

**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 10, 2010

SUBJECT: Contract Employee Agreement with Steve Sugden, M.D. for Psychiatric Services

ACTION REQUESTED:

Approve a contract employee agreement with Steve Sugden, M.D. as staff psychiatrist from August 17, 2010 through August 16, 2011 with direct compensation of \$237,869 for a total compensation package not to exceed \$319,676, and authorize the Chairman to sign subsequent amendments up to 10 percent of the original contract amount.

Total costs include \$223,774 in Federal and State funds, and a required County General Fund match of \$95,902. These costs are included in the Department's FY 2010-11 CEO Recommended Budget.

BACKGROUND:

Health and Human Services is mandated to utilize physicians with psychiatric specialization to provide specific medication services for adults and children receiving mental health services. These services are provided to residents residing throughout Placer County. These specialized providers are strategically placed in both health and mental health programs in order to most effectively provide services while also leveraging Federal and State revenues.

Dr. Sugden was hired by Placer County in 2009 through a competitive recruitment to fill a retirement vacancy. He is Board Certified in psychiatry and provides mandated specialty psychiatric services and inpatient psychiatric services for 1,911 persons in severe psychiatric distress. Dr. Sugden is an experienced practitioner who is bilingual and available to provide critical on-call after hour crisis response services. In total, Dr. Sugden will provide 2,520 hours of day and after-hour services through this contract resulting in more effective stabilization of residents in crisis, thus requiring shorter lengths of hospitalization. Due to the crisis response of Dr. Sugden and other psychiatric staff, the average length of stay in the hospital has continued to be reduced, resulting in the ability to serve 188 additional admissions in FY 2009-10 compared to the prior fiscal year. If these 188 admissions required placement outside the Psychiatric Health Facility (PHF), the increased cost would have been \$600,000. This cost avoidance is essential in managing this very high risk population within the resources that are available.

The psychiatrist salaries have been frozen since a 2006 regional salary survey was conducted including both public and private sector and it was determined that these specialized positions were appropriately compensated. The contract includes language to apply any wage and/or benefit changes such as the recently approved FY 2010-11 mandatory time off agreement. Personnel, County Counsel, and CEO's Office are fully supportive of this approach.

FISCAL IMPACT:

The total compensation for this agreement is \$319,676. Funding for these services includes \$223,774, in Federal and State funds, and \$95,902 in required County General Fund match. These costs are included in the Department's FY 2010-11 CEO Recommended Budget.

This contract is on file with the Clerk of the Board for review.

