

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Behavioral Health	(2) MEETING DATE 6/18/2013	(3) CONTACT/PHONE Cindy Collins, ASM, 788-2932 Amy Olson, ASO II, 781-4729	
(4) SUBJECT Request to approve a renewal contract (Clerk's File) with Davis Guest Home, Inc. for Fiscal Year (FY) 2013-14 in the amount not to exceed \$204,400 to provide residential board and care and social support services to adults with serious mental illness.			
(5) RECOMMENDED ACTION It is recommended that the Board approve and direct the Chairperson to sign a renewal contract for with Davis Guest Home, Inc. for FY 2013-14 in the amount not to exceed \$204,400 to provide residential board and care and social support services to adults with serious mental illness.			
(6) FUNDING SOURCE(S) Medi-Cal, Realignment	(7) CURRENT YEAR FINANCIAL IMPACT \$204,400.00	(8) ANNUAL FINANCIAL IMPACT \$204,400.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001292		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP No	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>6-19-12</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Reviewed by Leslie Brown			
(18) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Jeff Hamm, Health Agency Director
Karen Baylor, Ph.D., MFT, Behavioral Health Administrator

DATE: 6/18/2013

SUBJECT: Request to approve a renewal contract (Clerk's File) with Davis Guest Home, Inc. for Fiscal Year (FY) 2013-14 in the amount not to exceed \$204,400 to provide residential board and care and social support services to adults with serious mental illness.

RECOMMENDATION

It is recommended that the Board approve and direct the Chairperson to sign a renewal contract for with Davis Guest Home, Inc. for FY 2013-14 in the amount not to exceed \$204,400 to provide residential board and care and social support services to adults with serious mental illness.

DISCUSSION

Davis Guest Home, located in Modesto, is board and care facility that provides residential and social support services to adults with serious mental illness. The home provides a higher level of support services than those provided at American Care Home I, the board and care facility located in our county, and yet provides a residential step-down from an Institution for Mental Disease (IMD). Augmented residential programs, like those offered at this home, provide an alternative for clients ready to transition to a slightly lower level of care than that provided at an Institution for Mental Disease (IMD), but not yet ready for more independent living situations.

This home provides a highly structured environment, extensive socialization programs, and onsite psychiatrist coverage. Davis Guest Home's higher intensity level programs are geared toward the special needs of the newly transferred IMD clients, presenting with more acute symptoms than can be treated by a traditional Board and Care facility. Behavioral Health has utilized the Davis Guest Home program since December of 2003. Currently, Behavioral Health has eleven clients placed at Davis Guest. As clients demonstrate stability in this setting, the County residential case manager evaluates transferring clients to more independent living arrangement within San Luis Obispo County, or stepping down services as appropriate.

The Behavioral Health Department makes great efforts to choose residential provider services that most appropriately meet the current diagnosis and treatment needs of the individual client. Although the Department uses these objectives to track performance, Behavioral Health realizes that fluctuations in a client's behavioral health condition and/or response to medications do occur, and that movement of clients to higher level placement will be appropriate in some cases and that this does not necessarily reflect any negative performance on the part of the service provider.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has reviewed and approved the contract as to form and legal effect.

FINANCIAL CONSIDERATIONS

The FY 2013-14 Behavioral Health Department's Proposed Budget includes \$204,400 for Davis Guest Home residential services, which is an increase of \$13,600 (or 7.1%) from the FY 2012-13 budgeted amount of \$190,800, which assumed 7 clients for a total of 2,544 days. For FY 2013-14, Behavioral Health's Proposed Budget consists of 7 clients for a total of

2,555 days. The cost per client for 2013-14 will increase to \$80/day, a \$5 increase (6.6%) over the FY 2012-13 rate of \$75 per day the resulting per day increase will total \$12,775.

The increase compared to the prior year's budget is two-fold: 1) Davis Guest Home is implementing a \$5/day/client increase beginning July 1, 2013 due to cost of living and staffing increases. Davis Guest Home has not had a rate increase since 2009 and during that time they have experienced a 6% cost of living increase annually over the past five years which has been also compounded with a 34% increase in health insurance premiums for staff. Additionally, due to the higher acuity of clients they are accepting, Davis has hired a full-time Licensed Vocational Nurse (LVN) and increased staff hours to properly care for this population of more difficult clients; 2) more clients are stepping down from costly IMD facilities into lower levels of care such as Davis Guest Home, which will result in an overall savings for Behavioral Health.

Although the number of clients residing in facilities fluctuates from year to year, Behavioral Health recognizes that it remains difficult to predict the combination of services or facility that will most appropriately meet clients' treatment needs.

The following tables show the number of days and dollars spent or budgeted for FY 2008-09 through 2013-14:

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Budget	FY 2012-13 Estimate	FY 2013-14 Budget
Clients	16	5	3	3	7	11	7
Days	3,581	819	1,095	911	2544	2,691	2,555
Cost	\$243,508	\$61,425	\$82,215	\$68,325	\$190,800	\$207,585	\$204,400

RESULTS

Davis Guest Home Homes assists the Behavioral Health Department's performance objectives by helping clients be as functional and productive as possible in the least restrictive and least costly environments. These individuals are afforded the opportunity to be successful in progressing toward a more independent lifestyle and integrate more successfully into the community. Providing the most appropriate services to these clients increases their probability of positive treatment outcomes. Furthermore, positive treatment outcomes contribute to the wider County vision of a healthy and safe community.

ATTACHMENTS

1. Clerk's Filed Coversheet for Davis Guest Home FY 13-14 Contract Renewal