

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



**ITEM: 3.29  
(ID # 22927)**

**MEETING DATE:**

**FROM :** RUHS-BEHAVIORAL HEALTH:

Tuesday, October 17, 2023

**SUBJECT:** RIVERSIDE UNIVERSITY HEALTH SYSTEM - BEHAVIORAL HEALTH: Ratify and Approve an Increase to the Contract Aggregate for the Institute for Mental Disease (IMD) from \$17,000,000 to \$23,000,000 for FY 2022/2023 and Extend the Contract Aggregate Period through FY 2025/2026. All Districts. [Total Cost \$92,000,000, up to \$2,300,000 in additional compensation per fiscal year, \$23,000,000 annually, 91% State Funds, 9% General Funds]

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

1. Ratify and Approve an increase to the Contract Aggregate, for the vendors listed in Attachment A, to provide Institute for Mental Disease (IMD) services in the \$6,000,000 for FY 2022/2023, from \$17,000,000 to \$23,000,000 FY2023/2024 through FY2025/2026, for a total cost of \$92,000,000 through June 30, 2026; 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) exempt the Purchasing Agent from the sole source requirement when adding new providers not to exceed \$100,000 without securing competitive bids while staying within the approved aggregate amount; b) move the allocated funds among the providers listed in Attachment A; c) sign renewals and 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 10% of the total aggregate amount through June 30, 2026.

**ACTION:**Consent, Policy

  
Matthew Chang, Director 9/25/2023

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**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: October 17, 2023  
xc: RUHS-BH

Kimberly A. Rector  
Clerk of the Board

By:   
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>	\$ 6,000,000	\$ 23,000,000	\$ 92,000,000	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> 91% State, 9% General Fund			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 22/23-25/26	

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

**BACKGROUND:**

The Riverside University Health System - Behavioral Health (RUHS-BH) operates a continuum of care system that consists of County-operated and contracted service providers delivering a variety of mental health treatment services within each geographic region of Riverside County.

Institutions for mental disease (IMD) are facilities that have 16 or more beds where individuals reside to treat mental illness, as well as receive medical and nursing care services (Title 42, Code of Federal Regulations (CFR), § 435.1010). In California, IMDs can be psychiatric hospitals, psychiatric health facilities (PHF), skilled nursing facilities with special treatment programs (SNF-STP), mental health rehabilitation centers (MHRC), or state hospitals. They serve clients within the age range of 18-64. Consumers of these services are placed into IMD facilities based on the severity of their mental illness, treatment needs and the availability of beds. 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). The IMDs provide a lower level of care from the Inpatient Treatment Facility and therefore are a more cost-effective treatment alternative.

On May 22, 2018 (Item 3.23), the Board of Supervisors approved the IMD contract aggregate amount of \$15,000,000 annually through June 30, 2021.

On May 25, 2021 (Item 3.23) the Board of Supervisors approved the IMD contract aggregate amount of \$17,000,000 annually through June 30, 2024.

RUHS-BH is requesting that the Board of Supervisors approve the increase to the IMD contract aggregate Agreements with the vendors listed in Attachment A for combined annual aggregate of \$23,000,000 through June 30, 2026.

**Impact on Citizens and Businesses**

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

**Contract History and Price Reasonableness**

The current IMD baseline rate is \$204.94 per day, which is set forth and regulated by the State. Each IMD provider's contract maximum obligation is based on a projected utilization multiplied

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by the State mandated IMD rate. Utilization is monitored throughout the year to determine the projected contract amount. However, due to limited bed space within the State and competition from other counties for those beds, the rate can increase beyond the baseline rate.

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.

**ATTACHMENT A  
FY 2023/2024 CONTRACT MAXIMUM AMOUNTS**

CONTRACTOR	CONTRACT MAXIMUM AMOUNT
Riverside Healthcare Center	\$5,116,899
Shandin Hills	\$750,000
Sierra Vista	\$500,000
Vista Pacifica	\$4,700,392
Landmark	\$4,551,451
View Heights Convalescent Hospital	\$6,000,914
Total Contracted amounts	\$21,619,656
Reserve	\$1,380,344
Total Aggregate Amount	\$23,000,000

*Meghan Hahn*  
Meghan Hahn, Deputy Director of Procurement 10/4/2023

*Jacqueline Ruiz*  
Jacqueline Ruiz, Sr. Management Analyst 10/10/2023

*Kelly Moran*  
Kelly Moran, Deputy County Counsel 10/4/2023