



Agenda Date: 6/20/2006
Agenda Placement: 6H

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Shelli Brobst for Randy Snowden - Director
Health & Human Services
REPORT BY: Shelli Brobst, Contracts Analyst, 253-4720
SUBJECT: Amendments to Agreements with St. Helena Hospital (Managed Care & Indigent Clients)

RECOMMENDATION

Director of Health and Human Services requests approval of and authorization for the Chair to sign the following amendments with St. Helena Hospital:

1. Amendment No. 7 to Agreement No. 3592 establishing the rates for Fiscal Year 2006-2007 to provide managed care (Medi-Cal) inpatient mental health services;
2. Amendment No. 3 to Agreement No. 4141 increasing the amount by \$20,000 for a new maximum of \$100,000 to provide mental health services for indigent clients; and
3. Amendment No. 4 to agreement No. 4141 establishing the rates for Fiscal Year 2006-2007 to provide mental health services for indigent clients.

EXECUTIVE SUMMARY

The amendments to Agreement Nos. 3592 and 4141 establish Fiscal Year 2006-2007 rates for services for both inpatient managed care (Medi-Cal) clients and indigent clients who require psychiatric hospitalizations.

Amendment No. 3 to Agreement 4141 increases the maximum dollar amount to allow the contractor to be compensated for additional client hospitalizations during 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?	No
Future fiscal impact:	These agreements contain an automatic renewal provision, which allows the County the option to continue these services in the following fiscal year. Appropriations will be budgeted accordingly.
Consequences if not approved:	If these amendments are not approved, the County will be unable to meet the mandate to provide medically necessary mental health services as specified in the County's agreement with the State Department of Mental Health.
Additional Information:	

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

Agreement No. 3592 (managed care):

Under the Medi-Cal managed care system, the County contracts with inpatient mental health facilities that provide significant amounts of Medi-Cal eligible services to County patients. Contract amounts are based on utilization during the previous fiscal year. Under this managed care agreement, St. Helena Hospital provides inpatient mental health services to adults.

The amendment to Agreement No. 3592 establishes the all-inclusive rate at which St. Helena Hospital will bill HHSA in Fiscal Year 2006-2007. Under Realignment, managed care costs are the County's responsibility. Therefore, the contracts contain no maximum amounts. State regulations guide rate-setting and contract requirements. The hospital bills Medi-Cal and receives reimbursement of 50 percent of the costs. The hospital bills the County for the remainder, which the County pays for with its annual managed care allocation from the State.

Agreement No. 4141 (indigent clients):

Although rare, clients who are not insured by Medi-Cal, Medicare, or any private insurer are referred for inpatient mental health services as required under State law. These indigent contracts continue an established procedure for hospital acceptance and billing for services provided. The rates established for compensation are identical to those in the respective inpatient managed care agreements. Under this agreement, St. Helena Hospital provides inpatient mental health services to indigent adults. Amendment No. 3 increases the maximum amount to allow the contractor to be compensated for additional client hospitalizations in Fiscal Year 2005-2006. Amendment No. 4 establishes the all-inclusive rate at which the hospital will bill HHSA in Fiscal Year 2006-2007.

The Agency has an executed Business Associate agreement in place with this vendor.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita