

**COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH**

**F A C T   S H E E T**

**APPROVAL OF AND AUTHORIZATION TO IMPLEMENT THE  
ADDITIONAL PLAN FOR THE RELIEF OF COUNTY HOSPITAL  
PSYCHIATRIC EMERGENCY SERVICES  
AND  
APPROVAL OF REQUEST FOR APPROPRIATION ADJUSTMENT  
FOR FISCAL YEAR 2005-2006  
(ALL SUPERVISORIAL DISTRICTS)**

**REQUEST**

1. Approve the Additional Psychiatric Emergency Services (PES) Relief Plan, developed in collaboration with the Department of Health Services (DHS) and the Chief Administrative Office (CAO), to purchase 107 beds (39 psychiatric inpatient, 20 Institutions for Mental Disease (IMD), and 48 augmented residential) to alleviate the overcrowding of the County's four (4) PES, as directed by the Board on June 20, 2005, and authorize the Department of Mental Health (DMH) to initiate actions in accordance with this Plan. The Fiscal Year (FY) 2005-2006 cost of these actions is \$11,374,000, consisting of one-time only net County cost (NCC) of \$10,914,000, and \$460,000 of projected Federal Financial Participation (FFP) Medi-Cal revenue.
2. Authorize the purchase of 20 additional IMD beds for FY 2005-2006 at a cost of \$1,142,500 to be dedicated to persons who require this level of care and who are being discharged from the County hospital inpatient units.

Delegate authority to the Director of Mental Health or his designee, as necessary, to adapt to the changing needs for psychiatric emergency, inpatient, and residential care in Los Angeles County and make adjustments among the PDP's acute psychiatric inpatient and IMD components of the Additional PES Relief Plan, consistent with the intent of the Plan.

3. Authorize the Director of Mental Health or his designee to develop a Psychiatric Outreach Team Diversion Program (PDP) in conjunction with psychiatric inpatient facilities (Attachment I) that are certified to provide Fee-For-Service (FFS) Medi-Cal services and have Lanterman-Petris-Short (LPS) designation for involuntary treatment. Under this Program, approximately 16 beds could be purchased at any given time. The total projected FY 2005-2006 cost of this PDP is \$4,050,000.

Delegate authority to the Director of Mental Health or his designee, as necessary, to adapt to the changing needs for psychiatric emergency, inpatient, and residential care in Los Angeles County and make adjustments among the PDP's acute psychiatric inpatient and IMD components of the Additional PES Relief Plan, consistent with the intent of the Plan.

4. Approve DMH's recommendation regarding LPS designation of Urgent Care Centers and delegate authority to the Director of Mental Health or his designee to designate, in accordance with the State of California Welfare and Institutions Code Sections 5404 and 5150, existing and future County directly operated and contracted Urgent Care Centers that meet applicable County and State requirements.
5. Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute amendments, as listed in Attachment II, to two (2) Legal Entity (LE) Agreements with Kedren Community Health Center, Inc. (Kedren) and Gateways Hospital and Mental Health Center (Gateways), and one (1) Specialized Agreement with College Hospital; and also a new Specialized Agreement, with White Memorial Medical Center (White Memorial) for the augmentation of 23 acute psychiatric inpatient beds for uninsured adults and 48 secured residential beds for adults. The total FY 2005-2006 cost for these 71 additional beds is \$6,181,660. Attachment II details the contractors, beds by component of the PES Relief Plan, and costs.
6. Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute amendments and a new Service Exhibit to existing and new FFS Medi-Cal Psychiatric Inpatient Hospital Agreements with eligible psychiatric inpatient facilities that participate in the PDP.
7. Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute amendments to the Legal Entity, Specialized, and FFS Medi-Cal Psychiatric Inpatient Hospital Agreements and establish as a new Maximum Contract Amount (MCA) or applicable Contract Allowable Rate (CAR) the aggregate of each original Agreement and all amendments.
8. Approve the Request for Appropriation Adjustment in the amount of \$11,374,000 for FY 2005-2006. The adjustment will transfer \$10,914,000 in NCC from Provisional Financing Uses (PFU) to DMH and increase DMH's FFP Medi-Cal revenue by \$460,000 to fund the Services and Supplies (S&S), necessary to implement these actions.

### **PURPOSE/JUSTIFICATION**

On June 20, 2005, the Board Directed the CAO to transfer \$10,914,000 in proposed one-time NCC funding from DMH to Provisional Financing Uses and directed DMH and the CAO to return to the Board with a plan to utilize these funds for additional relief of the county's hospitals' PES. This submission outlines the Plan developed by DMH, DHS, and the CAO to relieve the overcrowding in the PES. The purpose of the requested actions is to obtain approval of the plan and authorization for its immediate implementation to alleviate the current overcrowding of the DHS PES. The elements of this Plan will expand acute inpatient and locked residential capacity to meet the immediate need for treatment resources for persons suffering from these disorders. In addition, the Plan includes an augmented residential program that can be replicated throughout the County in future years.

The requested actions are also intended to ensure that all areas of the County have equitable psychiatric inpatient and residential bed resources within their particular geographic areas, and that, in the future, new or existing resources can readily be incorporated, enhancing DMH's ability to adapt to the changing circumstances of psychiatric emergency and inpatient care. Particular emphasis will be given to negotiating Specialized Agreements under the PDP with acute psychiatric inpatient facilities within each geographic area to reduce the distances mentally ill individuals and their families need to travel to obtain care. Additionally, DHS and DMH are further proposing the delegation of authority to the Director of Mental Health his designee to designate Urgent Care Canters receive involuntary clients to assist in decompressing County's Psychiatric Emergency Rooms.

### **CONTRACTING PROCESS**

The proposed actions will primarily be accomplished through amendments to existing contracts and a new contract with White Memorial Medical Center. The PDP will be available to all interested and eligible FFS Medi-Cal and LPS-designated hospital providers.

### **FISCAL SUMMARY**

Approval of the requested actions will increase NCC by \$10,914,000.

The FY 2005-2006 cost of the Additional PES Relief Plan is \$11,374,000. This amount includes funding for increases in acute inpatient, IMD, augmented residential care capacity, and pharmacy costs. The Additional PES Relief Plan will be financed by \$10,914,000 one-time NCC and \$460,000 in FFP Medi-Cal revenue.

For FY 2005-2006, the Request for Appropriation Adjustment in the amount of \$11,374,000, fully funded with \$10,914,000 one-time NCC and \$460,000 in FFP Medi-Cal revenue, provides DMH with the spending authority to fund the necessary increase in S&S for the implementation of the Additional PES Relief Plan.

### **FACTS AND PROVISIONS**

Over the past two years, DMH and DHS have engaged in collaborative efforts to decompress the County's hospitals' PES. Despite these efforts, the overcrowding has persisted. In recent months, DMH and DHS have worked with the Board offices to develop additional measures and, on April 6 and 18, 2005, the Departments reported on actions taken and provided additional recommendations to the Board to address the situation. Based on these reports and ongoing concerns on April 26, 2005, the Board directed DMH and DHS to work with the CAO to immediately implement the recommendations made to address the overcrowding. In order to do so, the CAO committed to identifying funding to carry out the recommendations and, subsequently, proposed the utilization of \$10,914,000 of one-time funds to purchase additional inpatient and residential beds.

Based on the continued need for additional resources, DMH is requesting approval of the Additional PES Relief Plan and authority to implement the plan, which has the following components:

#### **Institutions for Mental Disease (IMD) Beds**

Funding is allocated to purchase 20 IMD beds dedicated to individuals being discharged from County hospital inpatient units. The ongoing development of adequate and sufficient lower levels of mental health care, such as intensive community treatment programs, for discharge-ready IMD residents will be critical so that IMD beds will continue to be available for the County hospitals. The total projected FY 2005-2006 cost of the additional IMD beds, including psychiatric medication cost of \$84,000, is \$1,142,500.

#### **Secured Augmented Residential Beds**

A new secured and augmented residential program for 48 individuals will be provided by Gateways. This program will provide intensive mental health services in a secured residential setting for persons who, with intensive supports and supervision, can be discharged from County hospital inpatient units or IMDs earlier than would be possible without this level of care. Expedient movement from these facilities allows more rapid disposition from the PES. The total projected FY 2005-2006 cost of this program is \$1,529,000, including anticipated FFP Medi-Cal revenue of \$460,000.

#### Other New Residential Resources

In addition to the resources funded under this Plan, Homes For Life Foundation - Cedar Street, a 38-bed transitional residential program for persons being discharged from IMDs and the State Hospital will open in July, 2005. This program, located on the grounds of Metropolitan State Hospital in Norwalk, will support people as they transition from institutional care and prepare them for even more independent community living. A 12-bed crisis residential program, provided by Hillview Mental Health Center in Lakeview Terrace and scheduled to open in early FY 2005-2006, will serve as a resource to the Olive View Medical Center PES.

#### Psychiatric Outreach Team Diversion Program (PDP)

Under the PDP, when all DHS PES facilities are at a predetermined census, the DHS Medical Alert Center will divert DMH's Psychiatric Outreach Teams to participating private hospitals. General acute hospitals with psychiatric units that have a current FFS Medi-Cal Psychiatric Inpatient Hospital Agreement with DMH, that have LPS designation for involuntary treatment, and that have agreed to DMH's terms of participation will be eligible to participate in this Program. Free-standing hospitals that have a current FFS Medi-Cal Psychiatric Inpatient Hospital Agreement with DMH for persons under 18 or over 65 years of age, that have LPS designation, and that have agreed to DMH's terms of participation will also be eligible for the PDP. Further eligibility requirements will include agreement to ongoing utilization review by DMH and compliance with established program guidelines. Attachment I lists the Los Angeles County FFS Medi-Cal contracted and LPS-designated psychiatric inpatient facilities that would be eligible to participate in this Program should they agree to the terms of participation. Participating hospitals will provide acute and administrative inpatient bed-days based on a standard negotiated case rate, plus applicable daily rates. This Program will enable DMH to utilize up to 16 private hospital beds at any given time, strategically located throughout the County, based on demand for additional beds when the PES are at capacity. The total projected FY 2005-2006 cost of this component is \$4,050,000, which includes \$3,420,000 for the beds and an additional \$630,000 augmentation of the DMH Pharmacy program for psychiatric medications upon patients' discharge.

#### LPS Designation of Urgent Care Centers

In a joint communication to the Board of Supervisors dated April 18, 2005, the Departments of Health Services and Mental Health proposed to further develop Urgent Care Centers to assist in the decompression of the County's Psychiatric Emergency Rooms.

After assessing the feasibility of providing additional involuntary assessment and treatment in Urgent Care Centers, the Departments agreed that designating Urgent Care Centers to receive involuntary clients would have a significant impact in relieving PES overcrowding. The Departments are proposing the delegation of such authority to the Director of Mental Health or his designee.

Additional Inpatient Beds

Thirteen (13) additional psychiatric beds will be purchased from existing acute inpatient contractors for uninsured adults: 11 from Kedren, located in South Los Angeles, and two (2) from College Hospital, located in Cerritos. In addition, DMH will enter into a contract with White Memorial, located in close proximity to LAC + USC Medical Center, for ten (10) acute inpatient beds. The total projected FY 2005-2006 cost of these 23 beds is \$4,652,660, which includes \$4,461,560 for the beds and an additional \$191,100 augmentation of the DMH Pharmacy program for psychiatric medication upon patients' discharge for the new contract.

The currently contracted DMH law enforcement referral beds at College Hospital in Cerritos and Aurora Behavioral Health Care/Charter Oak in Covina will continue to be utilized as law enforcement referral beds.

As directed by the Board, DMH and the CAO will identify future funding for the provision of the inpatient and residential beds included in this plan and report back to the Board within 90 days. It should be noted that the number of PDP and IMD beds are not specified in the respective providers' contracts and, thus, can be adjusted based upon need and/or available funding.

While this Board letter authorizes amendments to specific agreements and delegates authority for appropriate amendments to other existing agreements, DMH will return to the Board for authorization to enter into any new agreements to further implement the purposes of this plan.

**IMPACT ON CURRENT SERVICES**

The proposed actions will alleviate the overcrowding in the County's hospitals PES by providing additional inpatient capacity at private hospitals and more timely discharges from the PES and inpatient units to appropriate lower levels of care. As such, these resources will enhance the mental health treatment available to those persons requiring emergency and ongoing mental health services in all areas of Los Angeles County.

Attachments (2)

## COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH

## FACILITIES ELIGIBLE TO PARTICIPATE IN THE PMRT DIVERSION PLAN (PDP)

FACILITY NAME	ADDRESS	SUP. DISTRICT	SERVICE AREA	LICENSURE TYPE	CURRENTLY CONTRACTED WITH DMH
Antelope Valley Hospital	1600 W. Avenue J, Lancaster, CA 93534	5	1	General Acute Care Hospital	Yes
Aurora Charter Oak Hospital	1161 E. Covina Blvd., Covina, CA 91724	5	3	Acute Psychiatric Hospital	Yes
Aurora Las Encinas Hospital	2900 E. Del Mar Blvd., Pasadena, CA 91107	5	3	Acute Psychiatric Hospital	Yes
BHC Alhambra Hospital	4619 N. Rosemead Blvd., Rosemead, CA 91770	1	3	Acute Psychiatric Hospital	Yes
Bellflower Medical Center	9542 E. Artesia Blvd., Bellflower, CA 90706	4	7	General Acute Care Hospital	Yes
Brotman Medical Center	3828 Delmas Terrace, Culver City, CA 90231	2	5	General Acute Care Hospital	Yes
Cedars-Sinai Medical Center	8730 Alden Dr., Rm C301, Los Angeles, CA 90048	3	4	General Acute Care Hospital	Yes
Citrus Valley Medical Center/Intercommunity Campus	210 W. San Bernardino Rd., Covina, CA 91723	5	3	General Acute Care Hospital	Yes
College Hospital - Cerritos	10802 College Place, Cerritos, CA 90701	4	7	Acute Psychiatric Hospital	Yes
College Hospital - Costa Mesa	301 Victoria Street, Costa Mesa, CA 92627	Orange Co.		Acute Psychiatric Hospital	Yes
Community Hospital of Long Beach	1720 Terrino Ave., Long Beach, CA 90804	4	8	General Acute Care Hospital	Yes
Del Amo Hospital	23700 Camino Del Sol, Torrance, CA 90505	4	8	Acute Psychiatric Hospital	Yes
East Valley Glendora Hospital Medical Center	150 West Route 66, Glendora, CA 91740	3	3	Acute Psychiatric Hospital	Yes
Encino Tarzana Regional Medical Center	16237 Ventura Blvd., Encino, CA 91436	3	2	General Acute Care Hospital	Yes
Glendale Adventist Medical Center	1509 Wilson Terrace, Glendale, CA 91206	5	2	Acute Psychiatric Hospital	Yes
Henry Mayo Newhall Memorial Hospital	23845 W. McBean Parkway, Valencia, CA 91355	5	2	General Acute Care Hospital	No
Huntington Memorial Hospital Della Martin Center	100 W. California Blvd., Pasadena, CA 91109-7013	5	3	General Acute Care Hospital	Yes
Intercare Health Systems, Inc. Medical Center/Inglese Campus	1711 West Temple St., LA, CA 90026	1	3	General Acute Care Hospital	Yes
L.A. Metropolitan Medical Center	13300 S. Hawthorne Blvd., Hawthorne, CA 90250	2	8	General Acute Care Hospital	No

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH

ATTACHMENT I

FACILITIES ELIGIBLE TO PARTICIPATE IN THE PMRT DIVERSION PLAN (PDP)

FACILITY NAME	ADDRESS	SUP. DISTRICT	SERVICE AREA	LICENSURE TYPE	CURRENTLY CONTRACTED WITH DMH
L.A. Metropolitan Medical Center	2231 S. Western Ave, Los Angeles, CA 90018	2	6	General Acute Care Hospital	Yes
Little Company of Mary - San Pedro Hospital	4101 Torrance Blvd., Torrance, CA 90503	4	8	General Acute Care Hospital	Yes
Mission Community Hospital	14850 Roscoe Blvd., Panorama City, CA 91402	3	2	General Acute Care Hospital	Yes
Northridge Hospital Medical Center - Roscoe Campus	18300 Roscoe Blvd., Northridge, CA 91328	3	2	General Acute Care Hospital	No
Pacific Hospital of Long Beach	2776 Pacific Ave., Long Beach, CA 90806	4	8	General Acute Care Hospital	Yes
Pacificca Hospital of the Valley	9449 San Fernando Road, Sun Valley, CA 91352	3	2	General Acute Care Hospital	Yes
The Regents of the University of California on behalf of UCLA NPI	109920 Wilshire Boulevard, Ste. 1010, L.A., CA 90024	3	4	General Acute Care Hospital	Yes
Sherman Oaks Hospital and Health Center	4929 Van Nuys Boulevard, Sherman Oaks, CA 91403	3	2	General Acute Care Hospital	Yes
St. Francis Medical Center	3630 Imperial Hwy, Lynwood, CA 90262	2	6	General Acute Care Hospital	Yes
USC University Hospital	1500 San Pablo Street, Los Angeles, CA 90033	1	4	General Acute Care Hospital	No
Verdugo Hills Hospital (Stepping Stone)	1812 Verdugo Blvd., Glendale CA 91208	5	2	General Acute Care Hospital	Yes
White Memorial Medical Center	1720 Cesar Chavez Ave., Los Angeles, CA 90033	1	4	General Acute Care Hospital	Yes

**COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH  
IMPLEMENTATION OF ADDITIONAL PLAN FOR RELIEF OF COUNTY HOSPITAL PSYCHIATRIC EMERGENCY SERVICES  
LEGAL ENTITY AGREEMENTS AND SPECIALIZED AGREEMENTS  
FY 2005-2006 ONLY**

CONTRACTOR	Sup. District (HQ)	Bed Type	No. of Beds	Agreement/ Amendment Amount	MAXIMUM CONTRACT AMOUNT FY 2005-2006		Additional Cost for DMH Pharmacy for Discharge Psychiatric Medication Not Reflected in Contractor's Agreement*	TOTAL ALLOCATIONS (Includes Amendment and non Amendment Amounts)
					Current MCA	Revised MCA		
College Hospital 10802 College Place Cerritos, CA 90701 Steven Witt CEO	4	Acute Psychiatric Inpatient Hospital	2	\$ 408,800	\$ 903,379	\$ 1,312,179	\$ -	\$ 408,800
Specialized Agreement - Indigent Beds Kadren Community Health Center, Inc. 4211 South Avalon Boulevard Los Angeles, CA 90011 John H. Griffith, Ph.D. President & CEO LEGAL ENTITY (LE) # 00197	2	Acute Psychiatric Inpatient Hospital	11	\$ 1,953,860	\$ 19,222,083	\$ 21,175,943	\$ -	\$ 1,953,860
White Memorial Medical Center** 1720 Cesar Chavez Avenue Los Angeles, CA 90033 John Raffoul CFO	1	Acute Psychiatric Inpatient Hospital	10	\$ 2,098,900	N/A	\$ 2,098,900	\$ 191,100	\$ 2,290,000
Mental Health Services Agreement - Contract Rate								
<b>SUB-TOTAL</b>		Acute Psychiatric Inpatient Hospital	23	\$ 4,461,560	\$ 20,125,462	\$ 24,587,022	\$ 191,100	\$ 4,652,660
Gateways Hospital and MHC 1891 Effie Street Los Angeles, CA 90026 Mara Peisman Chief Executive Officer LEGAL ENTITY (LE) # 00190	1	Secured Augmented Residential FFP Medi-Cal Revenue	48	\$ 1,069,000	\$ 10,996,003	\$ 12,525,003	\$ -	\$ 1,529,000
<b>Total Amount:</b>				\$ 5,990,560	\$ 31,121,465	\$ 37,112,025	\$ 191,100	\$ 6,181,660

\* DMH Pharmacy Budget will be augmented with \$191,100 for psychiatric medications upon clients discharge. This additional cost is not reflected in the MCA.  
\*\* New Specialized Agreement with White Memorial Medical Center