

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

(1) DEPARTMENT Behavioral Health	(2) MEETING DATE 8/11/2015	(3) CONTACT/PHONE Cindy Collins, ASM, 788-2932; Amy Olson, ASO II, 781-4729	
(4) SUBJECT Request to approve FY 2015-16 renewal contracts, with the option to renew for two additional years, with Medical Doctor Associates, LLC, Jackson & Coker Locum Tenens, LLC, DrWanted.com LLC, California Locums, P.C., and Daniel and Yeager, Inc. in the cumulative amount not to exceed \$1,014,000 to provide locum tenens (temporary) licensed psychiatrist services. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board approve the FY 2015-16 renewal contracts with the option to renew for two additional years with Medical Doctor Associates, LLC, Jackson & Coker Locum Tenens, LLC, DrWanted.com LLC, California Locums, P.C., and Daniel and Yeager, Inc. in the cumulative amount not to exceed \$1,014,000 to provide locum tenens (temporary) licensed psychiatrist services.			
(6) FUNDING SOURCE(S) Medi-Cal, Realignment	(7) CURRENT YEAR FINANCIAL IMPACT \$1,014,000.00	(8) ANNUAL FINANCIAL IMPACT \$1,014,000.00	(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) 19001570		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>06-17-2014</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Leslie Brown			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Jeff Hamm, Health Agency Director
Anne Robin, LMFT, Behavioral Health Administrator

DATE: 8/11/2015

SUBJECT: Request to approve FY 2015-16 renewal contracts, with the option to renew for two additional years, with Medical Doctor Associates, LLC, Jackson & Coker Locum Tenens, LLC, DrWanted.com LLC, California Locums, P.C., and Daniel and Yeager, Inc. in the cumulative amount not to exceed \$1,014,000 to provide locum tenens (temporary) licensed psychiatrist services. All Districts.

RECOMMENDATION

It is recommended that the Board approve the FY 2015-16 renewal contracts with the option to renew for two additional years with Medical Doctor Associates, LLC, Jackson & Coker Locum Tenens, LLC, DrWanted.com LLC, California Locums, P.C., and Daniel and Yeager, Inc. in the cumulative amount not to exceed \$1,014,000 to provide locum tenens (temporary) licensed psychiatrist services.

DISCUSSION

The Health Agency's Behavioral Health Department requests approval to renew its contracts with Medical Doctor Associates, LLC, Jackson & Coker Locum Tenens LLC, DrWanted.com LLC, California Locums, P.C., and Daniel and Yeager, Inc. which are locum tenens staffing agencies utilizing a nationwide pool of participating psychiatrists. Locum tenens assure proper mandated coverage and medical supervision at multiple clinic sites when permanent staff psychiatrist positions are vacant or coverage is needed due to vacations. The temporary agencies are able to provide a locum tenens psychiatrist within 60 days of our request.

There continues to be a nationwide shortage of psychiatrists. A number of demographic and other factors continue to make this shortage especially prevalent in San Luis Obispo County, where demands for services exceed available resources. Recruitment and retention of this limited pool of licensed staff is impacted by competition from Atascadero State Hospital (ASH) and California Men's Colony (CMC). State salaries, retention bonuses, and retirement plans often draw potential candidates to ASH and CMC. However, compensation increases for staff psychiatrist positions was approved by the Board on March 11, 2014 and has made recruitment of these permanent positions easier. Two new staff psychiatrists (1.5 FTE) began working full time for the County during late FY 2014-15 and an additional 1.0 FTE is scheduled to begin August 2015. A focused recruitment for staff psychiatrists is underway with a half-page ad in the nationwide publication "Psychiatric Times" which is the preeminent publication for the psychiatric field.

While psychiatrist recruitment efforts continue, 3.5 FTE permanent staff vacancies remain unfilled and wait times can increase for clients to receive psychiatrist assessments and medication support. The contracts with the locum tenens agencies will fill the gaps for mandated coverage throughout the clinics and help ensure the provision of timely client care.

Exhibit C.4. allows for the option to renew this agreement for two successive one year terms, by approval of this contract, the Board is delegating authority to the Health Agency Director to determine whether to renew this contract without additional approval by your Board. Renewal of this agreement must be done in writing, approved by County Counsel, and be consistent with the limits described in Section 30 of Exhibit D.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has reviewed the contracts as to form and legal effect

FINANCIAL CONSIDERATIONS

The contracts establish hourly rates for contract services, which are provided on an as needed basis. The FY 2015-16 recommended budget includes 5,200 hours of locum tenen services (approximately 2.5 psychiatrists) at a cost of \$1,014,000. Locum tenen expenses for FY 14-15 are projected to be \$1,862,040 which encompasses the full budget for permanent staff and accounts for having very few FTE psychiatrists (only 1.5 toward the end of FY 2014-15) throughout the entire year. The recommended budgeted amount is an estimate that is intended to cover the additional capacity not available with existing permanent staff or our contracted psychiatrists. It is, however, possible that continued vacancies in staff psychiatrist positions will result in additional locum tenens expense that exceeds the amount originally budgeted. Should this occur, the additional locum tenens expense will be offset with salary savings resulting from the corresponding staff psychiatrist vacancies. Alternately, if more vacant permanent psychiatrist positions are filled, then fewer locum tenen hours will be utilized and these expenses can be expected to fall below the budgeted amount.

The hourly rates for most locum tenen contractors were increased in an effort to secure quality psychiatrists in a timely manner in a very competitive market. Hourly rates for each locum tenen contractor are listed in the table below. The average hourly rate for adult services is \$194.33, an increase of \$18.49, or 10.5%, over FY 2014-15 rates. The average hourly rate for child services is \$207.67, an increase of \$16.00, or 8.4%, over FY 2014-15 rates.

2015-16 Locum Tenen Contract Rates

Contractor	Adult	Child
Jackson & Coker	\$ 199.00	\$ 214.00
CA Locums, PC	\$ 195.00	\$ 215.00
MDA	\$ 232.00	\$ 232.00
D&Y	\$ 180.00	\$ 195.00
Dr. Wanted Outpatient	\$ 175.00	\$ 190.00
Dr. Wanted Inpatient	\$ 185.00	\$ 200.00

The use of one contractor versus another can vary according to their ability to quickly provide appropriate staff at any given time. By contracting with more than one locum tenens provider, the Behavioral Health Department gains the flexibility to utilize one particular provider for all services, or a combination of providers during the year. The County will compensate each contract provider only for actual services rendered. By contracting with multiple providers, the Department furthers its ability to use its discretion in selecting the highest quality, most cost effective services available at any given time.

RESULTS

Psychiatric services are an integral part of all Behavioral Health programs and their outcomes. Psychiatrists provide psychiatric assessments and medication management to clients who are severely mentally ill or seriously emotionally disturbed. Psychiatrists are required to review and approve clinical documentation. Without these services, Behavioral Health cannot meet the availability and accessibility of service requirements mandated by the State.

- The locum tenens provided psychiatric outpatient clinic services equivalent to:
- 3.0 FTE during the period 2010-12 (5,978 average hours per fiscal year)
 - 2.25 FT (4,725 hours) during FY 2012-13
 - 2.20 FTE (4,553 hours) during FY 2013-14
 - 3.28 FTE (6,827 hours) as of mid-May FY 2014-15.

The remaining shortages were covered by independent contracted psychiatrists.

Locum tenens bridge the vacancy gap in two ways: preventing clients from having to travel to the next closest clinic with a psychiatrist available on-site; and keeping the Medical Director from needing to providing coverage for psychiatrist vacancies too often and thereby unwillingly neglecting administrative duties. Not only would any sort of travel requirement for clients provide a substantial barrier to access, but the wait time for psychiatric assessments and proper treatment would increase the risk of adverse outcomes for these youth at home and school, including law enforcement involvement and suicide. Wait time for an initial assessment with clinical staff varies from 11 to 54 days, while wait time to see a psychiatrist for initial medication appointment averages 7-10 days. Locum tenens contracts assist the Behavioral Health Department in providing the necessary psychiatrist coverage to maintain appropriate levels of care in a timely manner. 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. MDA FY 2015-16 Contract Renewal
2. Jackson & Coker FY 2015-16 Contract Renewal
3. DrWanted.com FY 2015-16 Contract Renewal
4. California Locums FY 2015-16 Contract Renewal
5. Daniel & Yeager FY 2015-16 Contract Renewal