THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office **BOARD AGENDA #** B-9

Urgent ☐ **Routine** ☒ **AGENDA DATE** November 13, 2012

CEO Concurs with Recommendation YES ☒ **NO** ☐ **4/5 Vote Required YES** ☐ **NO** ■
(Information Attached)

SUBJECT:

Approval of the 24/7 Secure Mental Health Services Strategic Plan and Related Actions, to Re-Issue the Request for Proposals for Design Services for a Psychiatric Health Facility Remodeling Project at the Ceres Recovery Center and to Issue a Request for Proposals for the Future Operations of a County Psychiatric Health Facility

STAFF RECOMMENDATIONS:

1. Accept and approve the Strategic Plan for 24/7 secure mental health services.

2. Approve the Strategic Plan recommendation to develop a County-owned Psychiatric Health Facility (PHF) at the County's Stanislaus Recovery Center location at 1904 Richland Avenue in Ceres California.

3. Authorize staff to proceed with the Behavioral Health and Recovery Services Psychiatric Health Facility Project by authorizing the Project Manager to re-issue a Request for Proposals for Design (Architectural and Engineering services) Services needed to remodel the Stanislaus Recovery Center Building for future use as a Psychiatric Health Facility.

Continued on Page 2

FISCAL IMPACT:

Pursuant to Welfare and Institutions Code Section 17000 and 5600 Counties are mandated to serve "adults or older adults who require or are at risk of requiring acute psychiatric inpatient care, residential treatment, or outpatient crisis intervention because of a mental disorder with symptoms of psychosis, suicidality, or violence," and are legally responsible to provide emergency services to indigent residents.

Continued on Page 2

BOARD ACTION AS FOLLOWS:

No. 2012-569

On motion of Supervisor Withrow , **Seconded by Supervisor** Monteith
and approved by the following vote,
Ayes: Supervisors: Chiesa, Withrow, Monteith, De Martini and Chairman O'Brien
Noes: Supervisors: None
Excused or Absent: Supervisors: None
Abstaining: Supervisor: None

1) X **Approved as recommended**
2) _____ **Denied**
3) _____ **Approved as amended**
4) _____ **Other:**

MOTION:

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk File No.

STAFF RECOMMENDATIONS (Continued):

4. Authorize the General Services Agency in collaboration with Behavioral Health and Recovery Services to issue a Request for Proposals for the future operations of the Psychiatric Health Facility.

5. Approve the Strategic Plan recommendation to formalize the County and all area Hospitals Working Group as a Task Force, to continue work on enhancing, collaborating and strengthening the 24/7 secure mental health services in the community.

6. Authorize the Chief Executive Officer or her designee to negotiate with Doctors Medical Center for the continued use of beds at Doctors Behavioral Health Center.

7. Amend the Capital Improvement Plan Project List for Fiscal Year 2012-2013 approved by the Board of Supervisors on September 25, 2012 by the inclusion of the Psychiatric Health Facility project.

FISCAL IMPACT (Continued):

Stanislaus County's Behavioral Health and Recovery Services currently contracts with Doctors Medical Center/Doctors Behavioral Health Center (DMC/DBHC) and hospitals in other counties for acute in-patient psychiatric beds. The Adopted Final Budget for Fiscal Year 2012-2013 included $7.2 million for psychiatric inpatient costs based on an average daily census of 20 beds at DBHC and 7 beds out of county. During the past year, the admissions at the DBHC have risen dramatically. As a result of the higher utilization of acute psychiatric inpatient beds and the use of county of county placements, the Department is estimating that the County cost for these beds for Fiscal Year 2012-2013 will be approximately $10.2 million.

This is an increase of $5 million over the Fiscal Year 2011-2012 budget. Several factors contribute to the substantial increase: a dramatic increase in bed usage, an increase in the rate paid to the hospitals, and a larger portion of uninsured patients for which the County has 100% responsibility.

As recommended in the Strategic Plan, a continuum of care system is recommended to be developed. The centerpiece of that continuum is the development of a 16-bed Psychiatric Health Facility (PHF) to provide a lower cost option for hospitalizations for certain county patients to help mitigate the County's costs for services needed. The PHF will allow for certain patients to be placed in a lower level of care alternative and provide additional psychiatric capacity to the community we serve. The Inpatient Psychiatric Hospital, DBHC, will continue to be a vital piece of the continuum of care, but will not have the dramatic increase in county responsible patients. Currently, the bed rate for hospitalization at DMC/DBHC is $1,031 per day for Medi-Cal patients and

$2,484, representing 3 days, for uninsured patients who need acute psychiatric in-patient hospitalization. The rate for out of area hospitals averages $907 per day. The County estimates that a PHF, if operated by an outside entity, could be operated for close to the State Medi-Cal reimbursement rate for a PHF of $629 per day, when a lower level of acuity is present.

The addition of a PHF as part of a broader continuum of care would decrease the need for the highest acuity-level beds for County patients at DMC/DBHC, thereby increasing capacity for other non-County patients from area hospitals and out of area placements which are in high demand. It is estimated that a County-owned, contractually operated PHF, in conjunction with the anticipated on-going use of 15 beds at DBHC and 9 out of County placements, would cost the County approximately $8.7 million annually, for a savings of $1.5 million.

All area hospitals are working as a Task Force to create a "front end" Crisis Stabilization program that would relieve certain hospital admissions and emergency room pressure. This program is being finalized and will be presented to the Board in the coming months. In addition, the County Mental Health Services Act (MHSA) Representative Stakeholder group is considering additional options for aftercare. These include the development of a Discharge Team that would provide care management for all discharges of County patients from DBHC to ensure necessary linkages occur. Also being considered are expanded treatment slots, especially for individuals with no insurance coverage. More proposals may be presented in the future.

With respect to the creation of a PHF two options were considered:

1. The remodeling of an existing County-owned facility located at Stanislaus Recovery Center site at 1904 Richland Avenue in Ceres, California. This facility, commonly referred to as the former First Step site, was previously used for residential perinatal services. The building needs roof repair and HVAC replacements, but can more easily and quickly be remodeled to a PHF.

   The estimated cost to remodel the existing building located at Stanislaus Recovery Center is $2,166,000 and includes the replacement of the Heating Ventilation Air Conditioning (HVAC) system and roof repair. The County would be required to amortize this cost over a 15 year period at an annual cost of $144,400.

FY 2012-2013 without PHF	$10,267,188
Future Years with PHF	8,734,530
Net Cost Savings	$ 1,532,658
Less annual amortization	(144,400)
Estimated annual savings	$ 1,388,258

Recoupment Period ($2,166,000/$1,388,258) = 1.56 years

Note: The 2012-2013 Adopted Final Budget included 265,000 for the replacement of the HVAC system. This amount is included above in the total $2,166,000 cost estimate.

2. Construction of a new PHF Facility.
   The estimated cost to build a new facility is $8,031,000. The County would be required to amortize this cost over a 10 year period at an annual cost of $803,100.

FY 2012-2013 without PHF	$10,267,188
Future Years with PHF	8,734,530
Net Cost Savings	$ 1,532,658
Less annual amortization	(803,100)
Estimated annual savings	$ 729,558

Recoupment Period ($8,031,000/$729,558) = 11.01 years

Attachment 1 is a proforma that illustrates the combination expected of psychiatric inpatient admissions continuing while adding the 16 bed PHF to the system of care.

Funding for the recommended PHF is available from the proceeds of the 2007 sale of the Stanislaus Behavioral Health Center back to Doctors Memorial Center with no impact to the General Fund. Currently $5.9 million remain from the sale proceeds and can only be used by approval of the Board of Supervisors.

DISCUSSION:

During the past year, Stanislaus County has experienced a dramatic increase in acute psychiatric in-patient admissions. This increase impacts capacity and creates financial burdens for the County. The Behavioral Health and Recovery Services (BHRS) holds the responsibility for the total costs for the Uninsured and Forensic patients. Thus, recent increases in uninsured admissions are of significant concern.

History

Effective October 31, 2007, Stanislaus County sold its 67-bed inpatient acute psychiatric facility, Stanislaus Behavioral Health Center, to Doctors Medical Center of Modesto (DMC), a Tenet Healthcare affiliate. The Center subsequently became known as Doctors Behavioral Health Center (DBHC). At that time, the County entered into a Provider Agreement with DMC for the purchase of up to 35 beds on a daily basis for County patients, defined as: Medi-Cal adult beneficiaries of Stanislaus County, adult indigent uninsured residents of Stanislaus County, and "restoration to competency"

patients. As a result of mediation, that agreement was terminated on December 31, 2009, and a new agreement was effective January 1, 2010 through June 30, 2012. The new agreement provided for the County to notify DMC in advance if it was to explore the development of a PHF. The Chief Executive Officer notified DMC in writing on August 25, 2011 of the County's intention to explore the potential to open a 16-bed PHF.

The current agreement, effective July 1, 2012 through June 30, 2013, reserves up to 25 in-patient acute psychiatric beds on a daily basis. Additionally, County patients may be placed in other, out-of-county facilities for a variety of reasons: lack of capacity at DBHC; patient not suitable for treatment at DBHC; or patient is under 18 years of age. Those patients who are the County's responsibility may be placed in a secure facility upon assessment by County staff; local hospitals do not have the authority to direct the admission of a County patient.

In Stanislaus County, one level of acute care presently exists for short-term acute stays – DBHC. DBHC is considered an Acute In-patient Psychiatric Unit that is part of a general acute care hospital – DMC. Within the County, there are no free-standing Acute Psychiatric Hospitals, no Psychiatric Health Facilities (PHFs), no sub-acute Mental Health Rehabilitation Centers (MHRCs) or Institutes for Mental Diseases (IMDs). There is one privately operated sub-acute Skilled Nursing Facility (SNF) in Modesto currently; however, it is not an IMD as its operating structure allows for less than 50% psychiatric care. There are no County-owned/operated facilities for acute or sub-acute in-patient psychiatric care.

The historical average of in-patient beds (local and out-of-county beds) used by patients under the County's responsibility has been 19 per day; however, in recent months this has been over 40 per day, of which on average 54% are uninsured. The corresponding impact to the community overall has been no available beds at DBHC and long waits in local hospital emergency departments. This has challenged the community's ability to place consumers in local, appropriate, and cost effective levels of care. The most significant increase to in-patient admissions is with the uninsured population, especially consumers new to the mental health system.

Strategic Planning Efforts

Over the past year, the Chief Executive Office, BHRS, DMC and other stakeholders met and began a new working relationship that focused on the capacity issues and growing need for secure 24/7 programs to meet the County's mandated obligations. This group identified both short and long-term issues related to the need for secure 24/7 mental health services and programs that surround such services. This strategic planning group, along with retained experts from HFS Consultants, devoted hundreds of hours to this effort. In addition, several stakeholder meetings were held to gather information and understand hospital emergency room challenges around access to behavioral health 24/7 in-patient services. Along with DMC emergency room staff, participants

included Kaiser Medical Center, Memorial Medical Center, Emanuel Medical Center, and Oak Valley Hospital, along with the County's Health Services Agency and the Sheriff.

The County's Mental Health Advisory Board has been briefed on these strategic planning efforts and a larger stakeholder meeting was held on September 27, 2012 to begin dialogue with a broader array of community partners regarding 24/7 secure mental health services, challenges and opportunities. All parties acknowledge this is a broad community issue, not a County or County/DMC issue to resolve, and more resources are needed in response to this community crisis.

Throughout this planning process, emphasis has been focused on recovery-centered care and on creating an opportunity for each consumer to be at the least restrictive setting with the proper set of support services that will sustain recovery beyond hospitalization. The result of this effort is a Strategic Plan that addresses in-patient needs and identifies systems issues surrounding 24/7 secure mental health services that could assist in avoiding hospitalization and reduce recidivism.

Strategic Plan

The Strategic Plan, Attachment 2, identifies three main goals:

- Develop recommendations for increased capacity to provide in-patient 24/7 care, including but not limited to, options that will provide less costly alternatives when appropriate;
- Assess opportunities for creating a community crisis stabilization service to avoid hospitalization when possible; and
- Develop aftercare strategies as an element of a behavioral health continuum of care around in-patient services.

Develop recommendations for increased capacity to provide in-patient 24/7 care, including but not limited to, options that will provide less costly alternatives when appropriate.

Since the 2007 sale of SBHC from the County to DMC, the County has reserved beds at DBHC through a contractual arrangement. That contract addressed the potential for a Psychiatric Health Facility (PHF) to be developed by the County. DMC concurs with the need for and the development of a local PHF (See Attachment 3, DMC Letter).

In order to be eligible for Medi-Cal funding, a PHF would be limited to 16 beds. While 16 beds will not eliminate the increasing demand for in-patient treatment facilities, those beds would begin to address the current level of need by supplementing the existing in-patient services, and potentially reduce the number of out-of-county placements being made today. The recommended PHF will not accept privately insured patients.

It is essential to the community that DBHC continues to operate as an acute in-patient psychiatric unit. The County would continue to reserve an appropriate number of beds to ensure consumers receive treatment as needed. It should be noted that a PHF developed by the County would not compete with DBHC for patients but would be operated in a collaborative manner. The PHF would be focused on providing appropriate levels of service to County patients. The following support the development of a PHF:

- Development of a local PHF will begin to ease capacity issues.
- To be eligible for Medi-Cal funding, a PHF would be limited to 16 beds.
- A PHF would not compete with DBHC for patients.
- PHFs are designed to require less staff than an acute psychiatric hospital, reducing overall costs.
- A PHF could provide a seamless transition of care if co-located with other treatment services, such as substance abuse treatment programs.
- A PHF could be linked to crisis stabilization services.
- A PHF could reduce the number of County patients placed in other counties due to lack of local available beds.

Two options have been considered for the location of a PHF:

- DBHC – build new facility on existing campus; or
- SRC – renovate existing building.

As part of the analysis of the two sites, the County and DMC separately engaged the same firm to provide cost estimates of the required work. The cost to construct a new facility at DBHC is estimated to be approximately $8 million, while the cost to renovate the existing facility in Ceres is estimated to be approximately $2.2 million. Based on estimated cost and other factors, the planning team supports the County's use of the Ceres site as the appropriate location for a PHF.

On December 20, 2011, the Board authorized the Project Manager to issue request for proposals (RFP) for professional architectural design services for a possible future PHF; and to evaluate two distinct options for a PHF. Due to the ongoing planning effort and understanding that the PHF alone would not resolve the broad community issue of increased psychiatric hospitalizations, the Project Manager suspended that process in order to complete the broader Strategic Planning effort.

At this time, it is recommended the Board of Supervisors authorize the Project Manager to re-issue a request for proposals for design (architectural and engineering) services for the BHRS Psychiatric Health Facility Project following this Board action; and return to the Board of Supervisors to recommend a contract of a design team for this project. Funding from the proceeds of the sale of the Stanislaus Behavioral Health Center has been designated for this purpose.

Staff also recommends authorization for the General Services Agency, working with the Behavioral Health and Recovery Services, to issue a request for proposals for the management and operations of the Psychiatric Health Facility. There are several organizations in the State that have the expertise to operate this type of facility. It is anticipated that these entities will be more cost effective as they do not bring with them the overhead costs associated with government operations.

Assess opportunities for creating a community crisis stabilization service to avoid hospitalization when possible.

Throughout this strategic planning effort, County and DMC planning team members along with representatives from all local hospitals, have identified a variety of challenges within the present crisis management system. Concerns shared through the stakeholder process included lengthy delays in crisis evaluations, lack of beds, and admission or release without appropriate follow-up. While the coordination of BHRS and DBHC emergency crisis services has been collaborative, it is also clear that the present crisis management systems need to be enhanced. The development of a community crisis stabilization service could:

- Benefit the community by preventing hospitalization and addressing local hospital concerns:
    - Could free up local hospital Emergency Department beds for patients with medical crises; and
    - Would (along with PHF) assist with lack of available local beds.

A work group has been formed that includes representation from all local hospitals to assess opportunities for creating a Community Crisis Stabilization Service. BHRS projects the annual cost of operating a four-bed crisis stabilization service as follows:

Crisis Stabilization Service	At 5150 Facility	At Alternate Site with On-site M.D.
Estimated Annual Cost	$871,495	$1,074,192
Potential Medi-Cal Reimbursement	($326,028)	($326,028)
Community Contribution	$545,467	$748,164

County funding for this service is not available; discussions are underway with the local hospitals to partner in this critical service that will assist them by reducing the number and length of stays in local emergency departments by individuals in crisis.

Develop aftercare strategies as an element of a behavioral health continuum of care around in-patient services.

Throughout the strategic planning process, stakeholders continued to discuss the need for enhanced care/case management which is the key to reducing or preventing

readmissions to higher levels of care. The development of aftercare strategies as an element of the behavioral health continuum of care for in-patient services is recommended:

- This is a longer term strategic planning process and will include the MHSA Stakeholder Review process.
- Includes assessment of present programs and potential for expansion.
- Will consider industry "best practices".

The Strategic Plan includes a recommendation that the Board formalize the planning group as a Task Force for 24/7 Secure Mental Health Services. This group would continue to meet on a regular basis to focus on psychiatric in-patient admissions and develop future recommendations for the Board, aimed at reducing admissions when appropriate while providing the necessary services at the correct level of care.

The Mental Health Board has been briefed on strategic planning efforts, and a larger Stakeholder meeting was held on September 27, 2012 to begin dialogue with broader community partners regarding 24/7 secure mental health services challenges and opportunities. A Mental Health Services Act (MHSA) Stakeholders Meeting was held on November 5, 2012 which included a broad proposal to use available MHSA funds for aftercare services. The proposal would provide for the development of a Discharge Team that would offer short-term support and outreach to County patients receiving services in acute psychiatric settings such as DBHC and out of County hospitals. The proposal would also expand several existing Full-Service Partnership programs that provide critical services to individuals in need of mental health services. The proposal was fully supported through the stakeholder review process and will go next to a period of public review and comment followed by submission to the Board of Supervisors for approval.

If the Board of Supervisors approves the Strategic Plan Recommendations, it is expected that the PHF remodeling would be complete in early 2014. The team will continue to present recommendations in the coming months to advance the PHF project as well as report on actions to implement Crisis Stabilization and Aftercare services as well as operations of the PHF.

The Strategic Plan and recommendations were presented to the Board of Supervisors' Health Executive Committee on October 8, 2012.

POLICY ISSUES:

Approval of the recommended actions supports the Board's priorities of A Safe Community, A Healthy Community, and Efficient Delivery of Public Services by ensuring

County patients have access to the appropriate level of care as needed with regard to 24/7 secure mental health services.

STAFFING IMPACT:

If approved, there are existing Chief Executive Office and Behavioral Health and Recovery staff available to implement the Strategic Plan and participate on the Task Force. At such time as crisis stabilization and aftercare services are returned to the Board for approval, future staffing needs for those programs will be included.

CONTACT PERSON:

Patricia Hill Thomas, Chief Operations Officer, 209 525-6333.
Madelyn Schlaepfer, Behavioral Health Director, 209-525-6225.

BEHAVIORAL HEALTH AND RECOVERY SERVICES
PROJECTED COST OF 24/7 SECURE MENTAL HEALTH SERVICES - COUNTY PATIENTS ONLY

	Fiscal Year 2012-2013 (Total of 40 beds)						Future Years (Total of 40 beds)						Future Years with Enhanced Continuum of Care (Total of 35 beds)					
	% of Total	# of Beds	Bed Days	Rate	Total Cost	Total County Cost Net of Medi-Cal	% of Total	# of Beds	Bed Days	Rate	Total Cost	Total County Cost Net of Medi-Cal	% of Total	# of Beds	Bed Days	Rate	Total Cost	Total County Cost Net of Medi-Cal
DBHC		30						15						15				
Medi-Cal (50% reimbursement)	46%		5,037	1,031	5,193,147	2,596,574	46%		2,519	1,031	2,596,574	1,298,287	46%		2,519	1,031	2,596,574	1,298,287
Uninsured - Case Rate (Note 1)	54%		4,435	828		3,672,180	54%		2,217	828		1,835,676	54%		2,217	828		1,835,676
Uninsured - after 4 days (Note 1)			1,478	1,031		1,523,818			739	1,031		761,909			739	1,031		761,909
Assoc Prof Fees (64.33 Weighted)																		
Medi-Cal	46%			64.33	324,030	162,015	46%			64.33	162,000	81,000	46%			64.33	162,000	81,000
Uninsured	54%			64.33	380,383	380,383	54%			64.33	190,174	190,174	54%			64.33	190,174	190,174
Total DMC Cost			**10,950**			**8,334,970**			**5,475**			**4,167,046**			**5,475**			**4,167,046**
Total Medi-Cal Per Day Cost	46%		5,037	1,095	5,517,177	2,758,589	46%		2,519	1,095	2,758,589	1,379,294	46%		2,519	1,095	2,758,589	1,379,294
Total Uninsured Per Day Cost	54%		5,913	943	5,576,381	5,576,381	54%		2,956	943	2,787,759	2,787,759	54%		2,956	943	2,787,759	2,787,759
Total DMC Cost By Payer			**10,950**			**8,334,970**			**5,475**			**4,167,054**			**5,475**			**4,167,054**
Out of County (Note 2)		10						9						4				
Total Medi-Cal Per Day Cost	91%		3,322	486	3,226,272	1,613,136	91%		2,989	486	2,903,645	1,451,822	91%		1,329	486		645,524
Total Uninsured Per Day Cost	9%		329	970	319,082	319,082	9%		296	970	287,174	287,174	9%		131	970		127,094
Total OOC By Payer			**3,651**			**1,932,218**			**3,285**			**1,738,997**			**1,460**			**772,618**
Crisis Stabilization Unit (Note 3)	-		-	-	-	-	-		-	-	-	-	-		-		**545,467**	-
County PHF		0						16						16				
Medi-Cal	0%		-			-	46%		2,686	629	1,689,746	844,873	46%		2,686	629	1,689,746	844,873
Uninsured	0%		-			-	54%		3,154	629		1,983,614	54%		3,154	629		1,983,614
Assoc Prof Fees (none)						-						-						-
			-			-			**5,840**	**484**		**2,828,487**			**5,840**	**484**		**2,828,487**
Net Annual Cost						**10,267,188**						**8,734,530**						**7,768,159**

Add: Annual Amoritization Costs for Remodel (Note 4)												**144,400**						**144,400**
Total Annual Cost												**8,878,930**						**7,912,559**
Estimated Annual Savings												**1,388,258**						**2,354,629**
Estimated Cost to Remodel existing 16 bed facility												**2,166,000**						**2,166,000**
Recoupment Period (Remodel cost divided by Estimated Savings)												**1.56**						**0.92**

Add: Annual Amoritization Costs for New/Leased Facility (Note 5)												**803,100**						**803,100**
Total Annual Cost												**9,537,630**						**8,571,259**
Estimated Annual Savings												**729,558**						**1,695,929**
Estimated Cost to Build New/Lease 16 bed facility												**8,031,000**						**8,031,000**
Recoupment Period (New/Lease cost divided by Estimated Savings)												**11.01**						**4.74**

Footnotes:
(1) Uninsured Case Rate = $2,484 for up to 3 days; 4 days or more is paid at $1,031 per day
(2) Out of County beds with Enhanced Continuum of Care is for children/adolescents only
(3) Four beds at any given time. Anticipates revuenue from Community Partner Contributions
(4) Remodel amoritzed over a 15 year period
(5) Assumes new facility will be leased over 10 year period, hence the improvements are being amortized over the lease period.

Attachment 1

Attachment 2

Behavioral Health Strategic Plan for 24/7 Secure Mental Health Services

Presented to:

Stanislaus County Board of Supervisors

November 13. 2012

EXECUTIVE SUMMARY

Stanislaus County Behavioral Health and Recovery Services (BHRS) has a very rich history of providing mental health services for its citizens. Throughout the past ten years of Federal, State and County budget cuts, County Mental Health departments across California have been severely tested and challenged to continue to provide adequate services. Stanislaus County has experienced similar challenges to provide needed services with fewer resources.

During the past several months, Stanislaus County has experienced a dramatic increase in acute psychiatric in-patient admissions. This increase impacts capacity and creates financial burdens for the County. BHRS bears the responsibility for the total costs for the Uninsured and Forensic patients. Thus, recent increases in uninsured admissions are of significant concern.

Over the past year, the County's Chief Executive Office, BHRS, Doctors Medical Center (DMC), and other stakeholders met and began a new working relationship that focused on the capacity issues and growing need for psychiatric in-patient services. This group identified both short and long-term issues related to the need for secure 24/7 mental health services and programs that surround such services. This strategic planning group, along with the project consultants, participated in over eight team meetings, numerous telephone conferences, and personal interviews. In addition, several stakeholder meetings were held to gather information and understand hospital emergency room challenges around access to behavioral health 24/7 in-patient services. In addition to DMC emergency room staff, participants included Kaiser Medical Center, Memorial Medical Center, Emanuel Medical Center, and Oak Valley Hospital, along with the County's Health Services Agency and the Sheriff.

Throughout this planning process, emphasis has been focused on recovery-centered care and on creating an opportunity for each consumer to be at the least restrictive setting with the proper set of support services that will sustain recovery beyond the hospitalization. The result of this effort is a Strategic Plan that addresses in-patient needs and identifies systems issues surrounding 24/7 secure mental health services that could assist in avoiding hospitalization and reduce recidivism.

The Strategic Plan identifies three main goals:

- Develop recommendations for increased capacity to provide in-patient 24/7 care, including but not limited to, options that will provide less costly alternatives when appropriate;
- Assess opportunities for creating a community crisis stabilization service to avoid hospitalization when possible; and
- Develop aftercare strategies as an element of a behavioral health continuum of care around in-patient services.

Stanislaus County is fortunate to have public and private sector stakeholders who together are committed to improving behavioral health conditions for county residents. The Behavioral Health Strategic Plan for 24/7 Secure Mental Health Services is a first step to improving capacity and setting goals for appropriate alternatives and follow-up to and from 24/7 secure settings that presently do not exist. Much credit should be given to County and DMC leaders who have created a new working relationship that can be expected to be involved with continuous improvement and collaborative problem solving.

STANISLAUS COUNTY/DOCTORS MEDICAL CENTER STRATEGIC PLANNING TEAM

Stanislaus County Chief Executive Office

Monica Nino, Chief Executive Officer

Patricia Hill Thomas, Chief Operations Officer

Cynthia Thomlison, Senior Management Consultant

Sandra Regalo, Management Consultant

Stanislaus County Behavioral Health and Recovery Services

Madelyn Schlaepfer, PhD, Behavioral Health Director

Adrian Carroll, MFT, Associate Director

Linda Downs, Assistant Director

Doctors Medical Center

Mike King, Chief Operations Officer

Tony Vartan, Associate Administrator, Chief Behavioral Health Services Officer

Greg Berry, Chief Financial Officer

HFS Consultants

Steve Rousso, Principal

Larry Blitz, Manager

INTRODUCTION OVERVIEW & HISTORY

Stanislaus County Behavioral Health and Recovery Services (BHRS) provides services to people of all ages who suffer from mental health problems, including out-patient mental health care for those with severe mental illness or who are seriously emotionally disturbed and temporary hospitalization for community members with mental illness who have Medi-Cal or are uninsured.

This Strategic Plan identifies three main goals:

- Develop recommendations for increased capacity to provide in-patient 24/7 care, including but not limited to, options that will provide less costly alternatives when appropriate;
- Assess opportunities for creating a community crisis intervention/stabilization service to avoid hospitalization when possible; and
- Develop strategies to implement a behavioral health continuum of care for in-patient crisis services as well as aftercare.

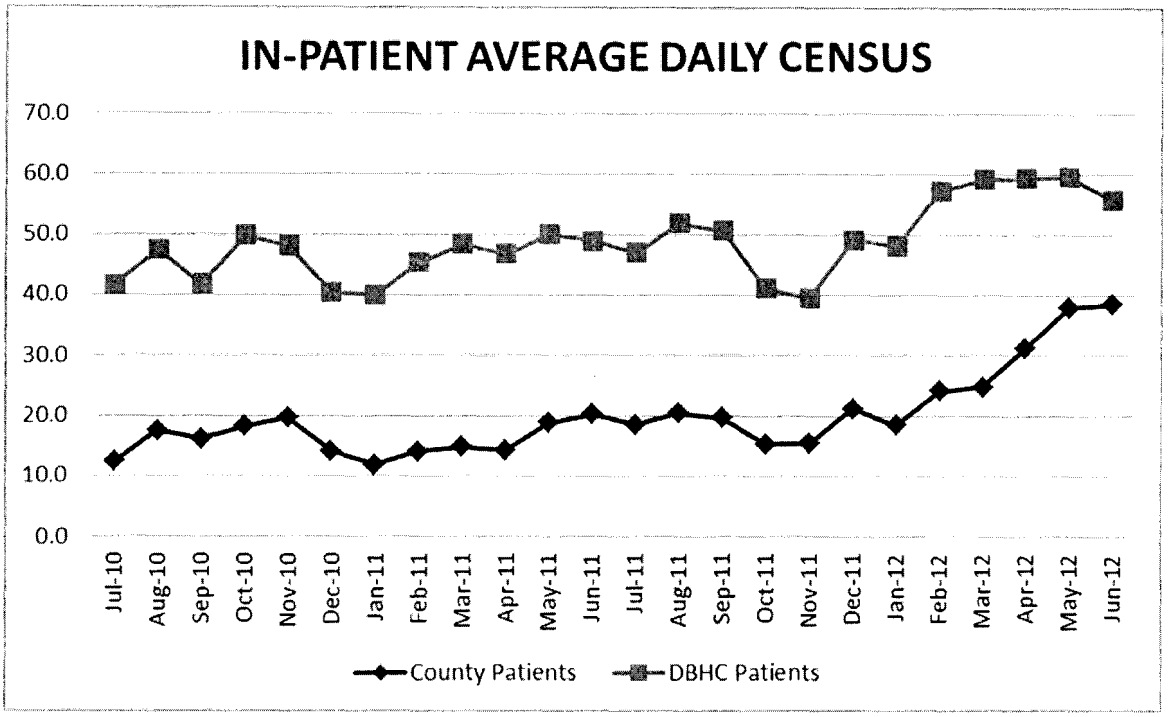
The County offers an array of outpatient services through BHRS, to include outpatient mental health services to seriously mentally ill adults and seriously emotionally disturbed children and youth. These services include individual, group and family counseling, rehabilitation services, case coordination and medication. BHRS also provides assessment and referral for inpatient mental health services as appropriate. Specialized alcohol and drug treatment and prevention services are also available to Stanislaus County residents. Additionally, programs funded by Mental Health Services Act (MHSA) are available, including Community Services and Supports, Workforce Education and Training, Prevention and Early Intervention, Innovation and Technological Needs.

Prior to October 31, 2007, the County owned and operated a 67 bed acute psychiatric hospital known as Stanislaus Behavioral Health Center (SBHC). Effective November 1, 2007, the County sold SBHC to DMC and now contracts with DMC to reserve up to 25 in-patient acute psychiatric beds on a daily basis. In Stanislaus County, one level of acute care presently exists for short-term acute stays – Doctors Behavioral Health Center (DBHC). DBHC is considered an Acute In-patient Psychiatric Unit that is part of a general acute care hospital – DMC. Within the County, there are no free-standing Acute Psychiatric Hospitals, no Psychiatric Health Facilities (PHFs), no sub-acute Mental Health Rehabilitation Centers (MHRCs) or Institutes for Mental Diseases (IMDs). There is one privately operated sub-acute Skilled Nursing Facility (SNF) in Modesto currently; however, it is not an IMD as its operating structure allows for less than 50% psychiatric care. There are no County-owned/operated facilities for acute or sub-acute in-patient psychiatric care.

During the past two years, the number of in-patient admissions has dramatically increased while the area-wide capacity remains at the same level. The historical average of in-patient beds (local and out-of-county beds) used by patients under the County's responsibility has been 19 per day; however, in recent months this has been over 40 per day, of which on average 54% are uninsured. The corresponding impact to the community overall has been no available beds at DBHC and long waits in local hospital emergency departments. This has challenged the community's ability to place consumers in local, appropriate, and cost effective levels of care. The most significant increase to in-patient admissions is with the uninsured population, especially consumers new to the mental health system. **Chart #1** depicts the average daily census for in-patient care at DBHC, and of that, breaks out the portion that falls under County

responsibility. Over the two-year period, there has been an overall increase of 34% in average daily census; however, the County in-patient responsibility has grown 200% over the same time.

Chart #1 – In-Patient Average Daily Census, Stanislaus County



Efforts are underway to collect data to understand the underlying causes of the increase. Anecdotally, the trend appears related to economic stressors, such as increased unemployment, loss of insurance and the collapse of the housing market. BHRS bears the responsibility for the total costs for uninsured consumers and it is estimated that during Fiscal Year 2012-2013, an additional $1.7 million in in-patient costs will be funded by BHRS through its fund balance (prior year savings).

Chart #2 - 2010 Population Comparison

Experts estimate a need for *a minimum of 1 public psychiatric bed for every 2,000 people* for hospitalization of individuals with serious psychiatric disorders[1]. Other studies indicate the availability of appropriate outpatient services in the community may impact this number[2]. **Chart #2** reflects the national, state and local existing ratio of beds available to those in need of in-patient mental health services.

	2010 Population	Existing Bed to Population Ratio
Nation	308,745,538	1 Psych Bed for every 4,887 people
49 States	271,491,582	1 Psych Bed for every 4,798 people
California	37,253,956	1 Psych Bed for every 5,651 people
Stanislaus County	508,937	1 Psych Bed for every 7,596 people

[1] Torrey, E.F., Entsminger, K., Geller, J., Stanley, J. and Jaffe, D.J. (2008). "The Shortage of Public Hospital Beds for Mentally Ill Persons."
[2] Stetka, B. (2010). "U.S. Psychiatric Resources: A Country in Crisis."

The existing availability of psychiatric beds statewide and nationally, is illustrated in **Chart #3**.

Chart #3 - Psychiatric In-Patient Care Units & Freestanding Psychiatric Hospitals

	General Acute Care Hospital w/Psych	# Psych Beds	Acute Psychiatric Hospitals & Psychiatric Health Facilities	# Psych Beds	Total Hospitals	Total Beds
Nation	1,201	36,484	229	26,669	1,430	63,183
49 States	1,110	32,567	179	24,026	1.289	56,593
California	91	3,917	50	2,673	141	6,590
Stanislaus County	1	67	0	0	1	67

Health Forum, AHA
CA data: OSHPD

Charts # 4 and #5 identify one of the major problems in providing adequate in-patient psychiatric care in California – the decrease number of psychiatric beds in existence while in **Chart #6** the overall population in California increases resulting in lowering the ratio of acute in-patient beds to its population. The increase in demand coupled with the declining number of in-patient acute beds places added pressure on all providers of this service.

Chart #4 - California Psychiatric Facilities

A decrease of 40 facilities (-22.1%)

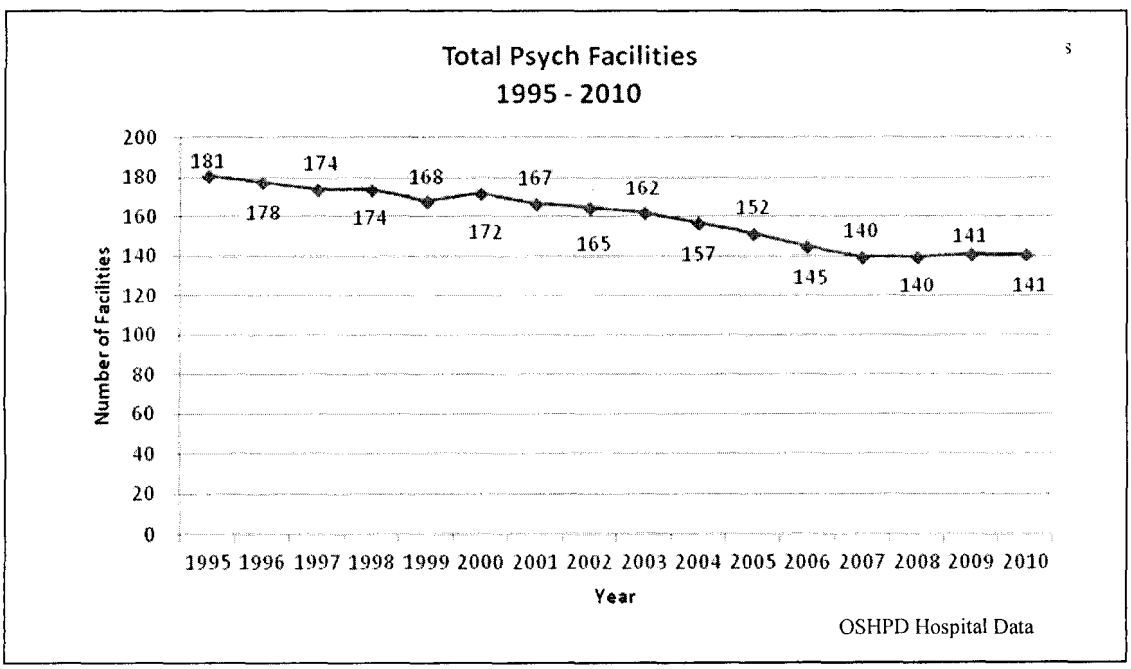


Chart #5 - California Psychiatric Beds

A decrease of 2,763 beds (-29.5%)

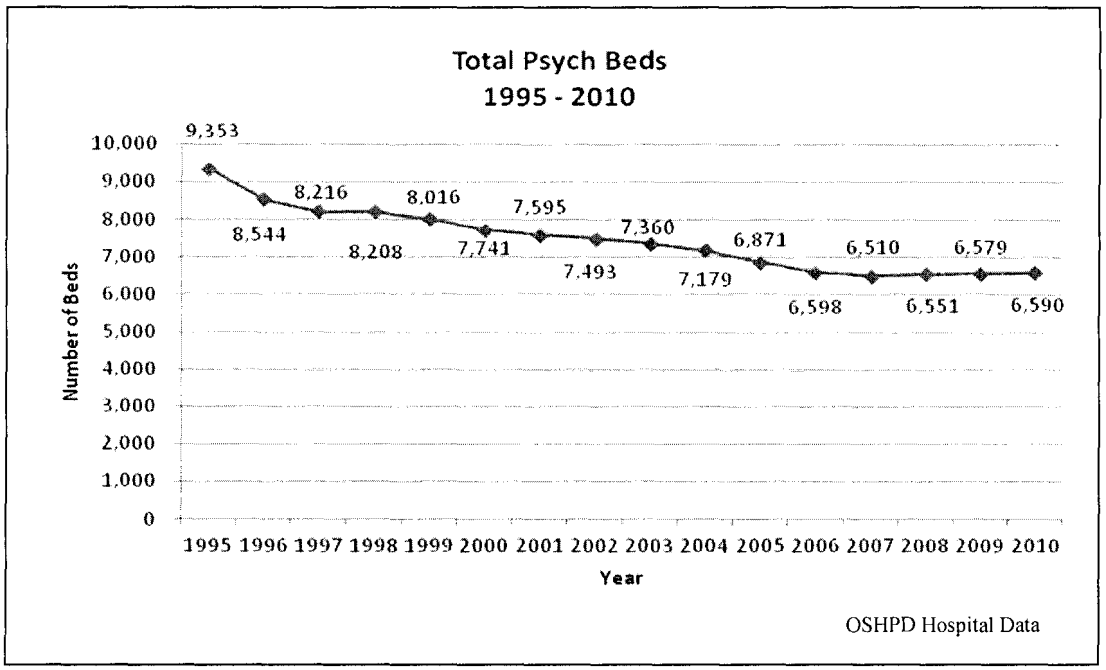
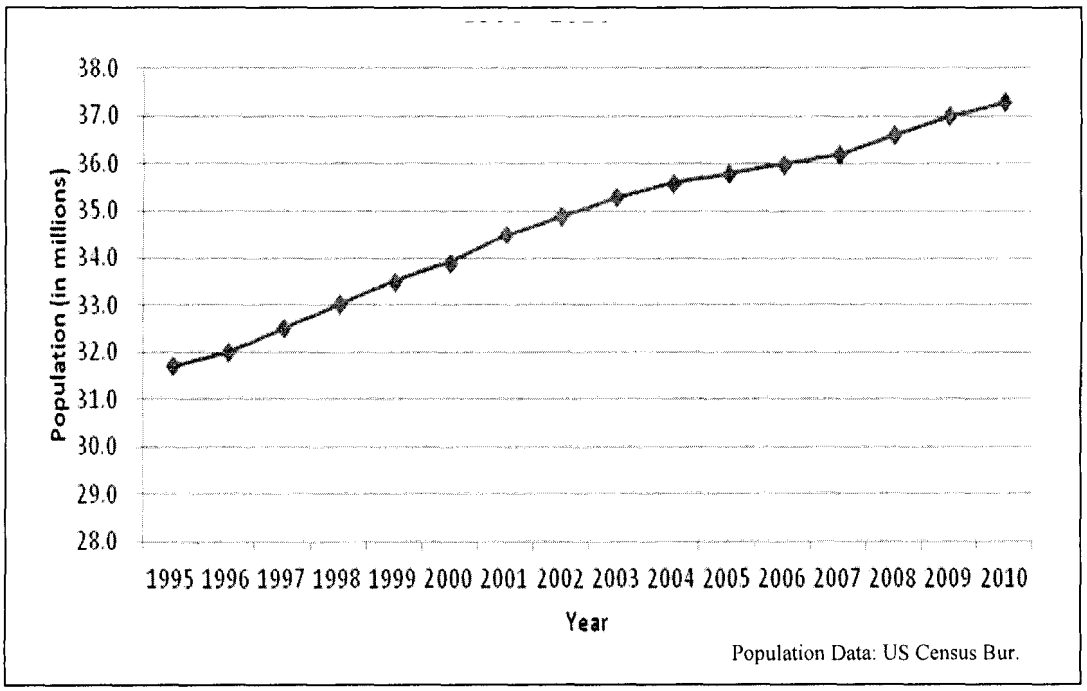


Chart #6 - California Population

An increase of 5.6 million (5.6%)

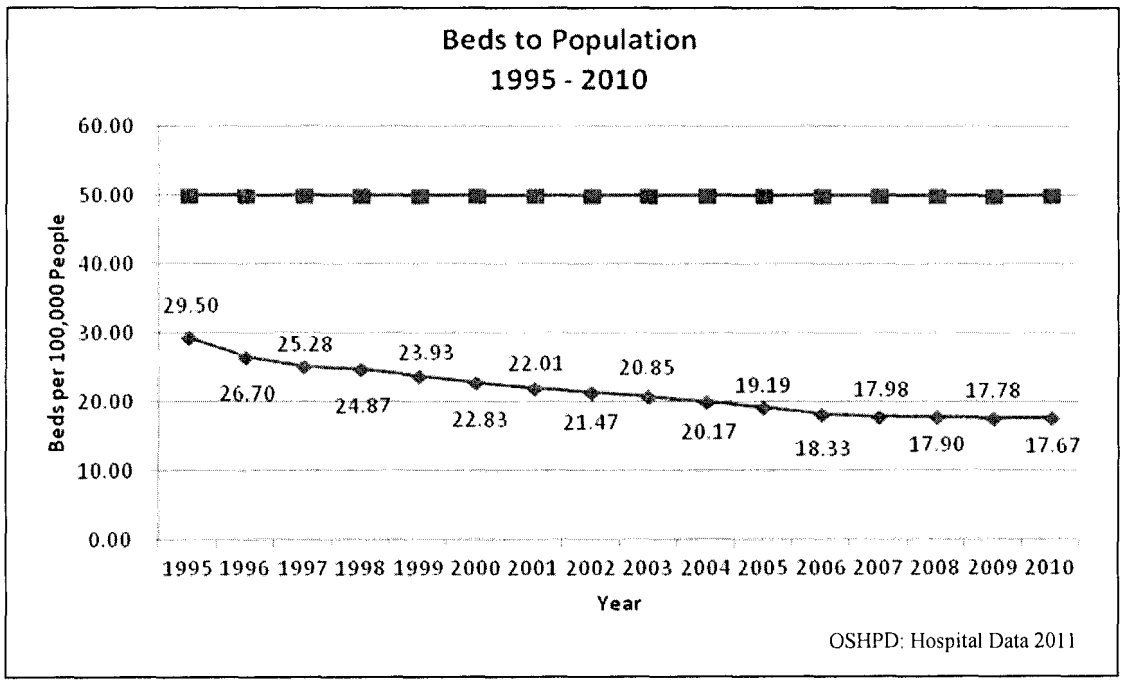


As illustrated in **Charts #4 & #5** above, the total number of California Psychiatric In-Patient facilities has decreased from 181 in 1995 to 141 in 2010. The total number of Psychiatric Beds has fallen from 9,353 in

1995 to 6,590 in 2010. While the State's population has risen 5.6% during the same time period, **Chart #7** indicates that beds to population have fallen from 29.5 beds to 17.67 beds per 100,000 population. State and national goals are 50 such beds to 100,000 population. Based on these goals, Stanislaus County should have 254 in-patient beds.

Chart # 7 - Ratio of Beds to Population

A decrease of 11.83 beds per 100,000 people (-40.1%)



Over the past five years in Stanislaus County, the need for acute in-patient beds has dramatically increased, as demonstrated by the following chart. With limited short-term options for in-patient psychiatric care, BHRS is frequently forced to provide placement out-of-county. Placement in other California counties presents families, consumers, and the Stanislaus County BHRS case workers with multiple challenges.

Chart #8 below illustrates the dramatic increase of County in-patient beds utilized between 2007-2008 and 2011-2012. Medi-Cal consumers have increased by 66% over this period; similarly uninsured have increased at a rate of 67% over the same time period. With capacity far below State and Federal ratios to population, it is essential to begin to address this issue.

Chart #8 - Total Bed Days

Total Bed Days Submitted

Fiscal Year	Medi-Cal	Uninsured Forensics	Total	Average Daily Census in Country	Out of County Placements	Total Bed Days	Average Daily Census
2011- 2012	3,908	4,132	8,040	22.0	1,778	9,6818	26.9
2010-2011	3,337	2,462	5,799	15.9	1,722	7,521	20.6
2009-2010	3,028	2,389	5,417	14.8	1,130	6,547	17.9
2008-2009	2,978	2,905	5,883	16.1	824	6,707	18.4
2007-2008 (1)	2,353	2,472	4,825	19.9	1,212	6,037	24.9

(1) Reflects bed days for November 1, 2007 – June 30, 2008 when SBHC was sold to DMC

BHRS data

STRATEGIC PLANNING EFFORTS

During late Fall of 2011, a strategic planning process began with the following objectives:

- To reach stakeholder consensus of present conditions, and
- To consider expanding 24/7 secure mental health services.

Later in the process other objectives were identified:

- To explore visionary perspectives related to services adjacent to 24/7 secure mental health, and
- To design an action plan that narrows the gap between present reality and desired vision.

As previously noted, a significant issue is the dramatic increase in acute psychiatric in-patient admissions. This increase impacts capacity and creates financial burdens for the County. Given this programmatic and financial burden, the Strategic Plan Stakeholder Group began assessing other lower cost and capacity building options such as creating a Psychiatric Health Facility (PHF) and crisis intervention/stabilization models. The creation of a lower level of care, such as a PHF, can reduce the cost of providing for patients who do not require the intensity of 24/7 services provided in a higher cost setting such as psychiatric in-patient. Other important issues include being able to maintain a local capacity that will enable Stanislaus County residents to receive appropriate care in their county instead of being placed in other facilities which are long distances away.

Longer term issues discussed and considered in the stakeholder meetings include assessing and providing recommendations for improved access to crisis evaluations. BHRS presently provides crisis services for County clients and the planning team acknowledges that these essential services are executed at a very high level of efficiency. Additionally, the increase in caseload has created resource shortfalls to provide crisis assessments for privately insured and out-of-county Medi-Cal or uninsured patients. The ability to provide timely and accurate assessments and placement options are key first steps to creating an efficient and effective 24/7 secure service system.

Aligned with improving 24/7 secure mental health services is a second long-term issue – improving Continuum of Care options to reduce the likelihood of a need for 24/7 secure services. Despite programs

and services currently being executed throughout the behavioral health continuum, providing augmented care/case management is a concern heard at every team meeting and interview. Concerns were articulated about "patients falling through the cracks," such as those without insurance coverage, limited "front and back door" options surrounding 24/7 secure services, and insufficient capacity in the behavioral health continuum.

Throughout the stakeholder meetings with local hospital leaders, emphasis has been placed on the need to create an enhanced system to address the increasing need for psychiatric evaluations in local hospital emergency departments. While most emergency patients with apparent psychiatric issues are taken to Doctors Medical Center, those who have associated medical conditions may be taken to one of the other area hospitals for treatment. Once the medical emergency has been addressed, patients may wait several hours for a psychiatric assessment and then several more before finding an appropriate placement, thus occupying a bed that could be used for other medical emergencies. Additionally, emergency room staffs are not resourced for crisis stabilization. Much discussion has been held regarding the need for a community funded crisis intervention/stabilization program to help alleviate the burden on area emergency departments.

The strategic planning group, composed of leaders of the Stanislaus County Chief Executive Office, Behavioral Health and Recovery Services, Doctors Medical Center, and project consultants, participated in over eight team meetings, numerous telephone conferences, and personal interviews. In addition, several stakeholder meetings were held to gather information and understand hospital emergency room challenges around access to behavioral health 24/7 in-patient services. In addition to DMC emergency room staff, participants included Kaiser Medical Center, Memorial Medical Center, Emanuel Medical Center, and Oak Valley Hospital, along with the County's Health Services Agency.

The county's Mental Health Advisory Board has been briefed on these strategic planning efforts and a larger Stakeholder meeting was held on September 27, 2012 to begin dialogue with a broader array of community partners regarding 24/7 secure mental health services, challenges and opportunities. All parties acknowledge this is a broad community issue, not a County or County/DMC issue to resolve – more resources are needed in response to this community crisis.

Throughout this planning process, emphasis has been focused on recovery-centered care, both in the in-patient and out-patient settings. All care settings should be focused on creating an opportunity for each consumer to be at the least restrictive setting with the proper set of support services that will sustain recovery beyond the hospitalization. The result of this effort is a Strategic Plan that addresses in-patient needs and identifies systems issues surrounding 24/7 secure mental health services that could assist in avoiding hospitalization and reduce recidivism.

STRATEGIC PLAN GOALS

Stanislaus County has been impacted with a growing in-patient population of both Medi-Cal and uninsured patients. Areas of concern include meeting the care level demands and needs of this population while managing a spike in limited County dollars spent for this purpose. This Strategic Plan identifies these issues and is committed to providing program and financial solutions. Included in possible solutions is to evaluate the feasibility of creating a PHF, joining and encouraging other providers of behavioral health to become involved with providing this level of care, and to look at Best Practices in order to meet the demands of the

County's population. In the 2011-2012 fiscal year, BHRS expended $1.9 million dollars over and above the budget of $3.4 million for that time period. It is estimated that additional County funds will be necessary in 2012-2013 to meet the increasing demand of in-patient activity. A level of balance is needed in the continuum of care that achieves care demands within limited capacity, and also protects the County's General Fund from this financial exposure.

Goal # 1 – Develop recommendations for increased capacity to provide in-patient 24/7 care, including but not limited to, options that will provide less costly alternatives when appropriate.

The need for additional in-patient beds to support the growing demand for 24/7 secure mental health services in Stanislaus County has been discussed at each meeting of the core planning group as well as the expanded stakeholder meetings. At this time, DMC has not expressed an interest in expanding the acute care function at DBHC, nor have any other local hospitals.

Since the 2007 sale of SBHC from the County to DMC, the County has reserved beds at DBHC through a contractual arrangement. That contract addressed the potential for a Psychiatric Health Facility to be developed by the County. DMC concurs with the need for and the development of a local Psychiatric Health Facility (PHF). In order to be eligible for Medi-Cal funding, a PHF would be limited to 16 beds. While it is recognized by all parties that 16 beds will not eliminate the increasing demand for in-patient treatment facilities, those beds would begin to address the current level of need by supplementing the existing in-patient services, and potentially reduce the number of out-of-county placements being made today.

It is essential to the community that Doctors Behavioral Health Center continues to operate as an acute in-patient psychiatric unit. As demonstrated earlier in this report, the increasing demand for 24/7 secure in-patient mental health services can best be met through locally available beds. The County should continue to reserve an appropriate number of beds to ensure consumers receive treatment as needed. It should be noted that a PHF developed by the County would NOT compete with DBHC for patients but would be operated in a collaborative manner. The PHF would be focused on providing appropriate levels of service to County patients.

Chart #9 - Significant Cost Savings

Currently, DBHC provides only acute psychiatric services. Consumers who may not require such intensive services are receiving a higher level of care than needed. Additionally, those services come at a higher cost. If available, a Psychiatric Health Facility (PHF) would provide acute care for consumers with relatively less severe symptoms and less medical care needs. The following chart illustrates the potential cost difference between varying levels of care based on 16 uninsured beds per day:

	DBHC	Out of County	Proposed PHF
Uninsured Daily Rate *	$1,031	$907	$629
Cost of 16 beds per year	$6,021,040	$5,296,880	$3,673,360

*The State DHCS Interim PHF Rate is used as the Proposed PHF uninsured daily rate

As reflected in the chart above, the projected cost difference between placement in current in-patient beds and the proposed PHF is estimated to be $1.6 million to $2.3 million annually.

Solutions and Action Plan Suggestions

Increase capacity through the creation of a **Psychiatric Health Facility (PHF)** - California Health and Safety Code, Section 1250.2 establishes the statutory authority of a PHF – which is a licensed healthcare facility that provides 24 hour in-patient care for mentally disordered or incompetent consumers and is designed to assist in lessening the acute episode enabling consumers to move towards less restrictive levels of care. The basic services provided by a PHF are psychiatry, clinical psychology, psychiatric nursing, social work, rehabilitation, drug administration and appropriate food services. PHFs are designed to require less staff than an acute psychiatric hospital, which reduces overall costs. Presently Medi-Cal funding for PHF level of care is limited to 16 beds or less. Creation of a PHF could:

1. Increase the community's capacity of in-patient 24/7 patients from 67 to 83; an increase of 16 beds.
2. Provide a lower cost option for lower acuity patients – presently this option does not exist.
3. Offer a seamless transition of care if co-located with other treatment options, such as substance abuse treatment programs. Co-occurring Substance Use Disorders (SUD) have been identified as major factors in the repeated in-patient admissions of some clients at DBHC. Approximately 60% to 80% of the in-patient admissions have co-occurring mental health and substance use disorders. Recovery and breaking the cycle of in-patient readmissions requires treatment to address both conditions.
4. Be linked to crisis stabilization services.
5. Reduce the number of County residents that must be placed in other counties due to the lack of local available beds.
6. Leverage shrinking fiscal resources better and protect against growing cost exposures for in-patient care only.

Two potential local PHF sites have been considered. The site at Doctors Behavioral Health Center, 1501 Claus Rd. in Modesto would require the construction of a new building. The site at the Stanislaus Recovery Center Campus, 1904 Richland in Ceres would require renovations. As part of the analysis of the two sites, the County and DMC separately engaged the same firm to provide cost estimates of the required work. The cost to construct a new facility at DBHC is estimated to be approximately $8 million (Attachment A), while the cost to renovate the existing facility in Ceres is estimated to be approximately $2.2 million (Attachment B). Based on estimated cost and other factors, the planning team supports the County's use of the Ceres site as the appropriate location for a PHF.

The Ceres option would remodel an existing single-story building of approximately 10,000 square feet that was originally constructed in 1988 and was previously used as a perinatal treatment center for women and children. The facility is currently being used on a short-term basis by Valley Recovery Resources for a Clean and Sober Living program. Attachment C includes a site map and overview of the proposed scope of work to the Ceres site, along with a preliminary schedule for that work.

As previously stated, the development of one 16-bed PHF will begin to ease the capacity issues described in this report. The planning team and stakeholder group are encouraged to seek out and consider additional

options for increasing capacity, to include private development and operation of other secure psychiatric residential facilities, as defined in Attachment D.

Goal #2 - Assess opportunities for creating a community crisis stabilization service to avoid hospitalization when possible.

Throughout this strategic planning effort, County and DMC planning team members have identified a variety of challenges within the present crisis management system. While it is recognized by the team that BHRS performs extraordinarily well meeting their mandated functions within available resources, it is also recognized that an expanded crisis stabilization system would benefit the community. The Strategic Planning team met with a larger group of stakeholders from local hospitals with an interest in furthering this goal. Concerns shared through the stakeholder process included lengthy delays in crisis evaluations, lack of beds, and admission or release without appropriate follow-up, as reported in **Chart # 10**. While the coordination of BHRS and DBHC emergency crisis services has been collaborative, it is also clear that the present crisis management systems need to be enhanced.

Chart #10 – Local Emergency Department Statistics

24-HOUR SECURE PSYCHIATRIC IN-PATIENT SERVICES
COMMUNITY EMERGENCY DEPARTMENT STATISTICS
FEBRUARY 1 - JUNE 30, 2012

	Doctors Medical Center	Emanual Medical Center	Memorial Medical Center	Kaiser Medical Center	Oak Valley Hospital	Aggregate Data
How many Emergency Room beds are available?	33	32	45	N/A	8	118
How many adult psychiatric patients were seen in your ER during the period February 1, 2012 through June 30, 2012?	1,368	352	51	N/A	24	1,795
Average psychiatric patients per day (calculated on 150 days)	9.1	2.3	0.3	N/A	0.2	12.0
How many adult psychiatric patients were transferred to other facilities (from transfer logs)	1,186	37	36	N/A	16	1,275
Percentage of adult psychiatric patients transferred to other facilities	87%	11%	71%	N/A	67%	71%
Patients released without transfer	182	315	15	N/A	8	520
Of those transferred, how many were transferred to Doctor Behavioral Health Center (DBHC)?	1,152	23	26	N/A	9	1,210
Percentage of patients transferred to DBHC	97%	62%	72%	N/A	56%	95%
What is the average length of time (in hours) that adult psychiatric patients are in the ER from the time they present until discharge or transfer?	5.9	26	28	N/A	30	22.5
What is the average length of time (in hours) that an adult psychiatric patient is in your ED before being evaluated by the Community Emergency Response Team (CERT) or DBHC?	CERT - 2.4 DBHC - .3	10	10.5	N/A	13	8.975

Additional issues discussed through the Stakeholder process include:

- Geographical Location and Access – given that Stanislaus County is both rural and urban, discussion related to having additional locations for such services;
- Issue of the timeliness of assessments;
- The need for crisis stabilization protocols; and
- Enhanced care/case management programs.

Regarding the timeliness of assessments at local Emergency Departments other than DMC, BHRS offered to provide training in 5150 evaluations for local hospital staff. Many staff took advantage of this training but they are still completing the final part of the training which includes shadowing BHRS staff who do these evaluations regularly.

Solutions and Action Plan Suggestions – Goal #2

Assess opportunities for creating a **Community Crisis Stabilization Service** to avoid hospitalization when possible - An essential strategic plan work product is to identify "Best Practice" examples that provide new ideas and options to the County's present program in addition to local suggestions that are visible and doable. It is recommended that the following action steps commence:

1. The Board of Supervisors formally create a Task Force that shall be responsible for the following:
    a. Assessing present conditions,
    b. Determining what a Crisis Stabilization System would look like;
    c. Developing an action plan that will reduce the gap between the present reality and the desired vision, focusing on reducing the number of in-patient admissions and providing options for the most appropriate care; and
    d. Presenting the action plan to the Board for consideration.
2. In accomplishing its objectives, the Task Force may review options such as the potential to use housing crisis centers when appropriate instead of hospitalization.

The County recently developed preliminary estimates of cost in the event the County was to provide a Crisis Stabilization Program. Based on staffing for four beds, it is estimated the gross cost would be approximately $871,500 annually. The following chart depicts the estimated costs for such a program.

Chart #11 – Crisis Stabilization Estimates if Provided by County

Required staffing for Crisis Stabilization:

- Registered Nurse, Psychiatric Tech or LVN at all times (1.4 FTE used to insure coverage at all times); and
- At least one Mental Health professional on site for each four (4) beneficiaries.

FUNCTIONS	EXPENSE
Staffing	
· Psych Nurse for Day Shift (1.4 FTE)	$154,876
· Psych Tech for Swing Shift (1.4 FTE)	$100,386
· Psych Tech for PM Shift (1.4 FTE)	$102,776
· Behavioral Health Specialist for Day Shift	$78,004
· Clinical Services Tech for Swing	$61.41
· Clinical Services Tech for PM	$62,875
· Administrative Clerk III	$57,914
· Psychiatrist on Call	$117,250
Sub-Total, staffing	***$735,494***
Operating	
· Rent – 3,000 sf @ $1/sf	$36,000
· Estimated Ancillary costs (i.e., food/snacks, linen, supplies, etc)	$100,000
Sub-Total, operating	***$136,000***
Estimated Annual Cost	**$871,494**
POTENTIAL REVENUE	
· Medi-Cal ($97.09* per consumer hour @ 50% sharing ratio) - Four (4) beds @ 46% Medi-Cal eligibility @ avg 10** hours each	($326,028)
Additional Funding Needed to Operate Crisis Stabilization Program	**$545,466**

* Interim rate from DHCS for Crisis Stabilization

** Revenue estimates would vary depending on length of stay. For example, if all beds averaged 4-hour stays, the revenue estimate would be $130,411.

Throughout group team conversations and individual interviews conducted during the strategic planning process, stakeholders continued to discuss the need of enhanced care/case management which is the key to reducing or preventing readmissions to higher levels of care. Areas of concern include coordinating the care of consumers that regularly alternate between in-patient and out-patient settings. This issue was a concern of the larger hospital setting meetings. Coordinating the variety of care/management services, their respective staffs and organizational protocols, and again, properly managing consumers throughout different levels of care became a consistent issue at these meetings.

Goal #3 - Develop aftercare strategies as an element of a behavioral health continuum of care around in-patient services.

Solutions and Action Plan Suggestions –Goal #3

Develop aftercare strategies as an element of a **Behavioral Health Continuum of Care around In-Patient Services** - It is recommended that this important discussion continue and that improving the continuum of care be a key part of the longer term strategic plan process.

BHRS has initiated discussions regarding the provision of aftercare services, using Mental Health Services Act (MHSA) funds. Initially, expansions of Community Services and Supports (CSS) funding is being proposed to the MHSA Representative Stakeholder group. These proposals include the development of a Discharge Team that would provide care management of all discharges from DBHC of County clients and the expansion of treatment slots, especially for individuals without insurance coverage. Future proposals will involve some potential innovation projects.

ATTACHMENT A – OPINION OF PROBABLE COST, NEW FACILITY

DBHC Psychiatric Health Facility
Opinion of Probable Cost

June 22, 2012

Proposed scope is to construct approximately 11,000 square feet to accommodate 16 psychiatric health (non-acute) beds. Assume non-OSHPD jurisdiction.

Fees, Tests and Inspections

Description	Unit Cost		Task Cost		Sub-Total
City Zoning Review Fees			$0		
Plan Review, Tests and Inspections Fees	3.0%		$181,000		
Public Facilities Fees	$27 per s.f.		$297,000		
Contingency			10% $48,000		
			Sub-Total		**$526,000**
	Total Fees, Tests and Inspections				**$526,000**

Building Construction and Design Costs

Basic Services Design Fees					
Basic Services (Architecture, Structural, Mechanical, Electrical)			$423,000		
Additional Design Services (Civil, Geotech, Interior Design, Equipment Planner etc)			$127,000		
Cost Per s.f. of Building			**Design Total:**		**$550,000**
Building Construction Costs					
New Construction	11,000 sf	$350	$3,850,000		
Site Work	60,000 sf	$15	$900,000		
Storm Water Mitigation	budget		$500,000		
			Construction Sub-total:	$5,250,000	
Construction Contingency		15%		$787,500	
			Construction Total:		**$6,037,500**
	Total Building Construction and Design				**$6,587,500**

Other

Furnishings, Fixtures and Equipment		$500,000	estimated
Telecommunications		$151,000	estimated
Security		$91,000	estimated
Interior Signage		$45,000	estimated
Printing and other Reimburseables		$11,000	estimated
Contingency	15%	$120,000	
	Total Other Costs		**$918,000**
	Total Project Costs		**$8,031,500**

ATTACHMENT B – OPINION OF PROBABLE COST, EXISTING FACILITY

1904 Richland Avenue Psychiatric Health Facility

Opinion of Probable Cost

PRATT ARCHITECTURE

July 17, 2012

Proposed scope is to remodel existing facility to accommodate 16 bed Psychiatric Health Facility. Remodel will include accessibility upgrades, upgrades to infrastructure (including upgrading fire alarm system and type of construction to Type VA), and replacing air handler.

Fees, Tests and Inspections

Description	Unit Cost		Task Cost	Sub-Total
City Zoning Review Fees			$0	
Plan Review, Tests and Inspections Fees	3.0%		$50,000	
Public Facilities Fees	$0	per s.f.	$0	
Contingency		10%	$5,000	
			Sub-Total	**$55,000**
	Total Fees, Tests and Inspections			**$55,000**

Building Construction and Design Costs

Basic Services Design Fees				
Basic Services (Architecture, Structural, Mechanical, Electrical)			$132,000	
			Design Total:	**$132,000**
Building Construction Costs				
Major Remodel (Accessible Restrooms etc)	1,000 sf	$150	$150,000	
Minor Refurbishment	9,500 sf	$50	$475,000	
Infrastructure Upgrade	10,500 sf	$30	$315,000	
Site Upgrades	20,000 sf	$10	$200,000	
Air Handler Replacement		budget	$300,000	
			Construction Sub-total: $1,440,000	
Construction Contingency		15%	$216,000	
			Construction Total:	**$1,656,000**
	Total Building Construction and Design			**$1,788,000**

Other

Furnishings, Fixtures and Equipment		$200,000	estimated
Telecommunications		$41,000	estimated
Security		$25,000	estimated
Interior Signage		$12,000	estimated
Printing and other Reimburseables		$3,000	estimated
Contingency	15%	$42,000	
Total Other Costs			**$323,000**
Total Project Costs			**$2,166,000**

Assumptions: It is assumed that there exists enough power on site for proposed air handler
It is assumed that the existing structure will support proposed air handler

ATTACHMENT C – PROPOSED SCOPE OF WORK

Site map for proposed Psychiatric Health Facility to be located at 1904 Richland Avenue, Ceres California

The renovated facility would include:

- 16 beds with restrooms, showers and storage lockers
- Admissions and visitors reception lobby
- Offices for one psychiatrist, two administrative personnel
- Patient interview room(s)
- Exam room
- Nurses' station
- Group therapy room
- Day room

- Dining room with adjacent food prep and warm-up kitchen
- Staff support components (break room, men's and women's restrooms with shower facilities and locker/dressing space)
- Separate client restroom with shower
- Storerooms (cleaning supplies, hygiene, food, patient records, patients' personal items, misc.)
- Secure storage room for drugs, with a sink

The existing building needs a new Heating, Ventilation and Cooling (HVAC) unit as well as a new roof. The existing building will need to be brought up to the latest Americans with Disabilities Act (ADA) standards for persons with disabilities. Minor modifications will need to be made to the visitors and staff parking areas to meet the latest ADA standards.

