



Agenda Date: 9/27/2005  
Agenda Placement: 6A

## 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:** Amendments with St. Helena Hospital, St. Helena Hospital Center for Behavioral Health,  
Telecare Corporation and Mt. Diablo Medical Pavilion (Managed Care & Indigent Care)

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### **RECOMMENDATION**

Director of Health and Human Services requests approval of and authorization for the Chair to sign the following amendments revising the daily rates of psychiatric hospitals for the provision of managed care (Medi-Cal) inpatient mental health services and mental health services for uninsured clients:

1. Managed care amendments:
  - a. Amendment No. 1 to Agreement No. 4135 with St. Helena Hospital Center for Behavioral Health;
  - b. Amendment No. 1 to Agreement No. 4277 with Telecare Corporation; and
  - c. Amendment No. 1 to Agreement No. 6132 with Mt. Diablo Medical Pavillion.
2. Agreements for uninsured clients:
  - a. Amendment No. 1 to Agreement No. 4141 with St. Helena Hospital;
  - b. Amendment No. 1 to Agreement No. 4142 with St. Helena Hospital Center for Behavioral Health;  
and
  - c. Amendment No. 1 to Agreement No. 4464 with Telecare Corporation.

### **EXECUTIVE SUMMARY**

These amendments revise the daily bed rates at four facilities that provide inpatient mental health services for managed care (Medi-Cal) clients and uninsured clients who require psychiatric hospitalizations.

### **FISCAL IMPACT**

Is there a Fiscal Impact?            Yes  
Is it currently budgeted?            Yes

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Where is it budgeted?	Behavioral Health
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	Yes
Future fiscal impact:	Although the agreements terminate June 30, 2006, each of the agreements contain an automatic renewal clause, which allows the County the option to continue these services into the next fiscal year. The managed care agreements (Agreement Nos. 4135, 4277 and 6132) do not have maximum dollar amounts. Appropriations for the uninsured agreements (Agreement Nos. 4141, 4142 and 4464) will be budgeted accordingly.
Consequences if not approved:	Mandatory services will not be provided.
Additional Information:	None.

### **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 Nos. 4135, 4277 and 6132 (managed care):

Under the Medi-Cal managed care system, the County contracts with inpatient mental health facilities providing significant amounts of Medi-Cal-eligible services to County patients, based upon utilization during the previous fiscal year. Under the managed care contract, St. Helena Hospital Center for Behavioral Health in Vallejo provides inpatient mental health services to children and older adults. Telecare Corporation is a psychiatric health facility located in Fairfield that provides inpatient mental health services to adults. Mt. Diablo Medical Pavilion (Walnut Creek) provides inpatient mental health services to children and adults.

Under these managed care contracts, the hospital bills Medi-Cal and receives reimbursement of 50 percent of the costs. Under Realignment, the remaining 50 percent is the County's responsibility but is funded by an annual managed care allocation that the County receives from the State. Since these costs are the County's responsibility, the contracts contain no maximum amounts. State regulations guide rate-setting and contract requirements.

#### Agreement Nos. 4141, 4142 and 4464 (uninsured clients):

Although rare, clients who are not insured by Medi-Cal, Medicare, or a private insurer are referred for inpatient mental health services as required under state law. These 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. These contracts are funded by County dollar.

The department has executed Business Associate agreements with these vendors in place.

**SUPPORTING DOCUMENTS**

None

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita