



Agenda Date: 3/7/2006  
Agenda Placement: 6C

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Shelli Brobst for Randy Snowden - Director  
Health & Human Services  
**REPORT BY:** Shelli Brobst, Contracts Analyst, 253-4720  
**SUBJECT:** Renewal Agreement with the California Department of Mental Health (Napa State Hospital)

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### **RECOMMENDATION**

Director of Health and Human Services requests approval of and authorization for the Chair to sign the renewal of Agreement No. 6001 with the California Department of Mental Health for the term July 1, 2005 through June 30, 2006 establishing the County's Napa State Hospital bed purchase and usage for this fiscal year.

### **EXECUTIVE SUMMARY**

The County of Napa contracts with the Napa State Hospital for a range of services for the provision of mental health professional and inpatient hospital services. Approval of the requested agreement will fund one Continuing Medical Care bed and five Psychiatric Sub-acute beds at a total County cost of \$797,946 for Fiscal Year 2005-2006.

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Mental Health
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	Yes
Future fiscal impact:	None. The agreement is reviewed annually. The department reviews bed usage and overage charges (in the event more beds than have been contracted for are used) on an ongoing basis. Each annual agreement is structured accordingly.
Consequences if not approved:	In the event of unavailability of non-contracted beds at the NSH, the County

may have to place patients at other inpatient mental health facilities at a much higher cost.

Additional Information: The number of clients who require placement at Napa State Hospital (NSH) annually is not within the Agency's control. HHSA has experienced a significant increase in NSH bed usage during Fiscal Year 2005-2006.

### **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**

The purpose of this agreement with the State is to provide inpatient hospital services at Napa State Hospital to persons with acute mental illness who require mental health care services. Section 4330 of the California Welfare and Institutions Code requires counties to reimburse the State Department of Mental Health for the use of state hospital beds. The State agrees to provide staffing, equipment and supplies for the hospital.

In addition to Napa State Hospital, HHSA contracts with four other facilities for inpatient mental health services (St. Helena Hospital, St. Helena Center for Behavioral Health Care, Telecare Corporation, and Mt. Diablo Medical Pavilion). The daily bed rate for these facilities ranges from \$680 to \$736 per day, plus a daily physician rate of \$83 to \$100 per day. HHSA contracts with Napa State Hospital for one Continuing Medical Care (Skilled Nursing Facility or "SNF") bed (\$394.86 per bed per day), which provides for a high level of care, and five Psychiatric Sub-acute beds (\$358.26 per bed per day), which provide for a lower level of care.

HHSA carefully estimates the number of beds it will need each year at Napa State Hospital since HHSA must pay for all contracted beds, whether the bed is used or not. Therefore, it is more cost-effective to underestimate the number of beds needed and pay any usage above that number on a semi-annual basis than to guarantee payment for a larger number of beds which may not be used.

### **SUPPORTING DOCUMENTS**

None

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita