



# County of Fresno

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## Legislation Text

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**File #:** 17-0777, **Version:** 1

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**DATE:** July 11, 2017

**TO:** Board of Supervisors

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

**SUBJECT:** Amendment III to Master Agreement with Licensed Providers for Telemedicine Psychiatry Services

### RECOMMENDED ACTION(S):

**Approve and authorize the Chairman to execute Amendment III to Master Agreement No. 10-674 with licensed telemedicine psychiatry and related mental health service providers for services to severely mentally ill clients, effective July 11, 2017 with no change in term to June 30, 2019 and increasing the maximum by \$4,515,160 to a total of \$21,365,428.**

Approval of the recommended action will increase video conferencing services between a psychiatrist and a client. The master agreement has been a viable strategy to meet the psychiatry support needs of mental health clients, allowing the Department of Behavioral Health to add and/or delete providers as necessary. The recommended amendment will be funded with Behavioral Health Realignment and Medi-Cal funds, with no increase in Net County Cost.

### ALTERNATIVE ACTION:

There is no viable alternative action. If the recommended action is not approved, psychiatry support services to severely mentally ill clients will become an insurmountable challenge for the Department due to the limited availability of local licensed psychiatrists.

### FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The recommended amendment will increase the FY 2017-18 maximum by 80% (\$2,257,580) to \$5,063,500; the term's compensation amount will increase 27% (\$4,515,160) to \$21,365,428. The recommended amendment will be funded with Behavioral Health Realignment and Medi-Cal funds. Sufficient appropriations and estimated revenues are included in the Department's Org 5630 FY 2017-18 Recommended Budget and will be included in the FY 2018-19 budget request. Actual costs will be determined by actual services provided.

### DISCUSSION:

The Department continues to explore cost reduction strategies while providing effective services to its clients. Psychiatry and related mental health services for the County's clients are often necessary to alleviate the symptoms of mental illness. The Department strives to recruit and retain its psychiatrist positions, however in some instances telemedicine is an effective substitute with video conferencing between the psychiatrist and the client including lateral participation of a Department nurse. The master agreement has been a viable strategy to meet the needs of psychiatry support for clients allowing the Department to add and/or delete providers as necessary.

On December 14, 2010, your Board approved Master Agreement No. 10-674 for telemedicine services with payment for services to be made at the rate of \$3.15 per minute of direct medication support services delivered by the providers. On December 16, 2014, your Board approved Amendment I changing the payment methodology to an hourly rate for services. The change was needed to ensure payment to providers reimbursed them for services including case management and care coordination, which were not previously reimbursable. For billing and cost reporting purposes, providers are required to work with the Department to capture all units of services within the Department's client and billing information system. On June 7, 2016, your Board approved Amendment II increasing the contract maximum to provide services to a growing number of clients that need psychiatry services.

The proposed amendment will increase the maximum to help the Department meet the need as it continues to experience a challenge to recruit and retain its psychiatrist positions due to various factors such as, retirements, staff turnover, and limited psychiatry providers in the Central Valley. The proposed amendment would increase the number of hours of telemedicine services from 284 hours per week [7.1 Full Time Equivalent (FTE) psychiatrist position] to 500 hours per week (12.5 FTE psychiatrist position) in both FY 2017-18 and FY 2018-19.

The proposed amendment would also increase the number of days required for either party to notify the other party of the intent to terminate the contract from a 30-day advanced written notice to a 60-day advanced written notice. The agreement includes language, which allows the Department's Director to add and/or delete licensed providers without affecting the compensation paid to other providers.

OTHER REVIEWING AGENCIES:

The Behavioral Health Board was advised of the proposed amendment during their June 2017 meeting.

REFERENCE MATERIAL:

BAI #34, June 7, 2016 - Amendment II to Agreement No. 10-674  
BAI #43, December 16, 2014 - Amendment I to Agreement No. 10-674  
BAI #46, December 14, 2010 - Agreement No. 10-674

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment III to Master Agreement No. 10-674 for Telemedicine Psychiatry Services

CAO ANALYST:

Sonia De La Rosa