



Agenda Date: 5/17/2005  
Agenda Placement: 6D

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Shelli Brobst for Randolph F. Snowden - Director  
Health & Human Services  
**REPORT BY:** Shelli Brobst, Contracts Analyst, 253-4720  
**SUBJECT:** Amendment No. 2 to Agreement with Ocadian Care Centers dba Medical Hill Rehabilitation Center

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### **RECOMMENDATION**

Director of Health and Human Services requests approval of and authorization for the Chair to sign Amendment No. 2 to Agreement No. 6197 with Ocadian Care Centers, dba Medical Hill Rehabilitation Center, incorporating agency-wide changes to the General Terms and Conditions and increasing the amount by \$75,000 for a new maximum of \$175,000 to provide mental health services in a skilled nursing facility.

### **EXECUTIVE SUMMARY**

Medical Hill Rehabilitation Center is a secure, specialized mental health treatment option for geropsychiatric clients and adult clients who need skilled nursing services due to medical complications such as organic or other neurobehavioral problems. The amendment incorporates agency-wide changes to the General Terms and Conditions and increases the maximum compensation payable to the contractor due to an increase in the number of bed days needed for the remainder of this fiscal year.

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Behavioral Health
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	No
Future fiscal impact:	Although the agreement terminates June 30, 2005, the agreement contains an automatic renewal, which allows the County the option to continue these

services into the next fiscal year.

Consequences if not approved: Agreements that HHSA has with Napa State Hospital and higher cost Institution for Mental Disease (IMD) facilities will increase, resulting in higher Realignment or County General Fund expenditures for this population.

Additional Information: The skilled nursing facility's daily bed rate is paid by the client's Medi-Cal coverage and realignment/county dollar is used for the additional enhanced daily mental health service rate.

### **ENVIRONMENTAL IMPACT**

There is no Environmental Impact for this item.

### **BACKGROUND AND DISCUSSION**

Medical Hill Rehabilitation Center is an alternative placement for Napa County clients who would otherwise be placed in higher cost institutional settings (Napa State Hospital or Institutions for Mental Disease--IMDs). Services to clients in Napa State Hospital and IMDs cannot be billed to Medi-Cal and therefore the cost of their health care must be covered by Realignment and County General Fund dollars in the mental health budget.

Napa County places Medi-Cal eligible clients at Medical Hill Rehabilitation Center and only pays an enhanced rate for mental health services (referred to as a "patch"). Napa County does not pay for the board and care skilled nursing facility bed rate; Medical Hill bills this cost to Medi-Cal directly for Medi-Cal eligible clients.

The amendment incorporates agency-wide changes to the General Terms and Conditions and increases the maximum compensation payable to the contractor to provide increased bed capacity for Napa County Medi-Cal eligible clients requiring this type of placement. The department has an executed Business Associate agreement on file for this provider.

### **SUPPORTING DOCUMENTS**

None

CEO Recommendation: Approve

Reviewed By: Meegan Condon