

138

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Director of Mental Health

SUBMITTAL DATE: May 15, 2003

SUBJECT: Approval of Fiscal Year 2003/04 Managed Care Hospital Contracts, All Districts.

RECOMMENDED MOTION: Move that the Board of Supervisors approve and authorize the Chairman of the Board to sign the Managed Care Hospital Contracts, as specified in Attachment A, for Fiscal Year 03/04.

BACKGROUND: On December 6, 1994, Agenda No. 3.25, the Board approved a motion to authorize the Department of Mental Health to function as the Mental Health Plan (MHP) for Riverside County Medi-Cal beneficiaries, with the Director of Mental Health serving as the plan's administrator.

Continued on Page 2...

THESE AGREEMENTS HAVE BEEN FORM APPROVED BY THE OFFICE OF COUNTY COUNSEL.

John J. Ryan
John J. Ryan, Director
Department of Mental Health

JJR:JT

FINANCIAL DATA: FY03/04
CURRENT YEAR COST: \$415,694
NET COUNTY COST: \$-0-

ANNUAL COST: \$-0-
IN CURRENT YEAR BUDGET: YES FY03/04
BUDGET ADJUSTMENT: NO

SOURCE OF FUNDS: See Attachment A

C.E.O. RECOMMENDATION:

APPROVE

County Executive Officer Signature

Gregory C. ...

Department Recommendation: Policy Policy
Per Executive Office: Consent Consent

SUBJECT: Approval of Fiscal Year 2003/04 Managed Care Hospital Contracts, All Districts.

BACKGROUND (con't)

The MHP is to systematically consolidate Short/Doyle and Fee for Service Medi-Cal mental health services to create an integrated Medi-Cal Managed Care Mental Health System operated at the County level. As administrator of the Riverside County MHP, the Department is responsible for authorization and payment of the State Medi-Cal match for all medically necessary acute psychiatric inpatient hospital services for Riverside County Medi-Cal beneficiaries.

In November 1997, the State also gave the following responsibility to the MHP Administrator: 1) authorization and payment of the State/local Medi-Cal match for all medically necessary Specialty Mental Health Services for Riverside County Medi-Cal beneficiaries; 2) submission of Medi-Cal claims directly to the State Department of Mental Health for mental health professional services; and 3) assurance of access for covered specialty mental health services and continuity of the quality of care previously provided to beneficiaries prior to the Department's role as Administrator.

According to Title 9, CCR, Section 1810.430 (a), the Department is required to contract with Traditional Hospitals. Section 1810.252 defines Traditional Hospitals as a hospital that provides services to beneficiaries that account for five percent (5%) or twenty thousand dollars (\$20,000), whichever is more, of the total Fiscal Year Fee-For-Service Medi-Cal psychiatric inpatient hospital service payments for our beneficiaries.

The services provided by these hospitals include psychiatric inpatient hospital services for emotionally disturbed minors and seriously mentally ill older adults in need of acute psychiatric inpatient hospital services. Specific services include psychiatric evaluation and treatment services, routine medical, education, room and board, and all necessary reports. Transportation services for clients, at the time of discharge, back to their living situation are also provided. The agreement establishes the terms between the County and the participating hospitals so inpatient consolidation can occur uniformly within the County.

The hospital contracts that reflect zero maximum obligation are paid by State Medi-Cal directly to the provider for those services which are utilized. Medi-Cal beneficiaries are the only clients covered by these contracts. The rate of payment is negotiated for the State Department of Mental Health by the County in which each facility is located. The State offsets payments made on our behalf by a corresponding reduction in the County's portion of State Realignment funds.

Attachment A illustrates the funding sources and maximum contract amounts. Attachment B provides justification for each contract increase or decrease. Attachment C summarizes contract Boilerplate changes incorporated into the FY 2003/04 contracts.

Page 3

SUBJECT: Approval of Fiscal Year 2003/04 Managed Care Hospital Contracts, All Districts.

BACKGROUND (con't)

There are sufficient funds in the Department's proposed budget for Fiscal Year 2003/04 to provide for all contracts listed on Attachment A and no additional County funds are required. The contracts contain termination provisions in case of unavailability of any Federal, State, and/or County funds.

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ATTACHMENT A
RIVERSIDE COUNTY DEPARTMENT OF MENTAL HEALTH
FUNDING CODE/SOURCE & MAXIMUM CONTRACT AMOUNT, FY 2003/04

MANAGED CARE

Aurora Charter Oak Behavioral Center	10000-4100208065-83950-530280 State 100%	\$315,946
College Hospital Cerritos	10000-4100208074-83950-530280 State 100%	\$49,874
College Hospital Costa Mesa	10000-4100208075-83950-530280 State 100%	\$49,874
Total		\$415,694

MANAGED CARE - Mental Health Plan - Medi-Cal

Aurora Charter Oak Behavioral Center	100% State	\$0
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**ATTACHMENT B
RIVERSIDE COUNTY DEPARTMENT OF MENTAL HEALTH
CONTRACT JUSTIFICATIONS, FY 2003/04**

MANAGED CARE

Managed Care hospital contracts provide psychiatric inpatient services for the care and treatment of an acute episode of mental illness for Riverside County Medi-Cal beneficiaries certified as eligible under Title 22, Section 51001. Services include clinical and medical services, which are generally recognized and accepted for the diagnosis and treatment of mental illness or serious emotional disturbance, as clinically necessary.

