

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

121



**FROM:** Department of Mental Health

**SUBMITTAL DATE:**

**SUBJECT:** Mid Fiscal Year (2006/2007) Adjustment of Indigent Hospital Contracts


**RECOMMENDED MOTION:** Move that the Board of Supervisors:

- 1) Approve the Department of Mental Health adjustment of contract maximums with Providers as specified in Attachment A;
- 2) Authorize the Purchasing Agent to enter into Amendments, increasing and decreasing contracts based on utilization and rate adjustments, not to exceed the annual maximum aggregate amount of \$1,000,000;
- 3) Exempt the Purchasing Agent from the requirement of sole source contracts when adding hospitals to the existing list of hospitals;
- 4) Authorize the Purchasing Agent to renew all contracts annually to June 30, 2010.

**BACKGROUND:** On June 13, 2006, Agenda Item 3.19, the Board approved the renewal of Managed

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JW:TN

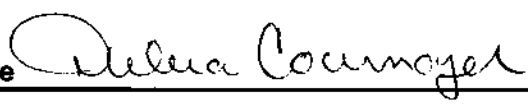
  
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 Jerry Wengert, Director  
 Department of Mental Health

<b>FINANCIAL DATA</b>	<b>Current F.Y. Total Cost:</b>	\$ 1,000,000	<b>In Current Year Budget:</b>	Yes
	<b>Current F.Y. Net County Cost:</b>	\$ 0	<b>Budget Adjustment:</b>	No
	<b>Annual Net County Cost:</b>	\$ 0	<b>For Fiscal Year:</b>	FY 06/07

<b>SOURCE OF FUNDS:</b> 100% State	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

APPROV

**County Executive Office Signature** 

FORM APPROVAL COUNTY COUNSEL  
 MAY 11 2007  
 BY: [Signature]  
 Assistant Director  
 Purchasing:  
 Policy  
 Policy  
 Consent  
 Consent  
 Dept's Recomm.:  
 Per Exec. Ofc.:

**SUBJECT:** Mid Fiscal Year (2006/2007) Adjustment of Indigent Hospital Contracts

**BACKGROUND: (Continued)**

Care/Indigent Hospital Contracts for Fiscal Year 2006/2007. These hospitals provide psychiatric inpatient hospital services for emotionally disturbed minors and seriously mentally ill older adults in need of acute psychiatric inpatient hospital services. A mid year review of contract utilization revealed the necessity of adjusting the contract maximum amounts to reflect actual utilization rates. The Department is establishing an aggregate because these indigent services are required by law and the hospitals providing the services need to be reimbursed. Furthermore, the Department is contracting with all hospitals that provide these services to mentally ill Riverside County clients.

There are sufficient funds in the Department's budget for fiscal year 2006/2007 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.

**PRICE REASONABLENESS:** The rate of payment is negotiated for the Department of Mental Health by the County in which each facility is located. Payments are made to the hospital by the State and the State then offsets payments made on our behalf by a corresponding reduction in the County's portion of State Realignment funds.

ATTACHMENT A

RIVERSIDE COUNTY DEPARTMENT OF MENTAL HEALTH  
INDIGENT HOSPITAL CONTRACT MID FISCAL YEAR ADJUSTMENTS

Indigent hospital contracts provide psychiatric inpatient services for consumers who are non Medi-Cal eligible under Title 22, Section 51001.

CONTRACT NAME	CURRENT	INCREASE/ DECREASE	NEW MAXIMUM
AURORA CHARTER OAK	\$209,400	(\$9,850)	\$199,550
CANYON RIDGE	\$382,710	(\$90,260)	\$292,450
REDLANDS COMMUNITY	\$101,700	0	\$101,700
VALLEY HEALTH SYSTEM (Hemet Valley Med. Center) (Moreno Valley Comm. Hospital)	\$199,890	\$100,110	\$300,000
RESERVE			\$106,300
<b>TOTAL</b>			<b>\$1,000,000</b>