PRELIMINARY SCHEDULE:

• Re-issue Request for Proposals	December 2012
• Receive Proposals	January 2013
• Award Architect Proposal	February 2013
• Complete Design	May 2013
• Bid and Award	July 2013
• Construction Completion	January 2014

ATTACHMENT D – GLOSSARY OF TERMS

	24-Hour Mental Health Services, Secure Setting
State Hospital	Highest level of care, long-term acute, operated by the State
Acute Psychiatric Hospital (APH)	Generally a free-standing secure psychiatric hospital. Usually short-term acute stays. Generally more severe psychiatric symptoms than treated at a PHF. Defined in Section 1250 of the Health and Safety Code. Licensed by CA Department of Public Health. JCAHO accredited. OSHPD required.
Acute In-patient Psychiatric Hospital (IP Unit)	A distinct part of a general acute care hospital. Generally short-term acute stays. Generally more severe psychiatric symptoms than treated at a PHF. Generally more related medical care treatment required than APH or PHF. Defined in Section 1250 of the Health and Safety Code. Licensed by CA Department of Public Health. JCAHO accredited. OSHPD required.
Psychiatric Health Facility (PHF)	An intensive secure residential psychiatric treatment facility. A PHF is distinct from an APH, SNF, State Hospital or MHRC based on the severity of the disorder, dangerousness to self and others, and the need for related medical care. Generally short-term acute stays, with less medical care needs than would require a SNF or In-patient Unit of a General Hospital, and relatively less severe symptoms (although still acute) than would require an APH or In-patient Unit of a General Hospital. Designed to require less staff than an APH and to cost about 60% to operate. Defined in Section 1250.2 of the Health and Safety Code. Licensed by CA Department of Mental Health.
Mental Health Rehabilitation Center (MHRC)	An MHRC is a relatively long-term sub-acute, secure residential facility. All residents are on conservatorship. MHRCs were established to provide a Department of Mental Health licensed 24-hour care facility program. MHRCs are to provide intensive support and rehabilitation services designed to assist persons, 18 years or older, with mental disorders who would have been placed in a state hospital or another mental health facility to develop the skills to become self sufficient and capable of increased levels of independent functioning. Defined in Section 1250 of the Health and Safety Code. Licensed by CA Department of Mental Health.
Skilled Nursing Facility/Specialty Treatment Program (SNF/STP)	A SNF is used for long-term sub-acute placement for conservatees with more medical care requirements and less "dangerousness to self or others" criteria than a PHF, APF or MHRC (a few SNF/STPs can also take patients on 5150, etc). Defined in Section 1250 of the Health and Safety Code. Licensed by CA Department of Public Health, STP status certified by Department of Mental Health. JCAHO accredited. OSHPD required.
Institution for Mental Diseases (IMD)	Federal term for APH, MHRC, PHF (17 beds or larger), or SNF (over 50% psychiatric). Not eligible for Medi-Cal payments. However, this term "IMD" is commonly used to mean either MHRC or SNF/STP.
5150 Designated Facility (LPS 5150)	Can be an APH, PHF, MHRC, SNF/STP, Inpatient Unit or other unit of a general hospital upon County BOS and Director approval, and State Department of Mental Health approval.

DOCTORS
MEDICAL CENTER

September 20, 2012

Patty Hill Thomas, COO
Stanislaus County
1010 – 10th Street
Modesto, CA 95354

Reference: Doctors Behavioral Health Center
Stanislaus County's Strategic Plan

Dear Ms. Hill-Thomas:

The Doctors Medical Center (DMC) leadership team very much appreciates your efforts to address the challenges faced in Stanislaus County relative to Behavioral Health Services. You have been inclusive with Tony Vartan and I throughout the process to develop the "Behavioral Health Strategic Plan for 24/7 Secure Mental Health Services" (plan). You have expressed the importance of the continuation of a viable Acute Inpatient Psychiatric facility at DBHC. We also recognize the funding constraints faced by Stanislaus County and the imperative to take action to develop a continuum of care within the community that will allow a better use of the limited resources for Mental Health Services.

The Doctors Medical Center leadership team has had the opportunity to assist in the development of the "Draft" plan and now offer the following observations:

1. The shortage of Psychiatric Beds in our region is well documented. The addition of a Psychiatric Health Facility (PHF) will help add capacity and provide a lower cost setting for the less critically ill patients. From a standpoint of running the Acute Care Facility we have economies of scale from running DBHC near capacity. This increased capacity could result in a lower census at DBHC unless we work with the County and other area hospitals to ensure that admissions are being increased from other sources. It is recognized that a lower census would result in lost efficiency for DBHC. However, we support the County's recommendation to proceed with a PHF to develop a continuum of care in our Community.
    a. We request that the operation of PHF be developed and operated in a collaborative manner with DBHC. It will be critically important that DBHC and BHRS collaborate on discharging lower acuity patients to the appropriate setting , and such lower level of care may include the PHF.
    b. We request that the PHF not compete with DBHC for commercially insured patients. It is the intent of DBHC to develop a Partial Hospitalization Program (PHP) targeted at

commercially insured patients. Many patients may need to enter the PHP to receive a continuation of the care they received while an Inpatient at DBHC.

c. We support a PHF that is collaborating and not competing with DMC and DBHC. It is important the County and DMC/DBHC work together to serve the community. We have discussed the County's intent to have the PHF focus its efforts on the Medi-Cal and Uninsured patients that are the responsibility of the County. We understand the PHF would only accept insured patients in the event DBHC is unable to as a result of capacity or other constraints. It would defeat the purpose of opening a PHF if those beds were used to treat the insured population while the underserved remained untreated or admitted to DBHC at a higher cost.

2. The DMC emergency room is currently the primary location for evaluation of Psychiatric patients in Stanislaus County. The plan calls for the creation of a community crisis intervention/ stabilization service to avoid hospitalization when possible. Prior to 2012 many of the patients were taken to the DBHC lobby and intake evaluations were performed at that location. In late 2011 a decision was made to discontinue the primary intake at DBHC and to have all patients taken directly to DMC. The basis for that decision was to improve patient safety and to eliminate redundancy of services. The DMC emergency department is staffed 24 – hours a day and the incremental staffing required at DMC was determined to be less than was required at DBHC. Additionally, it was determined that some patients with medical conditions that appeared as psychiatric symptoms were being taken to DBHC. Many of these psychiatric patients have co-occurring medical conditions that require medical intervention and clearance, and DMC emergency room is the safest entry point for these patients. We've had some patients in medical emergencies delivered inappropriately to DBHC by law enforcement.

   Our current system of evaluation uses a CERT team to conduct the evaluation for County patients and the DMC staff conducts evaluations for non-county patients. We believe a more coordinated standard for evaluation needs to be established and would like the County and DBHC to review standards and training to ensure evaluations are consistent.

   The potential for a Crisis Stabilization Center can help ease burdens on the hospital emergency department. It will also allow for stabilization rather than admission when appropriate, potentially lowering the Census at DBHC. If this center is a coordinated effort to enhance the continuum of care it makes sense so long as patient safety concerns are addressed in the plan.

   There is still much work to be done on development of a crisis stabilization system for our community. We understand your expectation to request funding support for such a center from area hospitals and other stakeholders.

3. The item identified as goal #3 is most significant for the uninsured population. They currently have little if any services available for the multitude of social and medical challenges they face.

> This area needs a lot more attention and a plan needs to be developed to address the care continuum for those who are most challenged in our community. I believe a component of this could be an integration of both Mental and Physical Health. This area can also expand to address the many concerns of the law enforcement community since those needing improved access to services can end up in corrections as well as the Mental Health system.

It is also worth considering the role that a care transitions provider can serve in dealing with the more challenging patients. We are currently working with the DMC Foundation to help facilitate early discharge and prevent readmission for the acute care patients. Many of their efforts and successes could be replicated perhaps through the use of MHSA funding to help serve the uninsured and underserved Behavioral Health population.

The DMC team believes this effort by the County will help to expand the effectiveness of the limited resources available for the Behavioral Health population. We also appreciate the opportunity to participate as the plan is developed. Thank you for considering our comments on the plan as presented above. If you would like to discuss these comments we will be glad to meet for such a conversation.

Sincerely,

Michael J. King
Chief Operating Officer
Doctors Medical Center

Tony Vartan
Administrator
Doctors Behavioral Health Center

BEHAVIORAL HEALTH STRATEGIC PLAN FOR 24/7 SECURE MENTAL HEALTH SERVICES

November 13, 2012

Stanislaus County
Striving to be the Best

Behavioral Health Strategic Plan Team

We must look for the opportunity in every difficulty instead of being paralyzed at the thought of the difficulty in every opportunity.

– Walter E. Cole

Patricia Hill Thomas
Chief Operations Officer
Assistant Executive Officer

Behavioral Health Strategic Plan Team

Stanislaus County Chief Executive Office

- Monica Nino, Chief Executive Officer
- Patricia Hill Thomas, Chief Operations Officer
- Cynthia Thomlison, Senior Management Consultant
- Sandra Regalo, Management Consultant

Behavioral Health and Recovery Services

- Madelyn Schlaepfer, PhD, Behavioral Health Director
- Adrian Carroll, MFT, Associate Director
- Linda Downs, Assistant Director

Behavioral Health Strategic Plan Team

Doctors Medical Center

- Mike King, Chief Operations Officer
- Tony Vartan, Associate Administrator, Chief Behavioral Health Services Officer
- Greg Berry, Chief Financial Officer

HFS Consultants

- Steve Rousso, Principal
- Larry Blitz, Manager

Behavioral Health Strategic Plan

Mandates

- Welfare &Institutions Code 5600
  - W&I Code 5600.3 identifies target populations to be served. According to 5600.3(c) “adults or older adults who require or are at risk of requiring acute psychiatric inpatient care, residential treatment, or outpatient crisis intervention because of a mental disorder with symptions of psychosis, suicidality, or violence” are part of the target population which we must serve.

Behavioral Health Strategic Plan

Welfare &Institutions Code 17000

- Under W&I Code 17000, we would be legally responsible. It has been the opinion of County Counsel that healthcare fairly includes both physical and mental health care. In the past, we have held Beilensen hearings when services to uninsured were reduced.

Behavioral Health Strategic Plan

- Over the past year, the County CEO, BHRS, and Doctors Medical Center (DMC) have been working together to identify challenges and opportunities that address the increasing demand for 24-hour, seven day secure mental health services.
- HFS Consultants brought in to provide subject matter expertise through strategic planning process.

Behavioral Health Strategic Plan

- In May 2012, local area hospitals and other stakeholders were invited to begin a new unprecedented working relationship that has identified short and long term issues related to the need to develop strategies for capacity issues regarding secure 24/7 mental health programs and to focus on continuum of care options that are adjacent to secure mental health options.

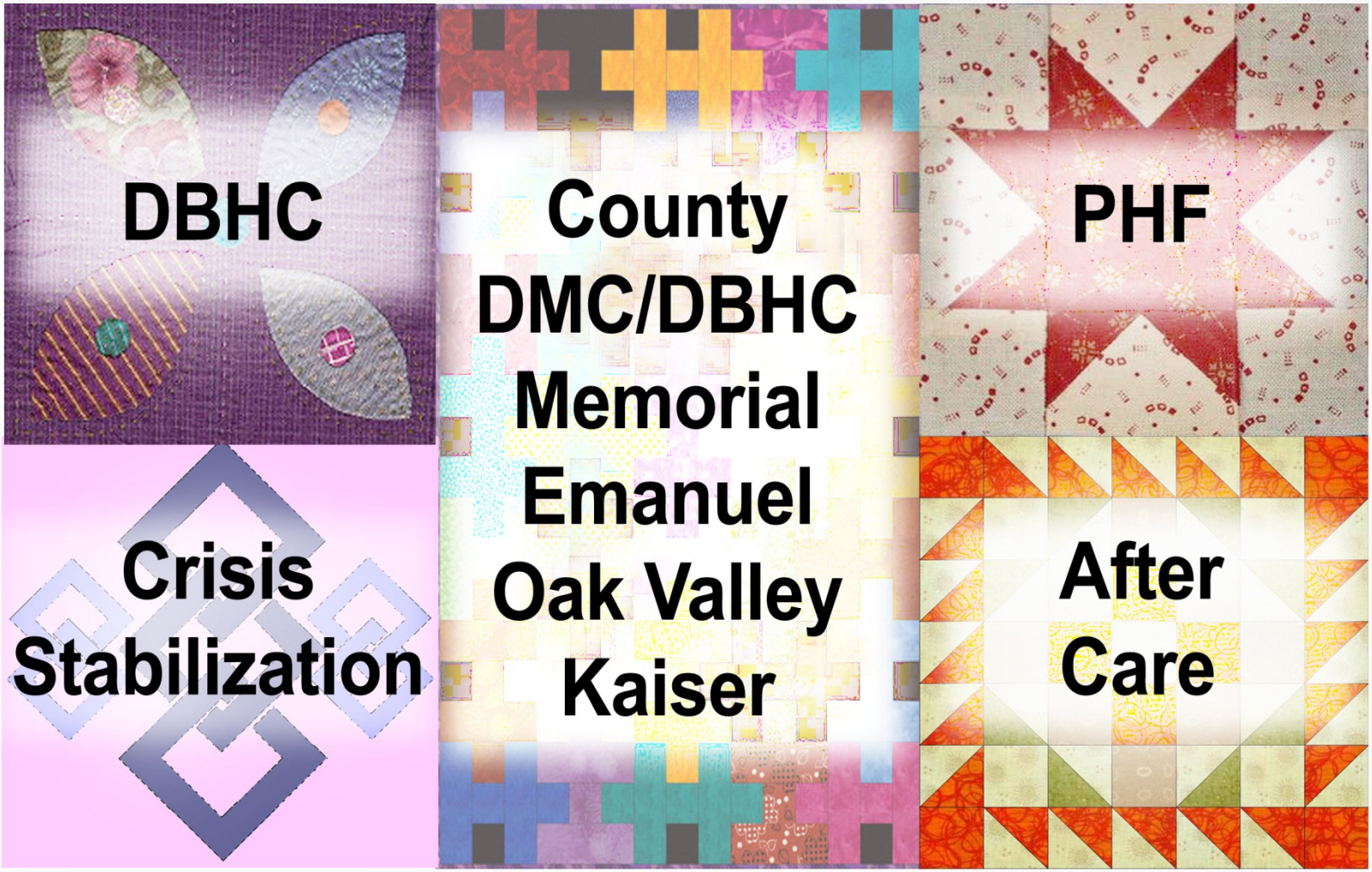
Behavioral Health Strategic Plan

- Analysis of the progress so far:
  - Through this process we learned that as community mental health in-patient needs increase, all local hospitals are impacted.
  - We recognize this is not just a County issue, or a County-DMC issue.
  - More resources are desperately needed to begin to solve this important community crisis.
  - We need a broader community-wide strategy response.

