

COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH

FACT SHEET

**APPROVAL TO RENEW THREE SPECIALIZED INDIGENT ACUTE
PSYCHIATRIC INPATIENT HOSPITAL SERVICES AGREEMENTS
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to renew three specialized indigent acute psychiatric inpatient hospital services agreements to provide mental health services for uninsured individuals in need of hospitalization.

REQUEST

1. Approve and authorize the Director of Mental Health, or his designee, to prepare, sign, and execute the renewal of specialized Indigent Acute Psychiatric Inpatient Hospital Services agreements (Agreements) with White Memorial Medical Center, College Hospital - Cerritos, and Aurora Charter Oak Hospital, LLC, totaling \$5,160,000, effective July 1, 2010, through June 30, 2011, with provisions for two automatic one-year renewal periods through Fiscal Year (FY) 2012-13.
2. Authorize the Director of Mental Health, or his designee, to prepare, sign, and execute future new agreements with other qualified and licensed specialized indigent acute psychiatric inpatient hospital providers, and amendments to existing or future new agreements, provided that: 1) any revision is used to provide additional services or to reflect program or Board policy changes; 2) your Board has appropriated sufficient funds for all changes and new agreements, 3) approval of County Counsel and the Chief Executive Officer (CEO), or their designees, is obtained prior to any such new agreements or amendments; and 4) the Director of Mental Health, or his designee, notifies your Board of new agreements or changes in writing within 30 days after execution of each new agreement or amendment.

PURPOSE/JUSTIFICATION

Board approval is required to renew the three existing agreements that will expire on June 30, 2010. Renewal of these agreements will allow for uninterrupted, medically necessary acute psychiatric inpatient hospital services for uninsured individuals requiring hospitalization in Lanterman-Petris-Short (LPS) designated hospitals under California Welfare and Institutions Code Section 5150. These agreements are critical components of the Psychiatric Emergency Services (PES) Relief Plan jointly developed

by DMH and Department of Health Services to relieve overcrowding in County hospital emergency rooms and inpatient units.

BACKGROUND

The agreement format includes revised or mandated provisions as follows: Force Majeure, Consideration of Greater Avenues for Independence (GAIN) or General Relief Opportunities for Work (GROW) Participants for Employment, Local Small Business Enterprise Preference Program, updated Safely Surrendered Baby Law Fact Sheet, Indemnification and Insurance Coverage, Property Tax, Health Insurance Portability and Accountability Act, Contractor's Warranty of Compliance with County's Defaulted Property Tax Reduction Program and Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Property Tax Reduction Program, Immediate Termination by County, Description of Services/Activities, County's Quality Management Program, and Contractor's Exclusion from Participation in a Federally Funded Program.

The attached agreement format has been approved as to form by County Counsel. The CEO has reviewed the proposed actions. Clinical and administrative staff of DMH will continue to administer and monitor contractors' adherence to the Agreements and evaluate programs to ensure that quality services are provided to clients.

CONTRACTING PROCESS

As part of the strategic plan to address overcrowding in the psychiatric emergency rooms at County hospitals, which was approved by your Board in 2005, DMH, in cooperation with the Department of Health Services, identified strategic areas of the County where there was a critical need for additional acute care psychiatric inpatient beds for indigent patients and sought acute inpatient facilities willing to contract for such beds. Three hospitals – Aurora Charter Oak, LLC; College Hospital-Cerritos; and White Memorial – responded at the time. These hospitals, which are authorized under Section 5150 of the Welfare and Institutions Code to hold patients referred by law enforcement agencies or DMH staff, have successfully provided these acute inpatient facilities. There is a continuing need for these services to prevent patients from remaining in the psychiatric emergency departments pending availability of a County hospital inpatient bed.

Although a solicitation process was considered, DMH determined that since the three hospitals have existing agreements with DMH for these critical and unique services, renewal of these contracts, that expire on June 30, 2010, is the most cost effective and efficient method to provide the continuing need for involuntary acute inpatient services

for uninsured residents of Los Angeles County. Furthermore, should the need be required, the second recommendation provides for new hospitals to be added. The agreements will have a maximum three-year term with an initial period of July 1, 2010, through June 30, 2011, and two renewal periods through June 30, 2013.

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