amendment to the Purchase of State Hospital Beds MOU from CalMHSA on May 8, 2020. Upon receipt and following review of the amendment, the Department confirmed the proposed extension required your Board's approval. CalMHSA has historically provided agreements late in the fiscal year. CalMHSA was anticipating issuing a new draft of the MOU for FY 2020-2021; however, with additional delays due to

COVID-19, they are now anticipating issuing another one-year extension following the above recommended.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The maximum compensation (\$3,851,044) for the recommended agreement is fully offset with Mental Health Realignment funds. The cost is based on amounts provided to the California State Controller's Office per the County Actual Use statement reflecting actual bed usage by the County in the prior month. There are no outstanding invoices. The FY 2019-20 established bed rate of \$626 shall be in effect until DSH can provide actual cost information in compliance with W&IC, section 4330(c) for the extension period of July 1, 2019 through June 30, 2020. Sufficient appropriations and estimated revenues are included in the Department's Org 5630 FY 2019-20 Adopted Budget.

DISCUSSION:

Pursuant to W&IC, section 5600, counties are mandated to provide an array of treatment options for adults with severe mental illness, including 24-hour treatment services at locked inpatient psychiatric hospitals. W&IC, sections 4330-4335 establish the process by which counties contract with the DHS for a specified number of hospital beds, services, and the reimbursement method.

On September 14, 2010, your Board approved Agreement No. 10-489 with CalMHSA, authorizing the Department to join the CalMHSA JPA, to develop, implement, administer, and provide fiscal oversight of Mental Health Services Act - Prevention and Early Intervention statewide projects. The County has received membership benefits including cost reductions and the related efficiencies of sharing resources and knowledge.

On June 18, 2013, your Board approved Amendment I to Agreement No. 10-489 to the CalMHSA JPA, which broadened the scope including the authority to jointly contract with other counties for state hospital beds and services. The recommended amendment is a product of the Department's JPA membership and delineates that CalMHSA is an administrative agent for the County.

On June 17, 2014, your Board approved Participation Agreement No. 14-327 which allowed CalMHSA to contract with DSH for state hospital bed utilization on behalf of the County, and defined the roles and responsibilities between CalMHSA and the County. The Participation Agreement includes an annual payment of \$1,402 to CalMHSA to cover administrative charges associated with their procurement of state hospital beds. On the same date, Agreement No. 14-326, the Purchase of State Hospital Beds MOU, was approved and included the FY 2013-14 for the procurement of state hospital beds and the following rates:

- Acute \$646/bed/day;
- Intermediate Care Facility (ICF) \$617/bed/day; and,
- Skilled Nursing Facility (SNF) \$775/bed/day.

On February 9, 2016, your Board approved Agreement No. 16-068 to execute an MOU with DSH and CalMHSA for state hospital beds pursuant to W&IC, section 5000 and following, to provide mandated beds and services for LPS Conservatees who are gravely disabled mentally ill clients, as ordered by the Court.

On December 5, 2017, your Board approved a retroactive Amendment to Agreement No. 16-068 extending the term of the MOU by 3 years effective July 1, 2016 through June 30, 2019.

With your Board's approval of the retroactive recommended amendment, the County will continue to utilize state psychiatric hospital placement and services for adults with severe mental health illness that require a higher level of care within a locked facility. DSH provides LPS hospital services to persons referred by the County specifically for services under the MOU, including those admitted pursuant to Section 1370.01 of the Penal Code and a Murphy Conservatorship [W&IC, section 5008(h)(1)(B)]. Services include, but are not

limited to, psychiatric and ancillary services, health care, expert testimony, and therapy. Department staff closely monitors each client at the state hospital level and as the client's mental health improves, placement staff transition clients to less restrictive and less costly mental health facilities such as Mental Health Rehabilitation Centers and Skilled Nursing Facilities.

Additionally, with your Board's approval of the recommended amendment, the state hospital bed rates for FY 2019-2020, in effect until DSH can provide actual cost information in compliance with W&IC, section 4330(c) for the extension period of July 1, 2019 through June 30, 2020, are as follows:

- Acute \$626/bed/day
- Intermediate Care Facility \$626/bed/day
- Skilled Nursing Facility (SNF) \$775/bed/day.

OTHER REVIEWING AGENCIES:

The Behavioral Health Board was informed of this item June 2020.

REFERENCE MATERIAL:

BAI# 35, December 5, 2017

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment II to MOU with DHS and CalMHSA

CAO ANALYST:

Ron Alexander