

MEMORANDUM
PLACER COUNTY HEALTH AND HUMAN SERVICES
Children's 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
Richard S. Knecht, M.S., Director of Children's System of Care

DATE: June 9, 2009

SUBJECT: Umbrella Contract for Payment of Mental Health Private Network Providers

ACTION REQUESTED:

Request the Board to take the following actions:

- a. Approve a maximum payment authorization ("umbrella contract") to facilitate payment to Systems of Care (SOC) mental health private network providers,
- b. Authorize the Auditor-Controller's Office to establish a payment ceiling in an amount not to exceed \$900,000 (a decrease of 10 percent from the prior year), and
- c. Authorize Health and Human Services to amend the list of providers as necessary for the period from July 1, 2009 through June 30, 2010.

The required match for these mandated services includes \$205,000 in County General Funds. These costs are included in the Department's FY 2009-10 Proposed Budget.

BACKGROUND:

Counties are mandated by the Federal and State government to provide critically needed behavioral health treatment such as crisis family counseling to children and families. To meet this mandate, Placer County employs a nationally recognized model that utilizes a network of private counselors, therapists and psychologists, to maximize the availability of necessary specialty services while limiting the need for more costly hospitalization and residential care.

This network of providers delivers intensive mental health services to nearly 900 children and families each year that has led to better outcomes for families and at lower cost to the County. Among its positive outcomes, the number of children requiring hospitalization in recent years, has been reduced by more than 35 percent.

FISCAL IMPACT:

Expenditures under this contract will not exceed \$900,000. This amount represents a decrease of \$100,000 (10 percent) from last year's contract, due to increased efficiencies established by the division. Funding for these services includes \$695,000 in Federal and State funds, and a required County General Fund match of \$205,000. These expenditures are included the Department's FY 2009-10 Proposed Budget.

