

**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: June 21, 2011

SUBJECT: Contracts for Mental Health Services

ACTION REQUESTED:

- a. Approve renewal of the following contracts relating to a comprehensive array of specific mental health services for Placer County residents and authorize the Director of Health and Human Services to sign subsequent amendments up to 10% of each contract amount or \$49,999, whichever is less:
1. Telecare Corporation for inpatient psychiatric health facility services from July 1, 2011 to June 30, 2012 in the amount of \$2,657,890;
 2. Sierra Family Services, Inc. for adults with severe mental health and children and families receiving child welfare services from July 1, 2011 through June 30, 2012 in the amount of \$1,305,100;
 3. An "umbrella contract" with Drs. Surender Chima and Sukhdev Khangura from July 1, 2011 through June 30, 2013 in a not-to-exceed amount of \$290,000 for medical care services at the Cirby Hills Psychiatric Health Facility (PHF);
 4. Muniyapla T. Rajappa, MD from July 1, 2011 through June 30, 2012 for after-hours psychiatric services in the amount of \$45,000,
 5. Anka Behavioral Health, Inc. for short-term crisis residential treatment services in the amount of \$1,903,848 and Willow Glen Care Center, Inc. for transitional residential treatment services in the amount of \$1,210,800 for two years from July 1, 2011 to June 30, 2013; and
 6. Country Villa Merced Behavioral Health Center for locked residential skilled nursing services from July 1, 2011 through June 30, 2013 in the amount of \$352,000 and a current year contract renewal with the California Department of Mental Health for State hospital bed usage from July 1, 2010 through June 30, 2011 in the amount of \$276,273.
- b. Approve renewal of the following contract employee agreements for psychiatric services from July 1, 2011 through June 30, 2012 and authorize the Chairman to sign subsequent amendments:
1. Olga Ignatowicz, MD for Chief Psychiatrist services in the amount of \$380,868, Sarah Altschuler, MD for part-time services in the amount of \$142,467, Richard Malek, MD in the amount of \$312,786 and Mai Nguyen, MD for part-time services in the amount of \$147,667.

BACKGROUND:

On an annual basis Placer County Health and Human Services provides unique and mandated mental health services for 4,374 individuals during the current fiscal year. This range of psychiatric services includes crisis, hospital, residential, and outpatient services. The residential/hospital contracts provide essential lifesaving care for adults with severe mental disorders who are unable to provide for their basic needs, are at risk to themselves or others, and often require 24-hour supervised care. The contracts for psychiatric services provide seasoned practitioners with expertise in crisis and acute inpatient services and transitioning to stable outpatient clinical care. Dedicated staff from Adult System of Care, Children's System of Care, and Community Health consistently demonstrates success in assisting individuals to achieve maximum self-sufficiency and reducing the need for costly restrictive hospital and residential placements. More information on the individual contractors is included as Attachment A.

During this last year, 2,245 residents at risk to themselves or others were evaluated, of which 1,102 required hospitalizations. Because there has been a 14% increase in residents requiring emergency services, the contract with Telecare for inpatient Psychiatric Health Facility services increased by this amount from the previous year.

The compensation rate for Dr. Ignatowicz, Dr. Sarah Altschuler, Dr. Rajappa, Dr. Nguyen, and Dr. Malek for providing psychiatric medical care has remained unchanged since 2006. Drs. Chima and Khangura are qualified physicians providing comprehensive physical health care to the 757 patients at the Placer County PHF. The current contract rate for these services has remained the same since 2006 and this service has been in place since 2001. The contract cost is 3.5% higher due to the increase in utilization. These contracts are consistent with the ordinance that was introduced at the May 18, 2010 Board meeting related to contract physicians. Personnel, County Counsel, and CEO's Office are fully supportive of this approach.

Through the contract with Anka Behavioral Health, the Adult System of Care has successfully operated a crisis residential stabilization program allowing over 250 Placer County residents to be successfully transitioned from locked psychiatric hospitals to a less restrictive more cost effective and sustainable living environment. Placer County residents with psychiatric needs who are not able to immediately return to the community receive crucial residential and psychiatric care at Willow Glen Care Center and Merced Behavioral Health Center. Sierra Family Services provides after-hours, weekend and holiday coverage for crisis evaluations as well as short term outpatient mental health therapy and counseling services to individuals and families throughout the County.

The Adult System of Care has reviewed each of these mental health contracts to determine the most cost effective means to provide consistently effective service for the County. The Telecare and Anka contracts were awarded in January of 2010 as the result of a Request for Proposals. This process affirmed that the Telecare Corporation was best qualified to provide these lifesaving mandated services for Placer County residents. Anka's successful operation of the crisis stabilization unit over the last 18 months demonstrates the Adult System of Care's ability to consistently migrate to sustainable cost effective alternative service models.

These contracts were reviewed and recommended for approval by the Mental Health, Alcohol, and Drug Advisory Board at its regular meeting on May 23, 2011.

FISCAL IMPACT:

Total expenditure for these contracts is \$9,024,699. The FY 2011-12 portions of these expenditures includes Federal and State funding of \$4,091,415 (60%) and a County General Fund contribution of \$2,778,687 (40%). The FY 2011-12 portions of the costs for these mandated services are included in the Department's FY 2011-12 Proposed Budget. The State hospital beds contract in the amount of \$276,273 for FY 2010-11 includes State funding of \$110,509 (40%) and County General Fund contribution of \$165,764 (60%) that is included in the Department's FY 2010-11 Final Budget.

These contracts are on file with the Clerk of the Board for your review.

Attachments

Attachment A – Mental Health Contracted Provider Summary

**Adult System of Care
Mental Health Contracted Provider Summary
June 21, 2011**

DMH State Hospital Bed: Requesting approval of one year FY 2010-11 contract

The State hospital bed contract provides the highest level of secured long term services for individuals who have severe mental health issues resulting in their inability to care for themselves and/or are a danger to the community. ASOC is continuing to manage these placements and is working to transition appropriate individuals to lower levels of care. Costs for the current contract were increased 9.8% from the prior year due to the increase State rate and additional client placement.

Telecare Corporation: Requesting approval of one year FY 2011-12 contract

This is the 11th year of contracted services with the Telecare Corporation, an Oakland based corporation, for the daily operations of the County's Psychiatric Health Facility (PHF). Telecare has partnered with Placer County in a unique arrangement that utilizes a combination of County and provider staff working together to provide this critical component of our system. A joint quality assurance and review process is in place to review the program quality and outcomes. The Placer County PHF operates at full capacity (16 beds). Program staff has worked diligently to discharge persons to lower levels of care, in order to provide the least restrictive and clinically appropriate treatment and to reduce the high cost of locked psychiatric facilities. Telecare was awarded its contract in January of 2010 as a result of RFP 9903 (May 21, 2009). This contract is a renewal of that award and reflects a 5% increase due to a 14% increase in utilization and related costs.

Sierra Family Services: Requesting approval of one year FY 2011-12 contract

Sierra Family Services is a long-standing and important community agency partner with Placer County in the areas of outclient mental health and emergency crisis services. This contract provides on site after-hours crisis response at Sutter Roseville Medical Center and mobile response to Sutter Auburn Faith Hospital, Tahoe Forest Hospital, the Placer County Jail and Juvenile Detention Facility. Mental health services are provided on an outclient basis in the Auburn, Roseville and Tahoe areas, and include services to adults and children. Other services provided under this agreement include anger management, parenting enhancement, and domestic violence batter's programs. Sierra Family Services is a large organizational provider for our Managed Care Medi-Cal services in Placer County. As a Managed Care Medi-Cal provider, this provider must have licensed, qualified, mental health staff; must have the fiscal capability to bill through Managed Care Medi-Cal; and must be geographically desirable to the client population. The contract amount remains unchanged since 2010.

Olga Ignatowicz, MD - Chief Psychiatrist: Requesting approval of one year FY 2011-12 contract employee agreement

This is the 10th year of contract employee services with Dr. Ignatowicz. Dr. Ignatowicz is a seasoned practitioner who is bilingual and bi-cultural. She manages the acute inpatient program with much success and has reduced the length of hospital stays by 33% through innovative approaches and partnerships with other agencies. Dr. Ignatowicz also provides outpatient and standby coverage. Dr. Ignatowicz has formed a relationship with UCSF to proctor nurse practitioner students in the field of psychiatry, thereby creating opportunities and resources for this demand service. Psychiatrist compensation rate has remained unchanged since 2006.

Sarah Altschuler, MD - Psychiatrist: Requesting approval of one year FY 2011-12 contract employee agreement

This is a new agreement with Dr. Sarah Altschuler as a part time staff psychiatrist to provide services in the acute inpatient program. Dr. Sarah Altschuler has experience with both acute inpatient programs and outpatient programs serving persons in a public mental health program in San Francisco. Her experience and training will be a great addition to the Placer team of psychiatrists. The contract reflects the same compensation rate as other staff psychiatrists which have remained unchanged since 2006.

Mai Nguyen, MD – Psychiatrist: Requesting approval of one year FY 2011-12 contract employee agreement

This is the 9th year of contracted services with Dr Nguyen as a part-time staff psychiatrist for the Children's System of Care (CSOC). Dr, Nguyen provides psychiatric services, on-call coverage and medication support services at the Kings Beach Community Clinic and other key locations. The contract compensation rate remains unchanged since 2006.

Richard Malek, MD – Psychiatrist: Requesting approval of one year FY 2011-12 contract employee agreement

This is the 9th year of contracted services with Dr Malek as a staff psychiatrist. This is his 2nd year of contracted services for the Community Clinic, providing psychiatric services in our integrated behavioral health care system with treatment of chronic medical conditions. Prior to that, Dr. Malek provided outpatient psychiatric services at the Adult System of Care for 7 years. The contract compensation rate remains unchanged since 2006.

Muniyapla Rajappa, MD - Psychiatrist: Requesting approval of one year FY 2011-12 contract

This is the 2nd year of contracted services with Dr. Rajappa. His experience with after-hour psychiatric consultations has provided excellent care for Placer County individuals who are in acute crisis. Through this contract, Dr. Rajappa will provide after-hours, weekend and holiday coverage. The contract reflects a slight increase to accommodate increased crisis calls and greater holiday coverage. The compensation rate remains unchanged from 2010.

Surender Chima, MD and Sukhdev Khangura, MD - Physicians: Requesting approval of two year FY 2011-13 umbrella contract

This is the 9th year of contracted services with Drs. Chima and Khangura as on-call physicians to provide comprehensive physical health care, including history and physical evaluations, sick calls, and after care. Drs Chima and Khangura review and monitor medication for all patients at the Cirby Hills Psychiatric Facility (PHF), services include medical consultations and review/development of treatment plans with our psychiatric and clinical staff. The contract compensation rate remains unchanged since 2006.

Anka Behavioral Health, Inc.: Requesting approval of two year FY 2011-13 contract

This is the 2nd year of contracted services with Anka Behavioral Health, Inc., a Concord-based non-profit corporation that has been in the behavioral health field for more than 37 years. Anka has partnered with public and private sector behavioral health organizations to provide recovery-based services to the behavioral health services community. Crisis stabilization services are cost-effective, accessible and outcome driven. Anka was awarded its first Placer County contract to provide crisis residential services effective April 1, 2010 as a result of RFP 9903 (May 21, 2009). This contract is a renewal of that award, and has decreased overall by 24% due to elimination of prior year startup costs. Anka has provided services to 250 Placer County residents that have been successfully transitioned from locked psychiatric hospitals to a less restrictive more cost effective and sustainable living environment.

Willow Glen Care Center: Requesting approval of two year FY 2011-13 contract

This is the 11th year of contracted services with Willow Glen Care Center. This contract will include services for elderly and non-elderly mental health residents requiring long-term residential care in a 24-hour secured perimeter facility, as well as step-down residential treatment in a transitional housing setting for adult patients transitioning to a lower level of services. The primary utilization is for individuals who have a serious mental health condition in need of further stabilization following a stay in an acute locked facility. This level of care provides an alternative to the locked facilities such as Crestwood. The contract amount remains unchanged since 2009.

Country Villa Merced Behavioral Health Center: Requesting approval of two-year FY 2011-13 contract

This is the 6th year of contracted services with Merced Behavioral Health Center for residential care in a secured Skilled Nursing Facility. The 96-bed locked inpatient facility provides long-term psychiatric care for persons ages 18 and over with chronic and persistent mental illness who are unable to live independently and require 24-hour care in a locked facility. The Merced program considers the patient's prior level of functioning and expected rehabilitation goals as well as a multi-disciplinary approach to treatment planning, structured living environment, and structured group activities. Patients also receive individual behavior modification plans, group and individual therapy. This facility offers an alternative to acute inpatient care services (State Hospitals, Cirby Hills Psychiatric Health Facility, and BHC Hospitals). The contract amount remains unchanged since 2009.

