

**MEMORANDUM
PLACER COUNTY HEALTH AND HUMAN SERVICES
Adult System of Care**

TO: Honorable Board of Supervisors

FROM: Richard J. Burton, M.D., M.P.H.
Placer County Health Officer and Director of Health & Human Services
Maureen F. Bauman, Director of Adult System of Care

DATE: August 28, 2007

SUBJECT: Revenue agreement for in-patient treatment of Nevada County clients at the Cirby Hills Psychiatric Health Facility

ACTION REQUESTED:

Approve the revenue agreement for in-patient treatment of Nevada County clients at the Cirby Hills Psychiatric Health Facility, in an amount not to exceed \$250,000 for fiscal year 2007/08, and authorize the Director of Health and Human Services to sign the agreement and subsequent amendments.

BACKGROUND:

Since the opening of the Cirby Hills Psychiatric Health Facility (PHF) in March 2001, Placer County has been interested in offering neighboring counties the opportunity to purchase in-patient psychiatric services. In the last several fiscal years, Placer has been unable to meet the demands of Nevada County because of high Placer County usage. New quality assurance and review procedures have reduced the length of stay of Placer residents and made it possible to contract with other counties at this time. Nevada County has been a partner with Placer County in the development and use of in-patient services for many years and is experiencing an increased need for in-patient services this fiscal year.

The attached contract provides for the purchase of one bed for an estimated 320 bed days beginning August 15, 2007. Nevada County will guarantee minimum payment (\$625 per day) to Placer County whether or not the estimated bed days are actually utilized, plus all ancillary charges. In addition to this guaranteed bed purchase, this contract allows for the purchase of additional bed days as necessary and as space is available, based on actual utilization.

Placer County Adult System of Care will have approval for all admissions.

The Placer County Mental Health, Alcohol & Drug Advisory Board has reviewed and recommended the approval of this agreement at its last meeting on July 20, 2007. This agreement has already been reviewed and approved by the Nevada County Board of Supervisors.

FISCAL IMPACT:

This agreement will generate approximately \$250,000 in reimbursement from Nevada County and Medi-Cal to Placer County. These funds will maintain expected revenues already budgeted in FY 07-08, to fund residential placements to maintain the shortened lengths of stays in this facility and to offset unanticipated transportation costs to the PHF.

The following Contract for:

In-Patient Mental Health Services, Nevada County

is on file with the Clerk of the Board
for BOS meeting:

August 28, 2007