Measure A Oversight Committee Meeting Minutes – June 23, 2006 (Minutes approved by Committee on July 28, 2006.)

Please contact Jennifer Chan at jennifer.chan@acgov.org or 510-618-2016 for handouts and/or attachments.

Attendance:

Appointed members present:

1. Rich Ambrose
2. Jay Garfinkle, M.D.
3. Arthur Geen
4. Peter Manoleas
5. Neil Marks
6. Larry Platt, M.D.
7. Don Sheppard
8. Ron Silva
9. Ronald Tauber
10. Sal Tedesco

Appointed members absent:

1. Ken Ballard
2. Louis Chicoine
3. Brad Cleveland
4. Kay Eisenhower
5. Beth Pollard
6. Charlie Ridgell

Other attendees:

1. Suzanne Barba, League of Women Voters Eden Area
2. Jennifer Chan, Alameda County Health Care Services Agency
3. Vana Chavez, Alameda County Health Care Services Agency
4. Marlene Gold, Alameda County Behavioral Health Care Services
5. Tony Iton, M.D., Alameda County Public Health Department
6. Dave Kears, Alameda County Health Care Services Agency
7. Ricky Lau, Alameda County Auditor Controllers' Office
8. Keith Lewis, Horizon Services
9. Barbara Majak. Alameda County Behavioral Health Care Services
10. Leah Stevralia, Alameda Health Consortium
11. Gary Spicer, Alameda County Behavioral Health Care Services
12. Marye Thomas, M.D., Alameda County Behavioral Health Care Services

The order of agenda items was changed to accommodate presentation by Dave Kears, who needed to leave early.

V. Follow-Up Information

The following information as requested by Committee members at the May 26th meeting was presented by Dave Kears:

Specific targets set forth in Measure A contracts for St. Rose and Children's Hospital and extent to which targets were met

- Contracts were developed directly between the State and non-County hospitals with Alameda County acting as the intermediary in providing Measure A funds which then could be leveraged; contracts between State and non-County hospitals are confidential

- One of the stipulations of St. Rose and Children's Hospital receiving Measure A funds is that they maintain their "DSH" (disproportionate share of low-income, indigent and/or Medi-Cal patients) status in order to continue their ability to leverage additional funds through the state

Documentation indicating the Board of Supervisors' move away from percentage allocations for the distribution of Measure A funds in FY 05/06

- The Board of Supervisors' meeting minutes on June 24, 2006 indicate that the Board adopted the 2005-2006 Final Budget. The budget attachment outlines Measure A allocations for FY 05/06 as follows:

	Base Allocation	Measure A funds used to stabilize FY 04/05 budget – one-time only (reflects accounting requirement, not policy / program directions)	Estimated FY 05/06 revenue above base allocation – one-time only (reflects accounting requirement, not policy / program directions)	TOTAL
Community Based Primary Care Providers	$5,000,000			$5,000,000
Non-County Hospitals	$4,500,000			$4,500,000
BHCS	$4,250,000	$1,002,053	$1,266,000	$6,518,053
PH	$3,000,000	$460,659	$582,000	$4,042,659
Physician Accounts	$1,500,000			$1,500,000
SBHCs	$1,000,000			$1,000,000
BOS Allocations	$500,000			$500,000
Other	$250,000	$911,820	$1,152,000	$2,313,820
TOTAL	**$20,000,000**	**$2,374,532**	**$3,000,000**	**$25,374,532**

How much money was Measure A able to leverage in FY 04/05?

Program / Agency	Measure A Appropriation	$s Leveraged
SBHC	$1,000,000	~$4,333,333
St. Rose	$2,250,000	$3,375,000*
Children's Hospital	$2,250,000	$3,375,000*
TOTAL	**$5,500,000**	**~$11,083,333**

*Match of at least 1.5 times is guaranteed, exact $s leverage is undisclosed.

Provide a five year history of the County/HCSA Indigent (residents whose incomes are at or below 200% FPL) Care Contract. *(Attachments were distributed to meeting attendees and Measure A Oversight Committee members and are available upon request.)*

Attached is a five-year history of HCSA contract with ACMC for indigent care. Summary includes number of patients served, services provided by category, charges relative to patients served, costs both as calculated by OSHPD (Office of Statewide Planning and Development) and ACMC, and brief demographic profile. FY05/06 data is for 9 months only.

Cost to charge ratios are estimates. Reimbursements listed reflect County/HCSA indigent care contract only and do not reflect percentage of EMS trauma subsidy funds (approximately $4.7 million) provided to offset costs of indigent, percentage and amount of ACMC supplemental MediCal funds that are based on ACMC indigent and uninsured costs, and whatever percentage/amount of ACMC Measure A allocation is attributed to the costs of caring for the county's indigent population.

Provide a five-year history of County's lease agreement with ACMC, specific to County-owned or leased facilities.

The County of Alameda/ACMC master agreement stipulates that the County will charge ACMC $1 per year for the all hospital facilities owned and operated by the County prior to the signed agreement. County lease property, specifically the Newark primary care clinic, Winton Wellness Center in Hayward, and the Eastmont Wellness Center located at the Eastmont Town Center, Oakland, are all pass through agreements in which the County holds the lease and is reimbursed by ACMC based on actual lease costs plus GSA administrative handling fees. ACMC has the option to assume full, direct responsibility for any or all of these leases. To date, ACMC has not been able to exercise this option. Recently ACMC has asked GSA to assist in negotiating the Newark lease that will be a new ACMC lease.

Provide a copy of the loan/debt payment agreement between the County of Alameda and ACMC.

The County of Alameda/ACMC signed master agreement provides authority for ACMC to borrow from the County and the County to loan to ACMC funds necessary for the operations of ACMC. The agreement further stipulates that ACMC shall pay County interest on loans made to the ACMC Enterprise Fund from County General Fund, with the interest rate being equal to the interest rate County would have earned on these funds, if the funds had remained in the general fund. Beginning in FY01/02 through FY04/05, the County has authorized approval of those loans now totaling $183 million. On August 10, 2004, the County adopted a debt payment plan that limits ACMC cash availability to $200 million and stipulates a yearly reduction in this line of credit until it reaches $30 million. ACMC approved this agreement in October, 2004.

II. Review of Minutes (May 26, 2006 Minutes)

- Sal Tedesco motioned to adopt the minutes, motion seconded by Art Geen, motion passed

III. Announcements

- Larry Platt reported Rachael Kagan's resignation from the Oversight Committee. Supervisor Keith Carson is working on finding a replacement.
- Peter Manoleas, LCSW was introduced to the Committee as the new appointee from the City of Berkeley (appointed by Mayor Tom Bates).

IV. New Materials

Jennifer Chan presented new binder materials including:

1. Measure A Revenues Received to Date – Section 11
2. Board Letters (including Minute Orders)
3. Follow-up Information from St. Rose Hospital, Children's Hospital Oakland and the Alameda Contra Costa Medical Association

- Follow-up data on the number of unduplicated clients and/or children served was requested. Jennifer Chan informed the Committee that she would follow-up with St. Rose Hospital and Children's Hospital Oakland.

V. Presentation: Alameda County Behavioral Health Care Services (BHCS) *(See Attachment for Summary of Presentation)*

VI. Presentation: Alameda County Public Health Department (PHD) *(Copy of Power Point Presentation was distributed to meeting attendees and Measure A Oversight Committee members and is available upon request.)*

VII. Future Presentations

- The Alameda County Medical Center will be presenting next month
- Sal Tedesco asked for a copy of the Medical Center's grand jury report. Jennifer Chan will see if it is available.

VIII. Group Discussion on Presentations and Report Preparation

- The Committee generally felt that both Behavioral Health Care Services and the Public Health Department's expenditure of FY 04/05 Measure A funding was in line with the spirit and intent of the Measure
- Committee members expressed concern over the Bay Area Consortium for Quality Health Care expenditures and would like to inform the Board of Supervisors of these concerns in their report to the Board
- Larry Platt asked Jennifer Chan to bring copies of the sample reports and outlines distributed in earlier meetings to the July meeting. These tools will be used as a starting point in the development of the Committee's report to the Board.
- The Committee was asked to review the ballot measure (Section 2 of binders) prior to the next meeting in preparation of developing the report to the Board.
- It was determined that Jennifer Chan would work on drafting the report to the Board based on information submitted by Committee members. The Committee would also consider hiring a consultant to work with Jennifer.

IX. Next Meeting

- July 28, 2006, 9-11:30am

ALAMEDA COUNTY
Behavioral Health Care Services

ALCOHOL, DRUG & MENTAL HEALTH SERVICES
MARYE L. THOMAS, M.D., DIRECTOR

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OVERVIEW: BEHAVIORAL HEALTH CARE SERVICES (BHCS)
PRESENTATION TO THE
MEASURE A OVERSIGHT COMMITTEE

SUMMARY OF MEASURE A FUNDING AND IMPACT

- **$2,250,000 for Community Provider Maintenance of Effort (MOE**). This funding addressed our strategy of *Maintaining System Stability* by allowing us to avoid the loss of approximately 37,000 units of service to 1,400 clients, and a 4% loss of jobs (over 70 Full Time Equivalent (FTE's) positions in community provider organizations.
- **$2,000,000 for Community Detox/Sobering.** This facility, *when opened*, will address two of our strategic goals. Namely,
  - *Programmatic Effectiveness and Cost Efficiency* by providing a more cost effective, more appropriate treatment alternative to current services by reducing utilization of inappropriate expensive restrictive institutional care *(e.g*. medical & psychiatric hospitals, jails, etc), ambulance and police transports, use of emergency rooms (medical and psychiatric), etc.
  - *Providing a Broad Array of Community Treatment Options*. Detox/Sobering is a much needed service that will fill a critical gap in our treatment continuum.

BACKGROUND AND CONTEXT

BHCS BUDGET ISSUES IN FY 04/05:

BHCS is responsible for all publicly funded mental health and substance abuse services in the County. With a $230,000,000.00 budget in FY 03/04, we delivered over 1,000,000 units of service to more than 29,000 people. 85% of those services were delivered by community provider organizations with whom we contract. ***Our primary goal is to reduce dependence on institutional care (hospitals, jails, group homes, juvenile hall, etc), resulting from mental illness and/or substance abuse by supporting clients, across the age spectrum, in the least restrictive environment of their choice.*** A major strategy to achieve this goal depends on our ability to maintain a broad array of community treatment options that are programmatically effective and cost efficient. Therefore the integrity and stability of our contract provider network (85% of the BHCS system) is essential.

In FY 04/05, though our requested MOE Budget was almost $230,000,000, BHCS was assigned a Target Reduction of $9.7 million due to the County budget deficit. As is our practice, BHCS convened a Budget Task Force that was representative of over 150 programs and organizations (with approx.3, 300 Full Time Equivalent (FTE's) staff positions); involved all major constituencies (clients, families, Mental Health Board, etc); all geographic regions of the County; and all service categories. This Budget Task Force helped develop departmental strategies and priorities for cuts.

More than ½ of the recommended cuts came from the elimination of the Cost of Living Adjustment (COLA) for community providers($3,600,000) at a time when the "cost-of-doing-business" for each of them was escalating; a reduction in bed capacity for adults and children in acute, sub-acute and crisis settings ($1,100,00)., and the reduction of prevention services.($212,000). We estimated that the elimination of the COLA alone would result in a loss of 60,000 units of service to 2000 clients and a 6% loss of jobs (over 100 FTE's) in community provider organizations.

PRIORITIES, ALLOCATION METHODOLOGY, AND IMPACT OF MEASURE A FUNDING:

Thus, following the passage of Measure A, we re-convened the Budget Task Force to discuss and prioritize BHCS requests for funding to be presented at the Measure A Community Hearings. The BHCS Budget Task Force

identified twenty significant service priorities that were then narrowed to three with the highest system priority. They were **(1) Maintenance Of Effort funding for community providers** to restore service capacity eroded or lost due to funding cuts, **(2) Development of a Community Detoxification/Sobering Program** that would provide a more appropriate, more cost effective alternative for clients who now detox in expensive hospital settings and inappropriate jail cells,, and **(3) funding for a Behavioral Health Indigent Care Plan** for people in need of mental health services and substance abuse services for whom there is no other funding source (e.g. uninsured, working poor, ineligible for MediCal, etc).

The Board Of Supervisors chose to fund two of our three priorities:

- **$2,250,000 for Community Provider Maintenance of Effort (MOE**)This funding addressed our strategies of:
  - *Maintaining System Stability* by allowing us to avoid the loss of approximately 37,000 units of service to 1400 clients and a 4% loss of jobs (over 70 FTE's) in community provider organizations. The agreed upon methodology for allocating this funding was weighted in favor of smaller organizations (who have less ability to absorb the increasing "costs-of-doing-business" than larger ones), and organizations with whom we have contracted the longest because (a) they have been dependent on COLA's from the County that have not kept pace with the escalating "costs-of-doing business" and (b) newer providers costs are initially fully funded, however they lose this advantage the longer they contract with the County because of reason (a).
  - *Maintaining a Broad Array of Community Treatment Options* by allowing us to restore some of the cuts to prevention services.
- **$2,000,000 for Community Detox/Sobering** This facility, *when opened* will address our strategic goals of:
  - *Programmatic Effectiveness and Cost efficiency* by providing *a more cost effective, more appropriate alternative to current treatment through reductions in institutional care, ambulance and police transports, use of emergency rooms (medical and psychiatric), reduction in incarcerations, reduction in inpatient utilization, etc.* As well as our goal of providing,
  - A *Broad Array of Community Treatment Options.* A Detox/Sobering program will fill a critical gap in our service continuum. ***This program is not yet open.*** *There have been unanticipated challenges that have proven difficult, though not impossible, to overcome.*
    - *Despite the overwhelming broad community consensus that detox/sobering is a critical community need, there has been equally overwhelming opposition to having it located in any local community.*
    - *Despite the community's expressed desire for a north county site, the only acceptable location we have found is on County-owned property*. We are t*herefore developing sites on the Fairmont Campus/ACMC. Providing these services at this location that will likely add additional costs to the project because of the increased costs that will be needed for transports to and from the program.*

GOALS AND OBJECTIVES FOR FY 05/06

Our primary goal for FY 05/06 is the same as our primary goal for FY 04/05 i.e. ***reduce dependence on institutional care (hospitals, jails, group homes, juvenile hall, etc), resulting from mental illness or substance abuse by supporting clients in the least restrictive environment of their choice.*** In order to further this goal we must:

- Complete planning, site development, and issue an RFP for Detox/Sobering Services
- Address the additional pressures on BHCS created by the closure of the Oakland Jail & the opening of the new Juvenile Justice Center
- Evaluate how effectively we have managed the 53 bed reduction (16-acute psychiatric, 13 long term psychiatric, 23 AOD residential, 1 child crisis bed) in FY 04-05
- Continue to monitor and support the stability of the community provider network

Submitted By

Marye L. Thomas, MD, Director *Marlene Gold, Finance Director*