Behavioral Health Strategic Plan

- The work to date describes three overarching goals in a continuum of care: improving capacity; alternatives that may prevent hospitalization; and increased aftercare/case management.

Behavioral Health Strategic Plan Continuum of Care



Madelyn Schlaepfer, Ph.D.
Director of Behavioral Health and Recovery Services

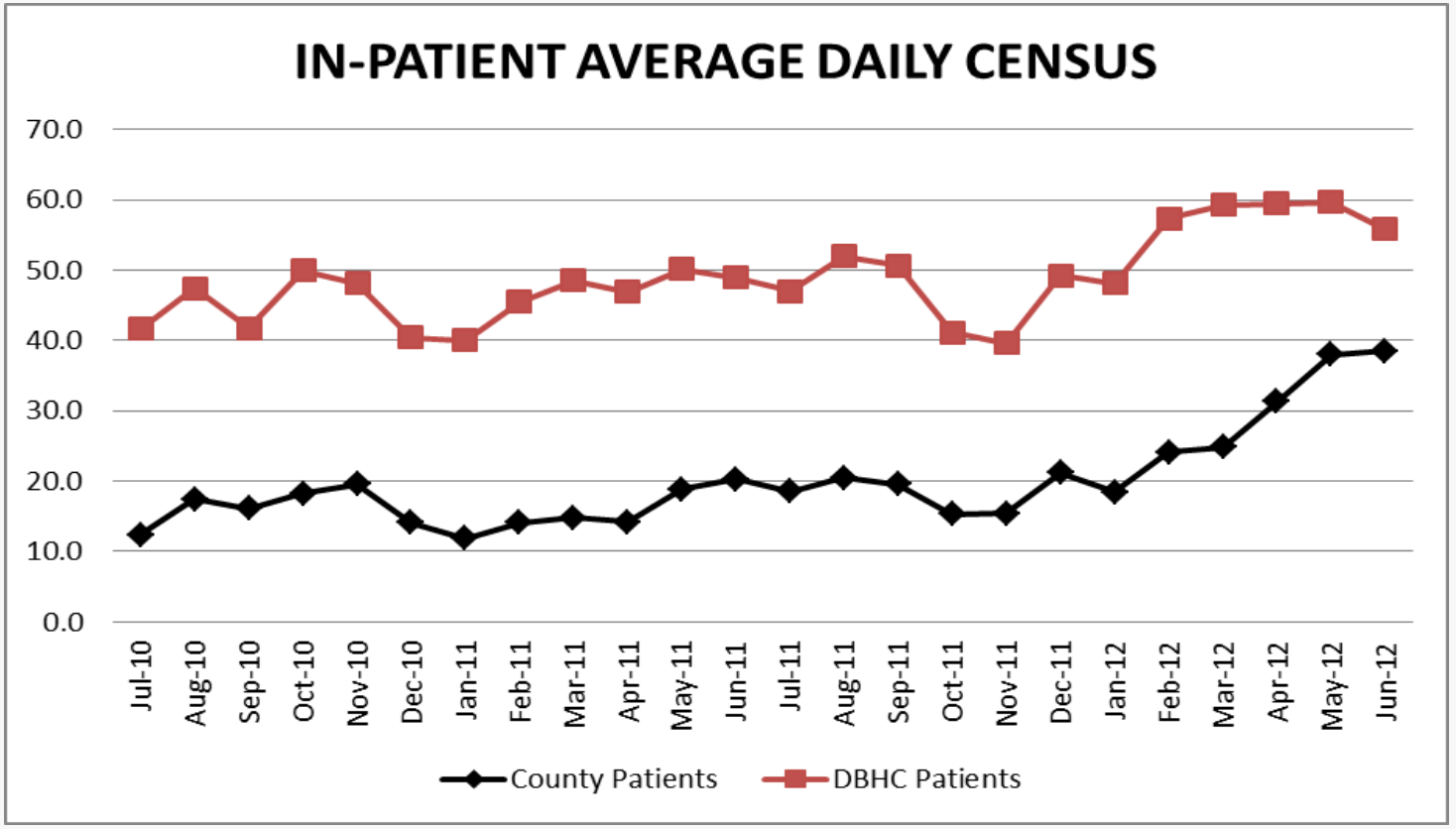
Behavioral Health Strategic Plan

- It is important to create a Continuum of Care adjacent to 24/7 secure mental health services
  - As will be evident later in the presentation, increasing psychiatric inpatient bed capacity is not going to solve the problem
  - Strategies that engage individuals in crisis before they require hospitalization prevent unnecessary utilization of high cost services

Behavioral Health Strategic Plan

- Strategies that engage individuals in recovery and aftercare reduce the likelihood of repeated readmissions to inpatient services
- Within the last fiscal year, the number of in-patient admissions has dramatically increased while the County-wide capacity remains at the same level.
- Historical average of 19 individuals per day. In some months recently, admissions have averaged over 40 per day.

Behavioral Health Strategic Plan



Behavioral Health Strategic Plan

- Behavioral Health and Recovery Services continues to use fund balance for the increasing costs of hospitalization ($1.9 Million over and above the budget of $3.4 million in FY 11-12).
- Estimates reveal that additional County funds will be necessary in FY 12-13 to meet increasing demand of in-patient activity.
- Level of balance is needed in the continuum of care that achieves care demands within limited capacity and funding.

Behavioral Health Strategic Plan

- Local hospital emergency departments have been dramatically impacted as well.
  - Patients with psychiatric issues and associated medical conditions may be taken to the nearest Emergency Room (ER).
  - Once the medical emergency is addressed, patients can wait several hours for a psychiatric evaluation and several more, sometimes days, before finding an appropriate placement.

Behavioral Health Strategic Plan

- Types of Short-term 24/7 Secure Mental Health Services:
  - Acute Inpatient Psychiatric Hospital
    - Distinct part of an acute general care hospital.
  - Acute Psychiatric Hospital
    - A free-standing secure psychiatric hospital.
  - Psychiatric Health Facility (PHF)
    - Intensive secure residential psychiatric treatment facility.

Behavioral Health Strategic Plan

- DMC operates one 67 Bed “Acute In-patient Psychiatric Unit” at Doctors Behavioral Health Center.

- Currently, there are no Acute Psychiatric Hospitals or Psychiatric Health Facilities in Stanislaus County.

Behavioral Health Strategic Plan

- Types of Long-term 24/7 Secure Mental Health Facilities:
  - Mental Health Rehabilitation Center (MHRC)
    - Sub-acute, secure residential facility;
    - Often called Institute For Mental Diseases (IMD).
  - Skilled Nursing Facility

Behavioral Health Strategic Plan

- There is one “Sub-Acute” Skilled Nursing Facility (SNF) in Modesto (Crestwood). Technically this is not an IMD because less than 50% of their patients are considered psychiatric patients.

- There are no MHRCs in Stanislaus County.

Steven Rousso, MBA, MPA
Principal
HFS Consultants

Behavioral Health Strategic Plan

- Clearly there are insufficient beds to meet existing and growing needs.
- DBHC maintains highest level of acute psychiatric inpatient care.
- Some patients may be appropriately treated at a lower level of care at a lower cost, which currently doesn't exist in our community.
- Inappropriately placed patients take beds from those that do need higher levels of care.

Larry Blitz
Manager
HFS Constultants

Behavioral Health Strategic Plan

- There is a national, state and local shortfall of beds for those in need of in-patient mental health services.

	2010 Population	Existing Bed to Population Ratio
Nation	308,745,538	1 Psych bed for every 4,887 people
49 States	271,491,582	1 Psych bed for every 4,798 people
California	37,253,956	1 Psych bed for every 5,651 people
Stanislaus County	508,937	1 Psych bed for every 7,596 people
Recommended		1 Psych bed for every 2,000 people

Behavioral Health Strategic Plan

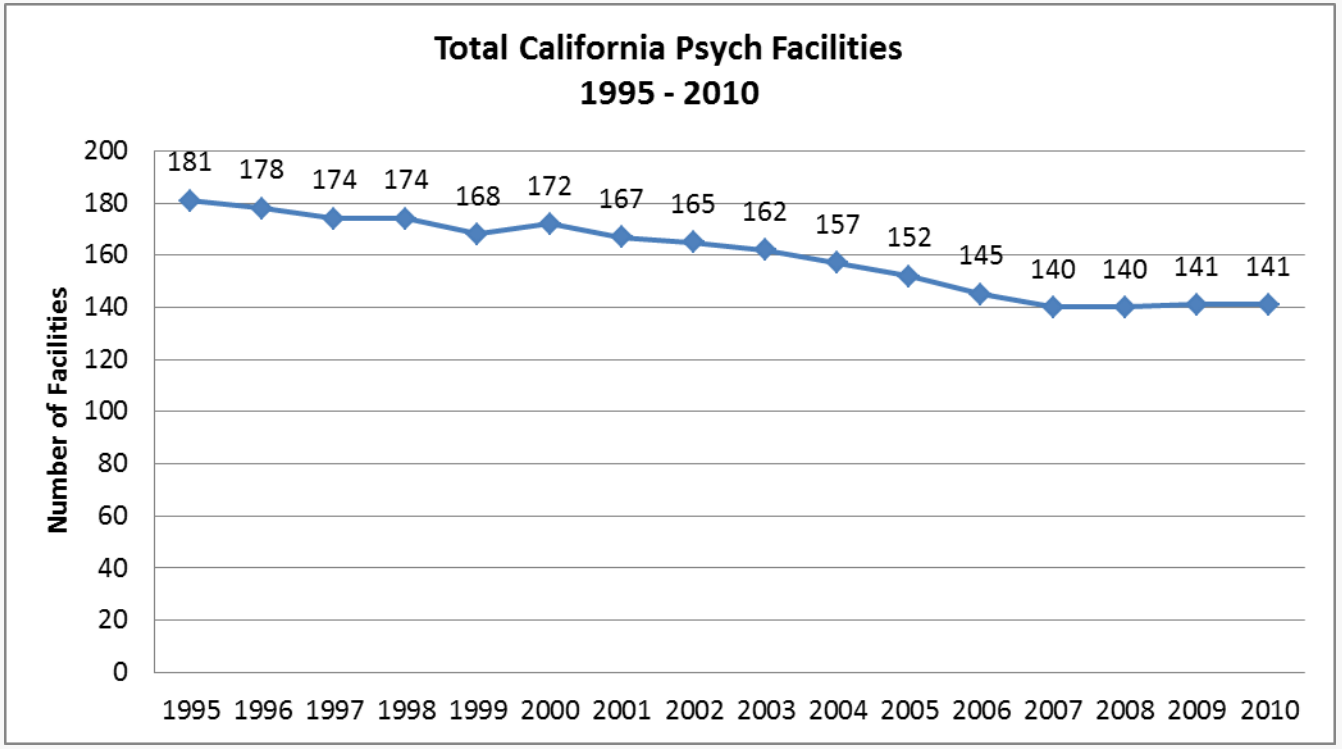
- The present local financial crisis parallels statistics statewide and nationally.

	General Acute Care Hospital w/psych	# Psych beds	Acute Psychiatric Hospitals and Psychiatric Health Facilities	# Psych beds	Total Hospitals	Total Beds
Nation	1,201	36,484	229	26,699	1,430	63,183
49 States	1,110	32,567	179	24,026	1,289	56,593
California	91	3,917	50	2,673	141	6,590
Stanislaus County	**1**	**67**	**0**	**0**	**1**	**67**

Health Forum, AHA
CA data: OSHPD

Behavioral Health Strategic Plan

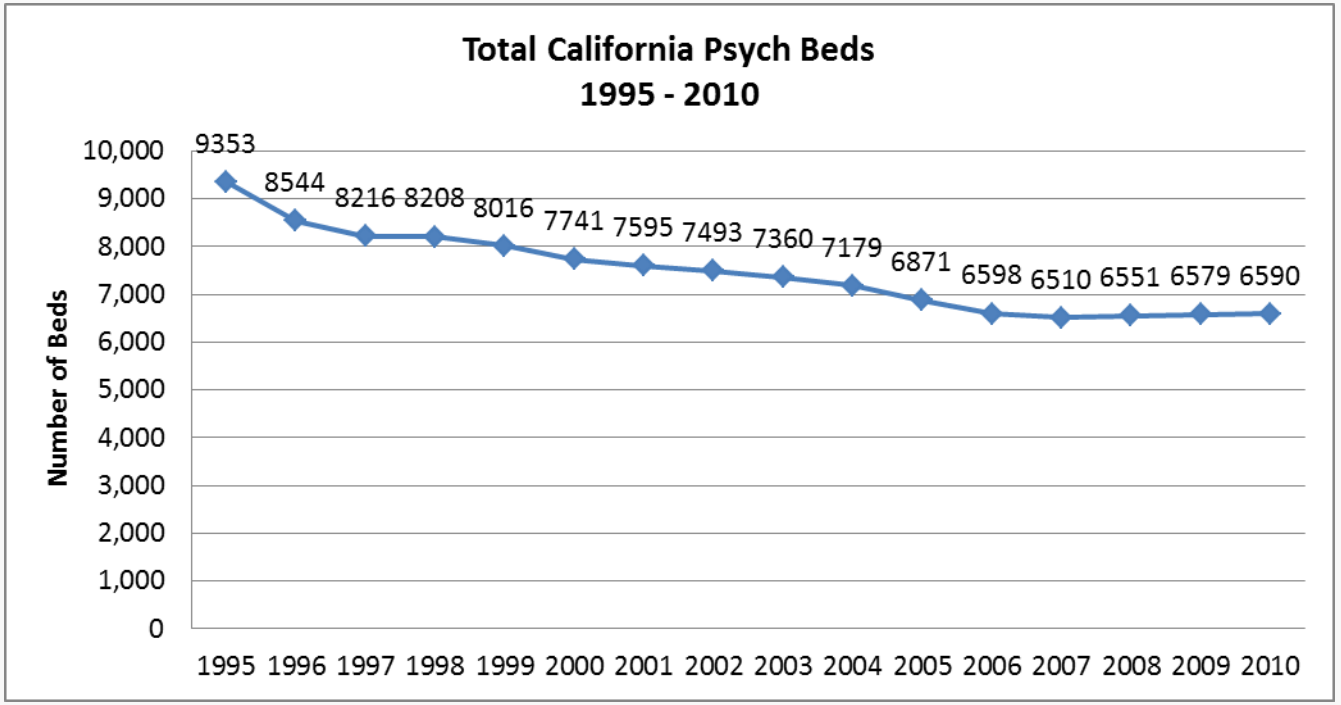
- A decrease of 40 facilities (-22.1%)



OSHPD Hospital Data

Behavioral Health Strategic Plan

- A decrease of 2,763 beds (-29.5%)



OSHPD Hospital Data

Behavioral Health Strategic Plan

Strategic Plan – Three main goals:

- Develop recommendations for increased capacity to provide in-patient 24/7 care, including but not limited to, options that will provide less costly alternatives when appropriate;
- Assess opportunities for creating a community crisis stabilization service to avoid hospitalization when possible;
- Develop aftercare strategies as an element of a behavioral health continuum of care around in-patient services to minimize the need for acute placement as appropriate.

