



**MEMORANDUM**  
**HEALTH AND HUMAN SERVICES**  
**ADULT SYSTEM OF CARE**  
County of Placer

TO: Board of Supervisors

DATE: August 28, 2018

FROM: Jeffrey S. Brown, M.P.H., M.S.W., Director of Health and Human Services

SUBJECT: Contract Amendment With Restpadd Psychiatric Health Facility For Short-Term  
Acute Inpatient Psychiatric Services

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**ACTION REQUESTED**

Approve a contract amendment with Restpadd Psychiatric Health Facility to increase the amount by \$200,000 for the period of January 1, 2018 through June 30, 2019 for a total amount not to exceed \$300,000 and authorize the Director of Health and Human Services to sign the agreement with Risk Management and County Counsel concurrence, and any subsequent amendments up to \$30,000, consistent with the current agreement's subject matter and scope of work with Risk Management and County Counsel concurrence.

**BACKGROUND**

Placer County System of Care provides mandated mental health crisis intervention services to adults and children who are experiencing a mental health crisis. During FY 2016-17, 3,251 individuals received crisis evaluation services and approximately 42% of those required inpatient psychiatric hospitalization. If the County Psychiatric Health Facility (PHF) is at capacity, individuals are referred to alternate facilities such as other PHFs, Crisis Stabilization Units, or private inpatient psychiatric hospitals (as a last resort). During FY 2016-17, the County spent approximately \$400,000 on private psychiatric hospitalizations for its Medi-Cal Beneficiaries and non-insured residents. For FY 2017-18, contracting with Restpadd is a less expensive option, as it is more cost effective to refer Placer Medi-Cal beneficiaries to a PHF versus an expensive private psychiatric hospital. Utilization of private hospitals does not allow the County to recoup any of the related expenses while with this option, the County is able to recoup approximately ½ of its costs through Medi-Cal reimbursement.

Restpadd Psychiatric Health Facility in Red Bluff, CA has been accepting and treating many of our ASOC and CSOC clients who are experiencing a psychiatric crisis and are in need of short-term evaluation and treatment. During the past several months, we have referred more clients to Restpadd for treatment than we initially had anticipated, thereby seeing an increase in costs to this contractor. The reason for this increase in referrals and costs to this contractor may be the result of other county and private psychiatric treatment facilities' lack of bed capacity and ability to accept referrals. County costs for inpatient psychiatric treatment that would generally be spread among several treating facilities/contractors have been spent more on Restpadd services in recent months the majority of the time. It is uncertain at this point whether this trend of high volume referrals to Restpadd will continue. Increasing the dollars will ensure that we have a qualified and dependable contractor willing and available to accept our referrals. Residents at Restpadd receive short-term psychiatric evaluation and treatment, including medication management, in a therapeutically safe and comfortable milieu for typically 7-10 days. The residents are then safely discharged back into the community with appropriate referrals and linkage to necessary mental health and other services. The Restpadd philosophy

focuses on individual client strengths and individualized treatment plans as well as wellness and recovery, family involvement and effective collaboration with caregivers and community partners.

**FISCAL IMPACT**

Funding for this amended contract consists of \$200,000 (67%) in State and Federal revenues and \$100,000 (33%) in mandated County General funds. The costs are included in the Department's FY 2018-19 Proposed Budget.

This contract is on file with Clerk of the Board.