

**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  
Edward N. Bonner, Sheriff-Coroner-Marshal  
Stephen G. Pecor, Chief Probation Officer

**DATE:** September 12, 2006

**SUBJECT:** Approve the contract amendment with California Forensic Medical Group (CFMG) for the provision of Inmate Medical Services

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**ACTION REQUESTED:**

Approve the amendment to Contract 11902 with California Forensic Medical Group (CFMG) extending the contract term for one year from October 1, 2006 through September 30, 2007, increasing the rates for the provision of Inmate Medical Services, and adding funding estimated at \$2,907,000 for this third year of the agreement.

**BACKGROUND:**

Inmate medical services required for the Placer County Jail facilities and Juvenile Detention Facility include primary medical care, dental care, mental health, acute hospital care, and specialty care to a current population of approximately 635 inmates and detainees. Placer County has conducted two Requests for Proposals since 1989 to select a contractor to run the inmate medical services program.

The negotiations with CFMG for the latest contract included an extensive re-write to update the contract language to comply with County Counsel and Risk Management requirements. In addition, all budget line items were discussed as part of the negotiation process. The negotiation team, comprised of representatives from Health & Human Services, Sheriff, Probation, and Procurement, was confident that a Request For Proposals process would not have resulted in a lower cost proposal.

During the past two years of this agreement, staffing patterns have been increased to correspond with expansions at the Jail, and a 2.9% Consumer Price Index (CPI) increase was implemented in the second year of the agreement as stipulated in the contract. This contract allows the County the option to extend this agreement for two additional one-year periods. The amendment before your Board today will implement the first year of that extension option.

**FISCAL IMPACT:**

The current contract with CFMG for jail medical services is \$2.411 million annually, plus per diem costs of approximately \$98,000 last year. The contract terms stipulate an annual rate increase in accordance with the Medical Care Consumer Price Index (CPI). While this increase was modest in 2005 (only 2.9%), the increase for 2006 is 10.7%, due in part to an unusually large increase in the CPI's hospital cost component. The adjusted amount for the upcoming year is comprised of a base rate of \$2.794 million, and an estimated \$113,000 in per diem costs.

The net increase in cost over last year is anticipated to be \$398,000. Additional funds have been requested in the Sheriff's Department 06/07 Final Budget to offset this increase.

The following Contract for:

# **California Forensic Medical Group**

is on file with the Clerk of the Board  
for BOS meeting:

**September 12, 2006**