Behavioral Health Strategic Plan

Strategic Plan Goal #1 – Develop recommendations for increased capacity to provide in-patient 24/7 care, including but not limited to, options that will provide less costly alternatives when appropriate

- The need for additional in-patient beds is crucial.
- The development of a PHF will begin to ease capacity issues.
- In order to be eligible for Medi-Cal funding, a PHF would be limited to 16 beds.
- A PHF would not compete with DBHC for patients.

Behavioral Health Strategic Plan

- Basic services provided by a PHF are psychiatry, clinical psychology, psychiatric nursing, social work, rehabilitation, drug administration and appropriate food services.
- PHFs designed to require less staff than an acute psychiatric hospital, reducing overall costs.

Behavioral Health Strategic Plan

Creation of a PHF could:

- Increase the community's capacity of in-patient 24/7 patients from 67 to 83; an increase of 16 beds.
- Provide a lower cost option for lower acuity patients – presently this option does not exist.
- Offer a seamless transition of care if co-located with other treatment options, such as substance abuse treatment programs.

Behavioral Health Strategic Plan

Creation of a PHF could:

- Be linked to crisis stabilization services.
- Reduce the number of County residents that must be placed in other counties due to the lack of local available beds.
- Leverage shrinking fiscal resources better and protect against growing cost exposures for in-patient care only.

Behavioral Health Strategic Plan

- The development of a PHF will begin to ease capacity issues.

- The planning team and stakeholder group are encouraged to seek out and consider additional options for increasing capacity, to include private development and operation of other secure psychiatric residential facilities.

Behavioral Health Strategic Plan

Strategic Plan Goal #2 - Assess opportunities for creating a Community Crisis Stabilization service to avoid hospitalization when possible

- Variety of challenges identified within present system. Concerns shared through hospital meetings include:
  - Lengthy delays in crisis evaluations
  - Lack of beds
  - Admission or Release without appropriate follow-up.
- An expanded crisis stabilization system would benefit the community by preventing hospitalization and addressing some of the concerns listed above.

Behavioral Health Strategic Plan

- A work group was created that includes representation from all local hospitals.
- The work group is assessing opportunities for creating a Community Crisis Stabilization Service to avoid hospitalization when possible.
- Estimated range of cost for Crisis Stabilization Service: $545,466 - $748,164.
- Funding for Crisis Stabilization services has not been identified.

Behavioral Health Strategic Plan

Strategic Plan Goal #3 – Develop aftercare strategies as an element of a behavioral health continuum of care around in-patient services to minimize the need for acute placement as appropriate

- Longer term strategic planning process – to include Mental Health Services Act (MHSA) Stakeholder Review process
- Include assessment of present programs and potential for expansion.
- Consider industry “Best Practices”

Behavioral Health Strategic Plan

PROGRESS TO DATE

Behavioral Health Strategic Plan

- Representatives from all of the local hospitals have been involved in discussions regarding the development and funding of a Crisis Stabilization Unit
  - All hospitals recognize the importance of crisis stabilization
  - Preventing unnecessary hospitalization will free up inpatient psychiatric beds for those that truly need that level of care, reducing waits in ERs
  - Hospital ERs are incurring expenses in holding patients waiting for admission to an inpatient psychiatric hospital
  - All hospitals have committed to considering contributing funding toward the development of this service

Behavioral Health Strategic Plan

Progress has also been made with respect to Aftercare

- The Mental Health Services Act (MHSA) Representative Stakeholder group is considering options for aftercare that include:
  - Development of a Discharge Team; and
  - Expansion of treatment slots.
- Future proposals will involve some potential innovation projects that will further enhance the aftercare part of the continuum of care.

Behavioral Health Strategic Plan

- Two Stakeholder Meetings have been held:
  - 24/7 Secure Mental Health Services Stakeholder Meeting
  - MHSA Representative Stakeholder Steering Committee
- The current plans will be available for public review on or about December 5, 2012 for a 30 day period.
- Informational sessions will also occur during this time.
- The final plan is expected to come to the Board of Supervisors in late January 2013.

Mike King
Chief Operations Officer
Doctors Medical Center

Behavioral Health Strategic Plan

- It is essential to the community that DBHC continue to operate as an acute in-patient psychiatric unit.
- The increasing demand for 24/7 secure in-patient mental health services can best be met through locally available beds.
- The County should continue to reserve an appropriate number of beds to ensure consumers receive the appropriate level of care as needed.

Behavioral Health Strategic Plan

- Two options for a PHF were evaluated:
- Remodel of Existing Facility located at the Stanislaus Recovery Center (SRC), 1904 Richland Avenue in Ceres, California.
- Build a New Facility at Doctors Behavioral Health Center (DBHC)

Behavioral Health Strategic Plan

Site map of recommended PHF to be located at SRC

Behavioral Health Strategic Plan

Remodel of SRC:

- Estimated cost to remodel existing building is $2,166,000. County would be required to amortize cost over 15 years at an annual cost of $146,667.

FY 2012-2013 without PHF	$10,267,188
Future Years with PHF	8,734,530
Net Cost Savings	$ 1,532,658
Less annual amortization	(144,400)
Estimated annual savings	$ 1,385,991

- Recoupment Period($2,200,000/$1,385,991)=1.59 yrs.

Behavioral Health Strategic Plan

OR;

Build New Facility at DBHC:

- Estimated cost to build a new facility is $8 million. County would be required to amortize cost over 10 years at an annual cost of $803,100.

FY 2012-2013 without PHF	$10,267,188
Future Years with PHF	8,734,530
Net Cost Savings	$ 1,532,658
Less annual amortization	(803,100)
Estimated annual savings	$ 729,558

- Recoupment Period ($8,031,000/$729,558) = 11.01 yrs.

Behavioral Health Strategic Plan

- The lower cost option is to renovate the site at the Stanislaus Recovery Center, 1904 Richland Avenue in Ceres, California.
- Based on estimated costs, the planning team supports the County's use of the Ceres site as the appropriate location for a PHF.
- Funding for the recommended PHF is available from the proceeds of the 2007 sale of the Stanislaus Behavioral Health Center with no impact to the General Fund. Currently, $5.9 million remain from the proceeds and can only be used by approval of the Board of Supervisors.

PROFORMA

	Fiscal Year 2012-2013 (Total of 40 beds)						Future Years (Total of 40 beds)						Future Years with Enhanced Continuum of Care (Total of 35 beds)					
	% of Total	# of Beds	Bed Days	Rate	Total Cost	Total County Cost Net of Medi-Cal	% of Total	# of Beds	Bed Days	Rate	Total Cost	Total County Cost Net of Medi-Cal	% of Total	# of Beds	Bed Days	Rate	Total Cost	Total County Cost Net of Medi-Cal
DBHC		30						15						15				
Medi-Cal (50% reimbursement)	46%		5,037	1,031	5,193,147	2,596,574	46%		2,519	1,031	2,596,574	1,298,287	46%		2,519	1,031	2,596,574	1,298,287
Uninsured - Case Rate (Note 1)	54%		4,435	828		3,672,180	54%		2,217	828		1,835,676	54%		2,217	828		1,835,676
Uninsured - after 4 days (Note 1)			1,478	1,031		1,523,818			739	1,031		761,909			739	1,031		761,909
Assoc Prof Fees (64.33 Weighted)																		
Medi-Cal	46%			64.33	324,030	162,015	46%			64.33	162,000	81,000	46%			64.33	162,000	81,000
Uninsured	54%			64.33	380,383	380,383	54%			64.33	190,174	190,174	54%			64.33	190,174	190,174
Total DMC Cost			**10,950**			**8,334,970**			**5,475**			**4,167,046**			**5,475**			**4,167,046**
Total Medi-Cal Per Day Cost	46%		5,037	1,095	5,517,177	2,758,589	46%		2,519	1,095	2,758,589	1,379,294	46%		2,519	1,095	2,758,589	1,379,294
Total Uninsured Per Day Cost	54%		5,913	943	5,576,381	5,576,381	54%		2,956	943	2,787,759	2,787,759	54%		2,956	943	2,787,759	2,787,759
Total DMC Cost By Payer			**10,950**			**8,334,970**			**5,475**			**4,167,054**			**5,475**			**4,167,054**
Out of County (Note 2)		10						9						4				
Total Medi-Cal Per Day Cost	91%		3,322	486	3,226,272	1,613,136	91%		2,989	486	2,903,645	1,451,822	91%		1,329	486		645,524
Total Uninsured Per Day Cost	9%		329	970	319,082	319,082	9%		296	970	287,174	287,174	9%		131	970		127,094
Total OOC By Payer			**3,651**			**1,932,218**			**3,285**			**1,738,997**			**1,460**			**772,618**
Crisis Stabilization Unit (Note 3)	-		-	-	-	-	-		-	-	-	-	-		-		**545,467**	-
County PHF		0						16						16				
Medi-Cal	0%		-			-	46%		2,686	629	1,689,746	844,873	46%		2,686	629	1,689,746	844,873
Uninsured	0%		-			-	54%		3,154	629		1,983,614	54%		3,154	629		1,983,614
Assoc Prof Fees (none)						-						-						-
			-			-			**5,840**	**484**		**2,828,487**			**5,840**	**484**		**2,828,487**
Net Annual Cost						**10,267,188**						**8,734,530**						**7,768,159**

Add: Annual Amoritization Costs for Remodel (Note 4)												**144,400**						**144,400**
Total Annual Cost												**8,878,930**						**7,912,559**
Estimated Annual Savings												**1,388,258**						**2,354,629**
Estimated Cost to Remodel existing 16 bed facility												**2,166,000**						**2,166,000**
Recoupment Period (Remodel cost divided by Estimated Savings)												**1.56**						**0.92**

Add: Annual Amoritization Costs for New/Leased Facility (Note 5)												**803,100**						**803,100**
Total Annual Cost												**9,537,630**						**8,571,259**
Estimated Annual Savings												**729,558**						**1,695,929**
Estimated Cost to Build New/Lease 16 bed facility												**8,031,000**						**8,031,000**
Recoupment Period (New/Lease cost divided by Estimated Savings)												**11.01**						**4.74**

Behavioral Health Strategic Plan

Contractually Seek Operators for PHF

- Staff also recommends authorization for the General Services Agency, working with the BHRS, to issue a request for proposals for the management and operations of the Psychiatric Health Facility.
- Several organizations in the State have the expertise to operate this type of facility and it is anticipated that these entities will be more cost effective as they do not bring with them the overhead costs associated with government operations.

Next Steps

Preliminary Schedule for Redesign of Remodel of Stanislaus Recovery Center to 16 Bed Psychiatric Health Facility

▪Request for Design Proposals	December 2012
▪Receive Proposals	January 2013
▪Award Architect Proposal	February 2013
▪Complete Design and Bid	May 2013
▪Bid and Award	July 2013
▪Construction Completion	January 2014

Next Steps

Preliminary Schedule for Operations of Psychiatric Health Facility

▪BOS Authorization to Issue RFP	November 2012
▪Request for Operator Proposal	June 2013
▪Receive Proposals	August 2013
▪BOS Approval of Contract Award	December 2013
▪Transition & Occupancy	January 2014

Next Steps

Work in Progress

All Hospitals - Crisis Stabilization	Early 2013
MHSA Stakeholders - After Care	Early 2013

Staff Recommendations

1. Accept and Approve the Strategic Plan for 24/7 Secure Mental Health Services.

2. Approve the Strategic Plan recommendation to develop a County-owned Psychiatric Health Facility (PHF) at the County's Stanislaus Recovery Center Location at 1904 Richland Avenue in Ceres California.

Staff Recommendations

3. Authorize staff to proceed with the Behavioral Health and Recovery Services Psychiatric Health Facility Project by authorizing the Project Manager to re-issue a Request for Proposals for Design (Architectural and Engineering services) Services needed to remodel the Stanislaus Recovery Center Building for future use as a Psychiatric Health Facility Project.

4. Authorize the General Services Agency in collaboration with Behavioral Health and Recovery Services to issue a Request for Proposals for the future operations of the Psychiatric Health Facility.

Staff Recommendations

5. Approve the Strategic Plan recommendation to formalize the County and all area Hospitals Working Group as a Task Force, to continue work on enhancing, collaborating and strengthening the 24/7 secure mental health services in the community.

6. Authorize the Chief Executive Officer, or her designee, to negotiate with Doctors Medical Center for the continued use of beds at Doctors Behavioral Health Center.

Staff Recommendations

7. Amend the Capital Improvement Plan Project List for Fiscal Year 2012-2013 approved by the Board of Supervisors on September 25, 2012 by the inclusion of the Psychiatric Health Facility project.

QUESTIONS?