

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

(1) DEPARTMENT Behavioral Health	(2) MEETING DATE 3/22/2016	(3) CONTACT/PHONE Cindy Collins, ASM, 788-2932; Amy Olson, ASO II, 781-4729	
(4) SUBJECT Request to approve a new FY 2015-16 contract, with the option to renew for two additional years, with Ascend Medical Staffing, LLC not to exceed the budgeted amount of \$1,014,000 to provide locum tenens (temporary) licensed psychiatrist services. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board approve a new FY 2015-16 contract, with the option to renew for two additional years, with Ascend Medical Staffing, LLC, not to exceed the budgeted amount of \$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 (for all six locum tenen contracts combined)	(8) ANNUAL FINANCIAL IMPACT \$1,014,000.00 (for all six locum tenen contracts combined)	(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) 19001630		(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>08-11-2015</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Morgan Torell			
(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: 3/22/2016

SUBJECT: Request to approve a new FY 2015-16 contract, with the option to renew for two additional years, with Ascend Medical Staffing, LLC not to exceed the budgeted amount of \$1,014,000 to provide locum tenens (temporary) licensed psychiatrist services. All Districts.

RECOMMENDATION

It is recommended that the Board approve a new FY 2015-16 contract, with the option to renew for two additional years, with Ascend Medical Staffing, LLC, not to exceed the budgeted amount of \$1,014,000 to provide locum tenens (temporary) licensed psychiatrist services.

DISCUSSION

The Health Agency's Behavioral Health Department requests approval of a new contract with Ascend Medical Staffing, LLC which is a locum tenen staffing agency 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 tenen psychiatrist within 60 days or less 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, an increase to the salaries of staff psychiatrists in recent years has made recruitment of these permanent positions easier and we now have two staff psychiatrists (1.5 FTE) working full time for the County. 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, 4.0 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.

On August 11, 2015, your Board renewed contracts with five locum tenen companies: Medical Doctor Associates, LLC, Jackson & Coker Locum Tenens, LLC, DrWanted.com LLC, California Locums, P.C., and Daniel and Yeager, Inc. These contracts were approved with the Option to Renew for two additional years. The Behavioral Health Department wishes to contract with one new additional locum tenen company, Ascend Medical Staffing, LLC. The addition of Ascend Medical Staffing, LLC will widen the pool of locum tenen agencies available to assist in maintaining mandated coverage and care to clients. It is important to maintain a wide pool of locum tenen agencies to assure that when the Department has a need for a psychiatrist, the appropriate one can be placed in a timely manner.

Exhibit C.4 in the contract 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 change order limits specified in the County's Contracting for Services Policy.

OTHER AGENCY INVOLVEMENT/IMPACT

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

FINANCIAL CONSIDERATIONS

The contract establishes an hourly rate for contract services, which are provided on an as needed basis. The FY 2015-16 budget includes 5,200 hours of locum tenen services (approximately 2.5 FTE locum tenen psychiatrists) at a total budgeted cost of \$1,014,000 for all six locum tenen contractors. Each locum tenen contract sets a rate or rates for the types of doctors and shifts that are offered. The contracts for locum tenen contractors have no limit. Locum tenen expenses for FY 2014-15 were \$1,892,321 which encompassed the full budget for permanent staff and accounts for having very few FTE psychiatrists (currently only 1.5) throughout the entire year. The adopted 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 County will compensate each contract provider only for actual services rendered.

By contracting with more than one locum tenen provider, the Behavioral Health Department gains the flexibility to utilize one or more providers during the year. Contracting with multiple providers means the Department is afforded more opportunities to select the best qualified candidate, who is educated and experienced in the required mental health specialty, within the timeframe the Department needs to assure mandated coverage at the site requiring coverage. While each locum tenen company may have a large base of candidates, many candidates may not be appropriate for the Department's needs depending on candidate specialty, credentials, experience, location, time frame, or other pertinent factors.

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 past several years continue to be challenging regarding staffing for Psychiatrists, despite a staff psychiatrist salary increase implemented during late FY 13-14. Although two permanent staff (1.5 FTE) psychiatrists were hired and started during late FY 2014-15, the agency continues to experience a vacancy rate of 4.0 FTE, and extensive recruitment of psychiatrists continues. 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 FTE (4,725 hours) during FY 2012-13
- 2.20 FTE (4,553 hours) during FY 2013-14
- 4.45 FTE (9,257 hours) during FY 2014-15.

Any 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 increased 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. Locum tenens contracts assist the Behavioral Health Department in providing the necessary psychiatrist coverage to maintain appropriate levels of care. 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 Ascend Medical Staffing FY 2015-16 Contract