



Agenda Date: 10/9/2007
Agenda Placement: 6C

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Shelli Brobst for Randolph F. Snowden - Director of Health & Human Services
Mental Health
REPORT BY: Alice Hughey, Chief Fiscal Officer, 253-4616
SUBJECT: Authority to pay Santa Rosa Memorial Hospital for Mental Health Services on County Claim

RECOMMENDATION

Director of Health and Human Services requests authorization to utilize the County claim process to pay Santa Rosa Memorial Hospital for mental health services provided by its physicians to Napa County clients during the period July 1, 2007 through June 30, 2008.

EXECUTIVE SUMMARY

Occasionally, a Napa County mental health client is admitted to an out-of-County hospital with which Napa County does not have a contract. HHSA's existing Board-approved contracting and payment guidelines specify that if a Napa County Medi-Cal mental health client receives services from a hospital with which Napa County does not have a contract, Napa County will enter into a contract for services with that hospital if the same hospital provides services to a Napa County client for a second episode within 12 months (whether for the same or different client).

During the past year, physicians operating under the auspices of Santa Rosa Memorial Hospital provided services to Napa County clients for a second episode within 12 months. Per HHSA's guidelines, HHSA staff sought to obtain a contract with Santa Rosa Memorial Hospital, but the hospital declined to contract with Napa County. To ensure continuity of services and effective client care, HHSA seeks authorization to pay Santa Rosa Memorial Hospital with a County claim for mental health services provided by Santa Rosa Memorial Hospital physicians to Napa County clients for the period July 1, 2007 through June 30, 2008.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

HHSA's priority is to place mental health clients in a licensed facility with which HHSA has a contract. Occasionally, however, a Napa County Medi-Cal mental health client may be admitted to a licensed out-of-County hospital with which HHSA does not have an existing contract. This situation may occur if: (1) a client is traveling and goes to an emergency room, and the emergency room admits the client into the hospital; (2) the client is traveling and checks herself/himself into a hospital; or (3) there are no beds available in a contract hospital and HHSA has to place the client in a hospital in a nearby county. In each case, the hospital determines whether the client should be admitted. In these cases, Napa County does not receive a bill from the hospital for the hospital "bed day." (The County's 50% share of these costs is simply subtracted from the County's annual mental health managed care allocation. The hospital receives reimbursement for the other 50% from Medi-Cal.) However, Napa County does receive a bill from the hospital for mental health services provided by a physician to a Medi-Cal client while the client is in the hospital.

HHSA's contracting and payment guidelines approved by the Board on April 4, 2007, specify that when a Napa County Medi-Cal mental health client is admitted to a hospital with which Napa County does not have a contract, Napa County will enter into a contract for services with that hospital if the same hospital provides services to a Napa County client for a second episode within 12 months (whether for the same or different client). In such situations, Napa County seeks to contract for an "all-inclusive" rate that includes both the hospital bed day and any physician services that may be provided.

During the past year, physicians operating under the auspices of Santa Rosa Memorial Hospital provided services to Napa County clients for a second episode within 12 months, thus triggering the requirement for a contract. Accordingly, HHSA staff attempted to secure an "all-inclusive" contract with Santa Rosa Memorial Hospital, but the hospital declined to contract with Napa County. (Failure to contract with Napa County does not affect Santa Rosa Memorial Hospital's ability to obtain Medi-Cal reimbursement for its costs.) Santa Rosa Memorial Hospital again billed Napa County directly for the physician services provided.

Santa Rosa Memorial Hospital is nearby and occasionally is the only facility with available Medi-Cal mental health services. Napa County needs to maintain the option to utilize this hospital to (a) ensure that the County meets its responsibility for the provision of timely mental health services to Napa County clients and (b) avoid the need to use non-Medi-Cal hospital placements for Medi-Cal clients, since doing so results in County General Fund costs. Medi-Cal will not reimburse costs for non-Medi-Cal hospital placements.

Therefore, with the concurrence of the CEO and Auditor-Controller, HHSA requests authorization to pay Santa Rosa Memorial Hospital with a County claim for mental health services provided by Santa Rosa Memorial Hospital physicians to Napa County clients during the period July 1, 2007 through June 30, 2008. If HHSA determines that continuing authority to pay Santa Rosa Memorial Hospital with a County claim is required in Fiscal Year 2008-2009, HHSA will return to the Board to obtain such authority for that fiscal year.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve
Reviewed By: Lorenzo Zialcita