



Agenda Date: 4/11/2006
Agenda Placement: 6C

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Shelli Brobst for Randy Snowden - Director
Health & Human Services
REPORT BY: Shelli Brobst, Contracts Analyst, 253-4720
SUBJECT: Amendment No. 2 to Agreement with St. Helena Hospital (Uninsured clients)

RECOMMENDATION

Director of Health and Human Services requests approval of and authorization for the Chair to sign Amendment No. 2 to Agreement No. 4141 with St. Helena Hospital, Inc. increasing the amount by \$45,000 for a new maximum of \$80,000 to provide an increased number of inpatient mental health services for uninsured clients, with no change in the daily rate.

EXECUTIVE SUMMARY

The agreement is being amended to increase the contract maximum due to higher than expected inpatient hospitalizations of indigent clients at St. Helena Hospital.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Mental Health
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	Yes
Future fiscal impact:	None
Consequences if not approved:	The County would be in violation of the state mandate.
Additional Information:	While there is no specific revenue offset, this contract is part of the costs which are offset by the VLF and Sales Tax Realignment Funds received annually from the state specifically for Mental Health services. This is a mandated

program, and when realignment funds are exhausted, this program is funded through the general fund. However, the increase is within the authorized budgeted amount of \$135,000. The higher rate of use at St. Helena Hospital, rather than at other providers, is behind the requested amendment.

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

The contract provides inpatient psychiatric hospitalizations for adults who are indigent and/or unable to qualify for insurance or other payor sources to cover this acute level of care. The County reimburses the contractor per day (through an "all inclusive daily rate") for all services provided if the contractor sufficiently documents medical necessity for this level of care. The daily rate is the rate negotiated for Medi-Cal clients for inpatient care plus the Agency's managed care physician rate for inpatient psychiatry. The daily rate is not being changed through the requested amendment; however usage at St. Helena Hospitals has increased relative to other providers.

This agreement is being amended to increase the contract maximum due to higher than expected inpatient hospitalizations of indigent clients at St. Helena Hospital. The department has an executed Business Associate agreement on file with this provider.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita