

**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., Health Officer and Director of Health & Human Services  
Maureen F. Bauman, Director of Adult System of Care  
Edward N. Bonner, Sheriff-Coroner-Marshal  
Marshall Hopper, Chief Probation Officer

**DATE:** September 25, 2012

**SUBJECT:** Amend Contract with California Forensic Medical Group for Inmate Healthcare Services

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**ACTION REQUESTED:**

Approve a one-year Contract Extension and Amendment to contract #CN012665-C with California Forensic Medical Group, Inc. (CFMG) of Monterey, California, for inmate healthcare services, with a budgeted Public Safety Fund net county cost of \$3,596,868, a 3.45 percent increase over the prior year based on Consumer Price Index (CPI) increases, plus an additional per diem of \$4.49 for census levels in excess of 540 persons, for the period of October 1, 2012 through September 30, 2013.

**BACKGROUND:**

Inmate healthcare services required for the Placer County Jail and Juvenile Detention Facility include primary medical care, dental care, pharmaceuticals, mental health services, acute hospital care, and specialty care to a current population of approximately 595 inmates and 35 wards. The current contract would expire on September 30, 2012, however, this amendment provides for an extension for this level of services for an additional year. California Forensic Medical Group (CFMG) has been a long-term high performing contractor in Placer County as evidenced by its demonstrated ability in running the program, and CFMG's success in obtaining and retaining Institute for Medical Quality (IMQ) certification for the Jail.

These services are provided more cost-effectively through privatization than as a County-run program. Risk Management concurs that CFMG has reduced the County's liability through its staffing practices, adherence to IMQ medical protocols.

The amended contract will remain at the same service level as the prior year, which provides for a base population of 540 adult inmates and juvenile wards but has the capacity for expansion up to 630 total inmates/wards through use of per diem charges on actual census each quarter. No changes were made to staffing levels or the negotiated cost structure. The average daily population is reaching capacity at this time and the population is remaining in the jail for longer periods of time as a result of AB 109. These longer stays increase the number of medical issues to be addressed, impacting inmate medical costs. During the last four contract years the County has negotiated the appropriate increase of this contract through the use of an agreed upon consumer price index adjustment. This amendment keeps that same metric in place.

This amendment is supported by the Sheriff and Probation. It has been reviewed and approved by County Counsel, Risk Management, and the CEO.

**FISCAL IMPACT:**

The amended contract includes an annual base rate of \$3.597 million plus per diem costs of up to \$147,500 (assuming full capacity of the Jail). The rate increase for the extension period was limited to the most recent annual adjustment in the Medical Care Consumer Price Index of 3.45 percent, in accordance with the original contract terms. Funding of \$2,697,651 is included in the Sheriff's and Probation Departments' FY 2012-13 Final Budgets (fully funded by Public Safety Fund). The balance of funding will be budgeted in the FY 2013-14 Requested Budgets for the remainder of the contract term.

A copy of the CFMG contract amendment is on file with Clerk of the Board for review.

