

**MEMORANDUM  
PLACER COUNTY HEALTH AND HUMAN SERVICES  
Adult System of Care and Medical Clinics**

**TO:** Honorable Board of Supervisors

**FROM:** Jeffrey S. Brown, M.P.H., M.S.W., Director of Health and Human Services  
Maureen Bauman, Director, Adult System of Care/Medical Clinics

**DATE:** July 7, 2015

**SUBJECT:** Contract to Provide Mandated Medically Necessary Inpatient Psychiatric Health Facility Services for Placer County Residents.

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**ACTION REQUESTED:**

1. Approve a 4.5 year contract with the County of El Dorado to provide mandated medically necessary inpatient psychiatric health facility services for Placer County residents for the period of July 1, 2015 to January 19, 2020 for the amount of \$100,000 per Fiscal Year, not to exceed a total contract amount of \$500,000, and authorize the Director of Health and Human Services to sign the agreement and amendments not to exceed 10 percent of the total contract amount, consistent with the subject matter and scope of work. Funding is provided by State Revenue (\$200,000) and the County (\$300,000).

**BACKGROUND:**

Placer County Health and Human Services provided unique and mandated mental health services for 4,374 individuals during the prior fiscal year. This range of psychiatric services includes crisis, hospital, residential, and out client services. The Adult System of Care (ASOC) is responsible for providing the appropriate level of mental health care for County residents by the most cost effective means.

Inpatient hospital services at Psychiatric Health Facilities (PHFs) provide 24-hour supervised care for adults with severe mental disorders who are unable to provide for their basic needs, are at risk to themselves or others. During this last year, 2,900 adult residents at risk to themselves or others were evaluated, of which 1,102 required hospitalizations (an increase of 14% from the prior year).

During times of full capacity at the Placer County PHF, overflow services with neighboring PHFs are a cost effective alternative to private inpatient hospitals (\$835 daily rate plus 15% administrative cost vs. \$950 daily rate). El Dorado Department of Mental Health has been a long-standing partner with ASOC (with a similar cost structure that maximizes federal dollars) in providing such services. Because ASOC strives to provide the most cost effective means with consistent service, inpatient services were reviewed and determined that additional funding with El Dorado County contract will be necessary to meet anticipated use of services.

This contract was reviewed and recommended for approval by the Mental Health, Alcohol and Drug Advisory board at its regular meeting on June 22, 2015.

**FISCAL IMPACT:**

The FY 2015-16 expenditure of \$100,000 is included in the Department's FY 2015-16 Proposed Budget. For FY 2016-17 through FY 2019-20 expenditure of \$400,000 will be included in the Requested Budgets. This contract is funded by State Revenue totaling \$200,000 (40 percent) and by the County totaling \$300,000 (60 percent).

The contract is on file with the Clerk of the Board for review.

