

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

DATE: September 14, 2010

SUBJECT: Amend Contract with California Forensic Medical Group for Inmate Healthcare Services

ACTION REQUESTED:

Amend contract CN012665 with California Forensic Medical Group, Inc. for inmate healthcare services, to extend the contract term for a period of one year from October 1, 2010 through September 30, 2011 for a new annual base amount of \$3,378,924 plus a per diem of \$4.22 for census levels in excess of 540 persons. This contract is fully funded through the Public Safety Fund. Funding of \$2,586,500 is included in the Sheriff's and Probation Departments' FY 2010-11 Final Budgets. The balance of funding will be budgeted in the FY 2011-12 Base Budgets for the remainder of the contract term.

BACKGROUND:

Inmate healthcare services required for the Placer County Jail and Juvenile Detention Facility include primary medical care, dental care, pharmaceuticals, mental health services, acute hospital care, and specialty care to a current population of approximately 585 inmates and wards. The current contract provides for the option to extend these services for two additional one-year periods. The first of these two extension options is being requested at this time, with jail operations expected to stay at the same level in the coming year prior to an anticipated jail expansion. CFMG has been a long-term high performing contractor in Placer County as evidenced by its demonstrated ability in running the program, and CFMG's success in obtaining and retaining Institute for Medical Quality (IMQ) certification for the Jail.

These services are provided more cost-effectively through privatization than as a County-run program. Risk Management concurs that CFMG has reduced the County's liability through its staffing practices, adherence to IMQ medical protocols, and ability to mitigate lawsuits filed against Placer County.

The amended contract will remain at the same service level with the minor exception that the contractor will no longer be reimbursed by the State for HIV medications. The contractor will assume responsibility for a minimum of 50 percent of the cost of these drugs from the prior year and the County will assume a flat amount of \$22,500. No changes were made to staffing levels or the negotiated cost structure. The average daily population is expected to be reduced from the prior year by an estimated 55 inmates per day, for a new combined total of 585 adult inmates and juvenile wards due to increased utilization of alternative sentencing options.

FISCAL IMPACT:

The amended contract with CFMG for inmate and detainee medical services includes an annual base rate of \$3.379 million plus per diem costs of approximately \$69,000 (a 45 percent per diem reduction from prior year). The rate increase for the extension period was limited to the most recent annual adjustment in the Medical Care Consumer Price Index of 3.4 percent, in accordance with the original contract terms. This contract is fully funded through the Public Safety Fund. Funding of \$2,586,500 is included in the Sheriff's and Probation Departments' FY 2010-11 Final Budgets. The balance of funding will be budgeted in the FY 2011-12 Base Budgets for the remainder of the contract term.

A copy of the CFMG contract amendment is on file with Clerk of the Board for review.