AURORA CHARTER OAK BEHAVIORAL CENTER:

	FISCAL YEAR	AMOUNT
Contract Maximum	FY02/03	\$315,946
Increase or Decrease	FY03/04	\$0
Renewal Contract	FY03/04	\$315,946

COLLEGE HOSPITAL CERRITOS:

Justification for Decrease: Contract has been reduced by \$49,757 through a reduction of regular bed days due to lack of services provided.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY02/03	\$99,631
Increase or Decrease	FY03/04	(\$49,757)
Renewal Contract	FY03/04	\$49,874

COLLEGE HOSPITAL COSTA MESA:

Justification for Decrease: Contract has been reduced by \$49,757 through a reduction of regular bed days due to lack of services provided.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY02/03	\$99,631
Increase or Decrease	FY03/04	(\$49,757)
Renewal Contract	FY03/04	\$49,874

AURORA CHARTER OAKS HOSPITAL:

This contract reflects a zero maximum obligation as the State pays the provider directly, this is not included in the County budget process.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY02/03	NA
Increase or Decrease	FY03/04	NA
Renewal Contract	FY03/04	NA

**Form 11 Attachment
Contract/Lease/Purchase Summary Data**

Contract

- Approval/Renewal
- Sole Source
- Personal Services
- Independent Contractor
- Other than low Bid
- Change Order

Lease

- Approval/Renewal
- Multi-Year Lease
- Equipment
- Real Property
- Change Order

Purchase

- Sole Source
- Other Than Low Bid
- Change Order

User Department:	Mental Health
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Vendor/Lessor Name:	Aurora Charter Oaks
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Vendor/Lessor Location:	1161 E. Covina Blvd. Covina, CA 91724
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Applicable Board Policy # Comments:

Selection Committee Member Names (RFP's Only)

Minority

Status: M W DV None

Local Preferences Applied: Yes No

Effectuated Award? Yes No

RFQ/RFP Process:

Date Mailed:
Response Date:
of Responses:
of Qualified Responses:

Bidding Process:

Bid Range:	\$	To: \$
Local Bid Range:	\$	To: \$
Responsive and Responsible Bid Range:	\$	To: \$
Local Performance Award Cost (5% maximum preference)	\$	To: \$
Local Preference FYTD: Cost	\$	To: \$

**Contract/Lease Renewals Only
Proposed Differences**

	<u>Existing Agreement Items</u>	<u>Proposed Agreement Items</u>
1. Rates	\$315,946	\$315,946
2. Terms	FY02/03	FY03/04
3. Conditions		
4. Legal Issues		
5. Accountability		

**Form 11 Attachment
Contract/Lease/Purchase Summary Data**

Contract

- Approval/Renewal
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- Personal Services
- Independent Contractor
- Other than low Bid
- Change Order

Lease

- Approval/Renewal
- Multi-Year Lease
- Equipment
- Real Property
- Change Order

Purchase

- Sole Source
- Other Than Low Bid
- Change Order

User Department:	Mental Health
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Vendor/Lessor Name:	College Hospital of Cerritos
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Vendor/Lessor Location:	10802 College Place Cerritos, CA 90703
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Selection Committee Member Names (RFP's Only)	
Minority Status: <input type="checkbox"/> M <input type="checkbox"/> W <input type="checkbox"/> DV <input type="checkbox"/> None	
Local Preferences Applied:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Effectuated Award?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Applicable Board Policy # Comments:

RFQ/RFP Process:

Date Mailed:
Response Date:
of Responses:
of Qualified Responses:

Bidding Process:

Bid Range:	\$	To: \$
Local Bid Range:	\$	To: \$
Responsive and Responsible Bid Range:		To: \$
Performance Award Cost (Maximum preference)	\$	To: \$
Local Preference FYTD: Cost	\$	To: \$

**Contract/Lease Renewals Only
Proposed Differences**

	<u>Existing Agreement Items</u>	<u>Proposed Agreement Items</u>
1. Rates	\$99,631	\$49,874
2. Terms	FY02/03	FY03/04
3. Conditions		
4. Legal Issues		
5. Accountability		

**Form 11 Attachment
Contract/Lease/Purchase Summary Data**

Contract

- Approval/Renewal
- Sole Source
- Personal Services
- Independent Contractor
- Other than low Bid
- Change Order

Lease

- Approval/Renewal
- Multi-Year Lease
- Equipment
- Real Property
- Change Order

Purchase

- Sole Source
- Other Than Low Bid
- Change Order

User Department:	Mental Health
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Vendor/Lessor Name:	College Hospital of Costa Mesa
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Vendor/Lessor Location:	301 Victoria Street Costa Mesa, CA 92627
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Selection Committee Member Names (RFP's Only)	
Minority Status: <input type="checkbox"/> M <input type="checkbox"/> W <input type="checkbox"/> DV <input type="checkbox"/> None	
Local Preferences Applied:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Effectuated Award?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Applicable Board Policy # Comments:

RFQ/RFP Process:

Date Mailed:
Response Date:
of Responses:
of Qualified Responses:

Bidding Process:

Bid Range:	\$	To: \$
Local Bid Range:	\$	To: \$
Responsive and Responsible Bid Range:		To: \$
Performance Award Cost (Maximum preference)	\$	To: \$
Local Preference FYTD: Cost	\$	To: \$

**Contract/Lease Renewals Only
Proposed Differences**

	<u>Existing Agreement Items</u>	<u>Proposed Agreement Items</u>
1. Rates	\$99,631	\$49,874
2. Terms	FY02/03	FY03/04
3. Conditions		
4. Legal Issues		
5. Accountability		