

**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:** January 22, 2013

**SUBJECT:** MOU with the California Department of State Hospitals

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**ACTION REQUESTED:**

1. Approve a Memorandum of Understanding (MOU) with the California Department of State Hospitals for required County use of State hospital beds from July 1, 2012 through December 19, 2012 for a budgeted total of \$318,372 (\$191,023 budgeted net County cost), and authorize the Director of the Adult System of Care to sign the MOU.
2. Approve a Memorandum of Understanding (MOU) with the California Department of State Hospitals for required County use of State hospital beds from December 20, 2012 through June 30, 2013 for a budgeted total of \$238,162 (\$142,897 budgeted net County cost), and authorize the Director of the Adult System of Care to sign the MOU contingent upon review and approval from Risk Management and County Counsel, and subsequent amendments up to \$50,000 consistent with the agreement's subject matter and Scope of Work.

**BACKGROUND:**

On November 20, 2012, Placer County received notice from the California Department of State Hospitals (DSH) that it was converting from a standard contract to a Memorandum of Understanding (MOU) for all County Bed Commitment agreements for the Fiscal Year 2012-13. The State believes this change will streamline the process and improve the timeframes in which agreements are executed. This action will reduce Placer County's liability for State hospital bed usage by approximately \$100,000.

The new MOU functions as the prior contract between the Department of Mental Health and Placer County for the provision of purchasing intensive locked psychiatric hospital care. Placer County is mandated to provide an integrated and coordinated range of community mental health services appropriate to the needs of each client. Since Placer County plans to reduce the number of individuals in the State hospital beginning in December, the State is requesting two MOUs - one for the period of July 1, 2012 to December 19, 2012 for placement of three individuals, and another for the period of December 20, 2012 to June 30, 2013 for placement of two individuals. DSH is currently developing the final version of the December-June MOU, which will be subject to review and approval by Risk Management and County Counsel prior to final approval and signature.

This MOU with DSH provides one of the most secure levels of long term services for residents of Placer County who have severe mental health issues resulting in their inability to care for themselves and/or who are a danger to the community. Individuals placed in the State hospital system cannot be managed in other local settings and receive services including medication, therapy, clinical interventions, behavioral interventions and restraint if necessary; provided in a secured and locked facility.

The Placer County Systems of Care effectively manage critical mental health services by establishing targeted populations, reviewing lengths of treatment, and identifying persons with the most critical need to serve. This contract continuum includes crisis, hospital, residential, and outclient services.

Placer residents who are clinically determined to no longer need the unique services at the State hospital generally move to another locked facility rather than immediately returning to the community.

This MOU was approved by the Mental Health, Alcohol, and Drug Advisory Board on December 17, 2013.

**FISCAL IMPACT:**

This action will reduce Placer County's liability for State hospital bed usage by approximately \$100,000. The State hospital beds contract in the aggregate amount of \$556,534 for FY 2012-13 includes State funding of \$222,614 (40 percent) and County General Fund contribution of \$333,920 (60 percent), and is included in the Department's FY 2012-13 Final Budget.

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