

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

609



Purchasing: *M. J. ...*
ASST. Director

Departmental Concurrence

FROM: Department of Mental Health

SUBMITTAL DATE:
July 30, 2004

SUBJECT: Approval of Mental Health Contracts with Institutes for Mental Disease (IMDs)

RECOMMENDED MOTION: Move that the Board of Supervisors;

1. Ratify the Department of Mental Health contract with Shandin Hills Rehabilitation Center and authorize the Chairman of the Board to sign.
2. Authorize the Purchasing Agent to establish new contracts not to exceed \$100,000 and the annual aggregate of \$3,673,584 without prior Board approval, annually through June 30, 2008.
3. Authorize the Purchasing Agent to enter into amendments and annually renew existing contracts with the IMD facilities for any state rate adjustments and to transfer funds between these contracts as necessary, increasing and decreasing the amount of each according to the actual usage of each IMD, staying within the annual aggregate amount of \$3,673,584 for all, annually through June 30, 2008.

BACKGROUND: The Department of Mental Health has established contracts with the facilities listed on Attachment A, which includes a maximum contract amount based on the projected bed usage and the State approved rate.
Continued on page 2...

JJR:JLT

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

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 3,673,584	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 491,362	Budget Adjustment:	No
	Annual Net County Cost:	\$ 491,362	For Fiscal Year:	FY 04/05-07/08
SOURCE OF FUNDS: Realignment 80.05%, County 13.38%, Other 6.57%				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

Bronck King

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

Prev. Agn. Ref.: 3.29 of 6/11/02

District: All

Agenda Number:

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

3.49

SUBJECT: Approval of Mental Health Contract with Institutes for Mental Disease (IMD)

BACKGROUND (CONTINUED)...

Throughout the year, clients are placed in these facilities based on their individual needs and location. Because IMD services are determined by each client's unique needs, it is difficult to accurately predict the actual utilization by facility at the beginning of the fiscal year. As a result, it is common for the Department to shift funds during the course of the year. In addition, the State revises the bed rate on an annual basis. For example, effective August 1, 2003, IMD reimbursement rates increased 4% from the previous year. However, the Department did not receive notification of the rate change until October 2003. Rates are changed pursuant to Section 5902(e) of the Welfare and Institution Code. This regulation stipulates that as long as IMD facilities have County contracts, and retain their nursing facility – Level B licensure and certification, they shall be reimbursed for basic services at the rate established by the State Department of Mental Health. In addition, ancillary services including psychotropic medications, laboratory tests, and monthly psychiatric services, are provided to clients placed in IMD facilities. These services are provided to clients who are treated at IMD facilities in accordance with Title 22 for licensing.

On June 11, 2002 the Board approved the contracts for the three IMDs through June 30, 2005 not to exceed \$3,673,584; additionally it authorized the Mental Health Director to enter into amendments with the facilities to accommodate the state rate increases and funding shifts due to usage. The Department is requesting that the Board approve the ability to increase and decrease the amount of each contract according to the actual usage of each IMD, up to the annual aggregate amount of \$3,673,584. The Department has contracted with three IMD facilities, and is adding Shandin Hills Rehabilitation Center as a qualified IMD facility. The annual aggregate amount remains \$3,673,584. The Department monitors the actual monthly expenditures to ensure that they do not exceed the approved limit. If additional amounts are needed, then Board of Supervisors' approval shall be obtained.

The specified contracts will be effective from July 1, 2004 through June 30, 2005 and will be eligible for renewal for up to three consecutive years for an amount no greater than the annual aggregate. If it becomes necessary to issue an additional contract in excess of \$100,000, the Department will submit the contract for Board approval. There are sufficient funds in the Department's proposed budget for fiscal year 2004/2005 to provide for the 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
CONTRACT JUSTIFICATIONS, FY 04/05**

New Contract

**SHANDIN HILLS REHABILITATION CENTER (dba SHANDIN HILLS
BEHAVIOR THERAPY CENTER)
4164 North 4th Avenue
San Bernardino, CA 92407**

Shandin Hills is an Institute for Mental Disease (IMD) facility. An IMD facility is a State-licensed Skilled Nursing facility (SNF) with a special treatment program, serving clients within the age range of 18-64. Treatment services include: self-help skills training, behavioral intervention training, interpersonal relationships, discharge planning, and pre-vocations preparation services (i.e. homemaking, work activity, and vocational planning).

Justification: The addition of the Shandin Hills contract will provide and additional facility to assist in ensuring bed availability at time of placement.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY03/04	\$0
Increase or Decrease	FY04/05	\$238,709
Renewal Contract	FY04/05	\$238,709

Established Contracts

**COUNTRY VILLA RIVERSIDE HEALTHCARE CENTER
4580 Palm Avenue
Riverside, CA 92501**

Country Villa Riverside Healthcare Center is an Institute for Mental Disease (IMD) facility. An IMD facility is a State-licensed Skilled Nursing facility (SNF) with a special treatment program serving clients within the age range of 18-64. Treatment services include: self-help skills training, behavioral intervention training, interpersonal relationships, discharge planning, and pre-vocations preparation services (i.e. homemaking, work activity, and vocational planning).

Justification: The contract maximum was decreased to align the contract with the actual anticipated usage.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY03/04	\$1,330,295
Increase or Decrease	FY04/05	(\$250,012)
Renewal Contract	FY04/05	\$1,080,283

**ATTACHMENT A (CONTINUED)
RIVERSIDE COUNTY DEPARTMENT OF MENTAL HEALTH
CONTRACT JUSTIFICATIONS, FY 04/05**

**BRASWELL ENTERPRISES (dba SIERRA VISTA)
3455 Highland Avenue
Highland, CA 92346**

Sierra Vista is an Institute for Mental Disease (IMD) facility. An IMD facility is a State-licensed Skilled Nursing facility (SNF) with a special treatment program serving clients within the age range of 18-64. Treatment services include: self-help skills training, behavioral intervention training, interpersonal relationships, discharge planning, and pre-vocations preparation services (i.e. homemaking, work activity, and vocational planning).

Justification: The contract maximum was increased to align the contract with the actual anticipated usage.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY03/04	\$646,549
Increase or Decrease	FY04/05	\$500,012
Renewal Contract	FY04/05	\$1,146,561

**VISTA PACIFICA ENTERPRISES, INC.
3674 Pacific Avenue
Riverside, CA 92509**

Vista Pacifica is an Institute for Mental Disease (IMD) facility. An IMD facility is a State-licensed Skilled Nursing facility (SNF) with a special treatment program serving clients within the age range of 18-64. Treatment services include: self-help skills training, behavioral intervention training, interpersonal relationships, discharge planning, and pre-vocations preparation services (i.e. homemaking, work activity, and vocational planning).

Justification: The contract maximum was decreased to align the contract with the actual anticipated usage.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY03/04	\$1,474,917
Increase or Decrease	FY04/05	(\$266,886)
Renewal Contract	FY04/05	\$1,208,031