

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

1991



FROM: Director of Mental Health

SUBMITTAL DATE:
May 21, 2004

SUBJECT: Approval of Fiscal Year 2004/2005 Managed Care Hospital Contracts (All Districts)

RECOMMENDED MOTION: Move that the Board of Supervisors:

- (1) Approve the Department of Mental Health contracts with providers as specified in Attachment A;
- (2) Authorize the Chairman of the Board to sign the agreements.

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.

Departmental Concurrence

Continued on Page 2

THESE CONTRACTS HAVE BEEN FORM APPROVED BY THE OFFICE OF COUNTY COUNSEL

JJR/RE

[Signature]
John J. Ryan Director
Department of Mental Health

FINANCIAL DATA

Current F.Y. Total Cost:	\$ 623,971	In Current Year Budget:	Yes
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
Annual Net County Cost:	\$	For Fiscal Year:	FY 04/05

SOURCE OF FUNDS: See Attachment A

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

[Signature]

- Policy
- Policy
- Consent
- Consent

Dep't Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: 3.18 of 6/3/03, 3.25 of 6/25/02, and 3.29 of 6/12/01

District: All

Agenda Number:

**ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD**

3.32

FORM APPROVED COUNTY COUNSEL

MAY 24 2004

BY *[Signature]*

SUBJECT: Approval of fiscal year 2004/2005 Managed Care Hospital Contracts
All Supervisorial Districts.

BACKGROUND (CONTINUED)...

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), we are 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 that are utilized. Medi-Cal beneficiaries are the only clients covered by these contracts. The County in which each facility is located negotiates the rate of payment for the Department of Mental Health. 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. 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.

**ATTACHMENT A
RIVERSIDE COUNTY DEPARTMENT OF MENTAL HEALTH
FUNDING CODE/SOURCE & MAXIMUM CONTRACT AMOUNT, FY 2004/05**

<u>CONTRACT NAME</u>	<u>FUNDING CODE/SOURCE</u>	<u>CONTRACT AMOUNT</u>
Aurora Charter Oak Behavioral Center	10000-4100208065-83950-530280 State 100%	\$208,524
College Hospital Costa Mesa	10000-4100208075-83950-530280 State 100%	\$32,748
Inland Mental Health dba Canyon Ridge Hospital	10000-4100208108-83950-530280 State 100%	\$382,699

MANAGED CARE - Mental Health Plan - Medi-Cal

Aurora Charter Oak Behavioral Center	100% State	\$0
Inland Mental Health DBA Canyon Ridge Hospital	100% State	\$0

**ATTACHMENT B
RIVERSIDE COUNTY DEPARTMENT OF MENTAL HEALTH
CONTRACT JUSTIFICATIONS, FY 2004/05**

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

Justification for Decrease: Contract has been reduced by \$107,422 through a reduction of regular bed days due to lack of services provided.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY03/04	\$315,946
Increase or Decrease	FY04/05	(\$107,422)
Renewal Contract	FY04/05	\$208,524

COLLEGE HOSPITAL COSTA MESA

Justification for Decrease: Contract has been reduced by \$66,883 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	FY04/05	(\$66,883)
Renewal Contract	FY04/05	\$32,748

INLAND MENTAL HEALTH dba CANYON RIDGE HOSPITAL

Justification for Decrease: Contract has been reduced through a reduction of regular bed days due to lack of services provided.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY03/04	\$579,958
Increase or Decrease	FY04/05	(\$197,259)
Renewal Contract	FY04/05	\$382,699

ATTACHMENT B (CONTINUED)
RIVERSIDE COUNTY DEPARTMENT OF MENTAL HEALTH
CONTRACT JUSTIFICATIONS, FY 2004/05

AURORA CHARTER OAKS HOSPITAL
INLAND MENTAL HEALTH ASSOC DBA CANYON RIDGE HOSPITAL

These contracts reflect a zero maximum obligation as the State pays the provider directly and are not included in the County budget process.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY03/04	NA
Increase or Decrease	FY04/05	NA
Renewal Contract	FY04/05	NA