



**M E M O R A N D U M**  
**HEALTH AND HUMAN SERVICES**  
**ADULT SYSTEM OF CARE**  
County of Placer

TO: Board of Supervisors

DATE: April 13, 2021

FROM: Robert Oldham, MD, MPH, Director of Health and Human Services

SUBJECT: Psychiatric Hospital Umbrella Agreements

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**ACTION REQUESTED**

Approve an increase of \$700,000 for a new maximum aggregate amount of \$2,300,000 for existing Psychiatric Hospital Umbrella Agreements with an existing term ending June 30, 2021.

**BACKGROUND**

The Adult and Children's Systems of Care (SOC) continue to provide mandated mental health crisis services to residents of Placer County. Many of those evaluated, are referred for further inpatient psychiatric evaluation and treatment under Welfare & Institutions Code Section 5150. These individuals are at imminent risk of harming themselves, harming others, or are unable to care for their basic needs due to a mental disorder. During FY 2019-20, ASOC and CSOC served 3,276 residents experiencing a crisis, with fifty percent (50%) of the individuals receiving a crisis evaluation who required further inpatient psychiatric treatment. These private hospitals provide necessary inpatient psychiatric hospitalization for children and youth and offer an additional safety net for adults requiring inpatient psychiatric hospitalization when the County contracted psychiatric health facilities are at capacity. Costs for services are based on the host county published rates.

During the past two years, the SOC have entered contracts with additional psychiatric health facilities (PHFs), that would allow Medi-Cal to be claimed for inpatient psychiatric care regardless of the age of the patients. However, because of what is known as the Institute of Mental Disorder (IMD) exclusion, free standing psychiatric hospitals with over 16 beds are unable to bill Medi-Cal on behalf of patients between the ages of 22 and 64 years of age. Despite SOC entering additional contracts with other PHF, the utilization of freestanding psychiatric hospitals has continued to rise during this past year for three reasons. The first being that the PHF hospitals have had to limit or stop acceptance due to COVID 19 outbreaks, the number of individuals requiring this level of inpatient care has already exceeded the total inpatient hospitalization for the previous year and lastly, the length of stay is increasing due to the level of acuity for the individuals being hospitalized.

Your Board previously approved this umbrella, along with the Contractors listed in the Attachment, at your June 25, 2019 Board Meeting. Agreements have been signed with all Contractors on the Attachment and will continue through June 30, 2021 without edits.

**FISCAL IMPACT**

The additional \$700,000 in funding for this umbrella" contract amendment includes \$469,000 (67%) in Federal and State funds, and \$231,000 (33%) in required County General Funds. One half of the contract balance is included in the Department's FY 2020-2021 Budget.

**ATTACHMENT**

FY 2019-2021 Contracted Inpatient Psychiatric Hospitals List

**FY 2019-2021 Contracted Inpatient Psychiatric Hospitals List**

**Napa County based Hospital**

Adventist Hospital –St. Helena  
10 Woodland Road  
St. Helena, Ca. 94574  
707.649.4040

**Solano County based Hospital**

Adventist Hospital-Vallejo  
525 Oregon St.  
Vallejo, CA. 94590  
(707) 648-2200

**Sacramento County based Hospitals**

BHC Heritage Oaks Hospital  
4250 Auburn Blvd,  
Sacramento, CA 95841  
(916) 489-3336

BHC Sierra Vista Hospital (Sacramento County)  
8001 Bruceville Rd.,  
Sacramento, Ca. 95823  
(916) 228-0300

Sutter Valley Hospital (Sutter Center for Psychiatry)  
7700 Folsom Blvd.,  
Sacramento, Ca. 95826  
(916) 386-3000