

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



ITEM: 3.39  
(ID # 19551)

MEETING DATE:

Tuesday, July 26, 2022

FROM : RUHS-BEHAVIORAL HEALTH:

**SUBJECT:** RIVERSIDE UNIVERSITY HEALTH SYSTEM-BEHAVIORAL HEALTH: Approve an Increase to the Annual Contract Aggregate for Psychiatric Inpatient Hospital Services from \$5,000,000 to \$7,000,000 with the Option to Renew for Five Additional One Year Periods, All Districts. [\$2,000,000 in Additional Cost for FY21/22 and \$10,000,000 Annually Through FY 26/27; Up to \$700,000 in Additional Compensation Annually] 100% State Funding

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve an increase to the annual Contract Aggregate for the vendors listed in Attachment A to provide Psychiatric Inpatient Hospital Services by \$2,000,000 from \$5,000,000 to \$7,000,000 for Fiscal Year 2021/2022 with the option to renew agreements in a combined aggregate amount of \$7,000,000 for a total cost of \$37,000,000 through June 30, 2027; and
2. Authorize the Purchasing Agent, in accordance with Ordinance 459, based upon the availability of funding and as approved by County Counsel to: a) authorize the Purchasing Agent to add new providers not to exceed \$250,000 while staying within the approved aggregate amount; b) move the allocated funds among the vendors listed in Attachment A; c) sign amendments that exercise the options of the agreement including modifications of the statement of work that stay within the intent of the Agreement; and d) sign amendments to the compensation provisions that do not exceed the sum total of ten percent (10%) of the total annual cost of the contracts.

**ACTION:**Policy

*Matthew Chang*  
Matthew Chang, Director

7/6/2022

*Gregg Gu*  
Gregg Gu, Chief Deputy County Counsel

7/20/2022

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Spiegel, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt  
Nays: None  
Absent: None  
Date: July 26, 2022  
xc: RUHS-Behavioral Health

Kecia R. Harper  
Clerk of the Board

By: *[Signature]*  
Deputy

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| <b>FINANCIAL DATA</b>                     | <b>Current Fiscal Year:</b> | <b>Next Fiscal Year:</b> | <b>Total Cost:</b>                  | <b>Ongoing Cost</b> |
|---|-----------------------------|--------------------------|-------------------------------------|---------------------|
| <b>COST</b>                               | \$2,000,000                 | \$7,000,000              | \$37,000,000                        | \$0                 |
| <b>NET COUNTY COST</b>                    | \$0                         | \$0                      | \$ 0                                | \$0                 |
| <b>SOURCE OF FUNDS: 100% State Funded</b> |                             |                          | <b>Budget Adjustment:</b> No        |                     |
|   |                             |                          | <b>For Fiscal Year:</b> 21/22-26/27 |                     |

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

**BACKGROUND:**

**Summary**

As the Mental Health Plan provider for Riverside County, Riverside University Health System – Behavioral Health (RUHS-BH) is required to provide acute psychiatric inpatient hospital services to seriously mentally ill children, adults, and older adults. Inpatient hospital services include psychiatric evaluation and treatment services, medication services, and discharge planning and coordination geared to stabilize the individual for return to the community.

**Impact on Citizens and Businesses**

These services are a component of Behavioral Health's system of care aimed at improving the health and safety of consumers and the community.

**Additional Fiscal Information**

The Psychiatric Inpatient Hospital Agreements are funded using State funds and have termination clauses in the event that funds become unavailable for service provision. No additional County funds are required.

**Contract History and Price Reasonableness**

RUHS- BH is mandated to pay for Psychiatric Inpatient Hospital Services provided to Riverside County Medi-Cal consumers. Therefore, the Psychiatric Inpatient Hospital Contract Aggregate and Agreements have previously been approved without seeking competition by the Board of Supervisors as follows:

- On January 28, 2014 (Agenda Item No. 3-18) in the amount of \$1,000,000 annually through June 30, 2018;
- On June 26, 2018 (Agenda Item No 3.49), the Contract Aggregate increased from \$1,000,000 to \$1,500,000 annually through June 30, 2022;
- On June 25, 2019 (Agenda Item No 3.33), the Contract aggregate increased from \$1,500,000 to \$3,000,000 annually through June 30, 2022;
- On December 15, 2020 (Agenda Item No. 3.27), the Aggregate was increased from \$3,000,000 to \$5,063,535 for FY 19/20; and
- On July 27, 2021 (Agenda item No. 3.27), the Aggregate was increased from \$3,000,000 to \$5,000,000 annually through June 30, 2022



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There has been a substantial upsurge in the utilization of inpatient psychiatric hospital services; therefore, RUHS-BH is requesting an increase to the aggregate from \$5,000,000 to \$7,000,000 annually through June 30, 2022 with the option to renew agreements annually through June 30, 2027.

Due to the specialized, highly structured and diverse treatment environments needed to treat RUHS-BH consumers with mental illness, an increase in diverse levels of care, such as those provided by the vendors listed in Attachment A, RUHS-BH requires the flexibility to add vendors for psychiatric inpatient hospital services as needed to ensure continuity of care. Such vendors are subject to providing proof of appropriate certifications, licensing and/or other standard review qualifications. Ordinance 459 allows for the implementation of patient services contracts that provide reimbursement of service costs, without bidding, which are state or federally mandated and funded.

RUHS-BH uses the Department of Health Care Services rates as its standard for establishing the rates for these providers. Each provider Agreement amount is based on a projected utilization multiplied by the acute bed rate.

**ATTACHMENT A**

**Psychiatric Inpatient Hospital Providers**

| <b>Provider</b>                               | <b>Contract Maximum</b> |
|---|-------------------------|
| Corona Regional Medical Center - Indigent     | \$ 229,900.00           |
| Loma Linda Behavioral Med Center - Indigent   | \$ 25,885.00            |
| Loma Linda Behavioral Med Center              | \$ 1,209,080.00         |
| Vista Behavioral DBA Pacific Grove            | \$ 4,579,950.00         |
| Vista Behavioral DBA Pacific Grove - Indigent | \$ 100,680.00           |
| Aurora Charter Oak Hospital                   | \$ 489,600.00           |
| Aurora Vista Del Mar                          | \$ 7,600.00             |
| Sharp Mesa Vista                              | \$ 25,650.00            |
| BHC Heritage Oaks                             | \$ 50,717.00            |
| BHC Sierra Vista Hospital                     | \$ 44,532.00            |
| Canyon Ridge Hospital                         | \$ 163,737.00           |
| College Hospital Cerritos                     | \$ 49,842.00            |
| Aurora Las Encinas Hospital                   | \$ 10,530.00            |
| Sutter Center for Psychiatry                  | \$ 11,748.00            |
| <b>Total Amount Obligated</b>                 | <b>\$ 6,999,451.00</b>  |
| <b>Reserve</b>                                | <b>\$ 549.00</b>        |
| <b>Total Aggregated</b>                       | <b>\$ 7,000,000.00</b>  |

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Suzanna Hockley, Assistant Director of Purchasing and Fleet Service

7/14/2022



Jacqueline Ruiz, Sr. Management Analyst

7/20/2022