

**BOARD LETTER – SUMMARY SHEET
HEALTH AND MENTAL HEALTH SERVICES CLUSTER**

AGENDA REVIEW	6.1.16
BOARD MEETING	6.14.16
SUPERVISORIAL DISTRICT	All
DEPARTMENT	Department of Mental Health (DMH)
SUBJECT	Request adoption of a resolution approving a Participation Agreement with the California Mental Health Services Authority to continue participation in a multi-year State Hospital Bed Procurement Program, and Board approval to execute a Purchase of State Hospital Beds Memorandum of Understanding with the California Department of State Hospitals and the California Mental Health Services Authority.
PROGRAM	Countywide Resource Management (CRM)
DEADLINES	July 1, 2016
COST & FUNDING	<p>The Participation Agreement with CalMHSA for FY 2016-17 is funded by 2011 Realignment revenue in the amount of \$269,000, which is included in the FY 2016-17 CEO Recommended Budget. Funding for future years will be requested through DMH's annual budget request process.</p> <p>The Participation Agreement does not include the cost of State hospital beds. The MOU allows CalMHSA to negotiate and contract with DSH for State hospital beds. Los Angeles County currently utilizes approximately 220 beds annually.</p> <p>There is no net County cost impact associated with this action</p>
PURPOSE OF REQUEST	Adoption of the resolution and approval of the recommendations will enable DMH, through the State Hospital Bed Procurement Program, to join with other counties to provide one voice in negotiations with DSH regarding the use and cost of State hospital beds.
SUMMARY/ ISSUES (Briefly summarize program and potential issues or concerns. Identify changes, if any, to level of funding or staffing; how funding will be utilized and why best use; prior	<p>Welfare and Institutions Code (WIC) Section 17601 requires cities and counties to reimburse the State for their use of State hospital beds. WIC Sections 4330 through 4335 allows counties, including those counties acting jointly, to contract with the DSH for use of State hospital facilities.</p> <p>Under Government Code Section 6500 et seq., CalMHSA is a joint powers authority of counties and cities with mental health programs that provides administrative and fiscal services in support of and addresses common interests in the administration of such programs. CalMHSA functions as the intermediary between the counties and the State to ensure that contract requirements are negotiated and not dictated by DSH and that DSH adheres to the contractual terms on behalf of participating counties.</p>

<p>accomplishments; and for BLs involving contracts, also note changes to the contract term.)</p>	<p>Prior to FY 13-14, DSH dictated non-negotiable terms for the County's State Hospital Beds Purchase and Usage Agreement. Since then, CalMHSA has successfully negotiated a mutually acceptable contract between participating counties and DSH.</p> <p>Continued use of CalMHSA for these efforts have resulted in the development of a Purchase of State Hospital Beds MOU and counties have been able to avoid rate increases over the past three years.</p> <p>These recommended actions will enable DMH to negotiate effectively through CalMHSA with DSH for the use and purchase of State hospital beds. It is anticipated that the State Hospital Bed Procurement Program will result in quality of care improvements for Los Angeles County residents in State hospitals and significant cost savings to the County.</p>
<p>DEPT. & COUNTY COUNSEL CONTACTS</p>	<p>DMH: Mary Marx, MMarx@dmh.lacounty.gov, (213) 738-4775 County Counsel: Stephanie Reagan, Sreagan@counsel.lacounty.gov (213) 974-0941</p>