

Response to Grand Jury Report

Report Title: 4.2 Privatization of Mental Health Delivery Services

Report Date: June 9, 2014

Response by: Stacey Cryer, Health and Human Services Agency, Director

Findings:

I (we) agree with the findings numbered: F2, F3, F9

I (we) disagree wholly or partially with the findings numbered: F1, F4, F5, F6, F7, F8, F10, F11, F12

Attach a statement specifying the findings or portions of the findings that are disputed, and include an explanation of the reasons therefor.

Recommendations:

Recommendations numbered R1, R4 have been implemented.

Attach a statement describing the implement actions.

Recommendations numbered R2 have not yet been implemented, but will be implemented in the future.

Attach a statement with the schedule for implementation(s).

Recommendations numbered R3 require further analysis.

Attach an explanation, and the scope and parameters of the analysis or studies, and a timeframe for the matter to be prepared for discussion by the officer or head of the Agency or Department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.

Recommendations numbered ____ will not be implemented because they are not warranted or are not reasonable.

Attach an explanation.

Signature: Stacey Cryer Date: 8/8/14

Number of pages attached: 5

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Response by: Stacey Cryer, Director of Health and Human Services Agency

Findings:

F1. "The current contract does not provide for the continuing care of Level 3 mentally ill clients."

I (we) disagree wholly with this finding. The current contract specifically states, in Exhibit A Page 4 Section 6-Provide a Quality Improvement Program, that one of several Quality Improvement focus areas is continuity of care and coordination of care.

F2. "Level 3 clients are often not capable of carrying out their treatment plans as set forth in 'Continuing Care'."

I (we) agree with this finding.

F3. "There is a connection between substance abuse and mental illness."

I (we) agree with this finding.

F4. "The County Jail is not a mental health facility, resulting in law enforcement having to deal with individuals they have the least training to assist."

I (we) disagree partially with this finding. The County Jail is not a mental health facility, however, contracted mental health services are provided by California Forensic Medical Group. In addition, Ortnier Management Group (OMG) provides discharge release planning in collaboration with California Forensics Medical Group.

F5. "Inmates, who have been successfully treated with anti-psychotic medication while incarcerated, cannot continue their medication or treatment until their Medi-Cal is reinstated, which is part of the release process."

I (we) disagree wholly with this finding. Upon release, inmates can continue their medication or treatment; however, inmates have the right to discontinue services. During this first year of the Affordable Care Act (ACA) and Medi-Cal expansion County HHS has assigned an eligibility worker to enroll inmates either at the County Jail, Daily Reporting Center or the Access Center.

F6. “The Grand Jury found the performance by Ortner to be improving the delivery of adult mental health services for Levels 1 and 2 clients, who are the least impaired.”

I (we) disagree wholly with this finding. The contractual agreement with OMG is to manage the Mental Health Plan which mandates mental health service delivery to the severely mentally ill (Level 3) who meets medical necessity for treatment. The mandate does not include adults who are assessed to have mild (Level 1) or moderate (Level 2) mental health issues. The ACA brings additional funding to Federally Qualified Health Clinics (FQHC) to provide mental health services to adults who are assessed to be levels 1 and 2. In addition, the State Department of Health Care Services (DHCS) requires FQHC to provide mental health services to level 1 and 2 adults.

F7. “After nine months of transition, Ortner is not contractually required to provide, nor does it provide, Level 3 mentally ill clients with adequate wraparound resources (housing, transportation, education, and staff training) for the continuum of care.”

I (we) disagree wholly with this finding. The contracted agreement with OMG is to manage the Mental Health Plan which mandates mental health service delivery to the severely mentally ill (Level 3) who meet Medi-Cal necessity for treatment. OMG’s subcontractors provide a variety of services including, not limited to staff training, full service partnerships, housing referrals, transportation and education.

F8. “Documentation reviewed by the Grand Jury showed that routine services required to be in place within 30 days were not available six months after the Ortner contract was active.”

I (we) disagree wholly with this finding. The term “routine services” is vague. The transition from County delivery of services to OMG is phased in based on a number of collaborations and follow-ups with the State in the development of the infrastructure for service delivery (i.e., site certifications, impact of the ACA, recruitment of staff, etc.)

F9. “Calls to 911 for mental health crises are not referred directly to an access center when no crime is reported.”

I (we) agree with this finding. Calls to 911 for mental health crisis are not referred directly to the Access Center when no crime is reported. Dispatch notifies the Access

Center of the crisis call and response is made, in collaboration with law enforcement, either in the field, at the hospital emergency department or at the Access Center.

F10. "Variation in the reimbursement for Medi-Cal amounts from year-to-year hampers efficient management of services to the clients."

I (we) disagree partially with this finding. Variation in the reimbursement from Medi-Cal amounts are usually impacted by the ability of the State and County to timely process claims. The County maintains prudent reserves that are available if there are cash flow issues to minimize possible disruptions of services.

F11. "The discrepancy of approximately \$12,000,000 between the billing and payment for the 2009-2010 Medi-Cal reimbursement remains unresolved."

I (we) disagree wholly with this finding. The County of Mendocino disputes the finding of a discrepancy of \$12,000,000 for Fiscal year 2009-2010 based on the information used to determine the finding. The finding cited an interim report of receivables that was high due to the State of California conversion from the Short Doyle Medi-Cal billing system to the Short Doyle II Medi-Cal billing system. However, the finding made no attempt at reconciliation of the amount in accruals. Had there been a reconciliation of the accruals the Grand Jury would have found that the State conversion process created a down time at the state level that halted all payments to counties until the conversion was completed three months after the cited interim report. At the time of the interim report we had 3 years of accruals, FY 06-07 was a state queue issue on the prior conversion from the "proprietary system" and FY 08/09 and FY 09/10 that was caught up in the Short Doyle II conversion. The County is finalizing the FY 06/07 issue due to be received by September of 2014 and has been paid in full for all the claims fiscal years of FY 08/09 and FY 09/10.

F12. "The County is not complying with the intent of State law."

I (we) disagree wholly with this finding. Vague allegation does not reference a specific state law. The County has a robust quality improvement program which is monitored by the county compliance plan, the compliance manager and the compliance committee.

Recommendations

R1. "A contract be written to include ongoing structured care provisions for Level 3 clients." (F1, F2, F3, F7, F12).

This recommendation number has been implemented. The OMG contract, which has been in effect since July 1, 2013, covers structured care provisions for Level 3 clients.

R2. "Mendocino County Sheriff and Ortner execute a memorandum of understanding providing continuous care for Level 3 inmates when released from jail." (F2, F3, F4, F5, F9).

This recommendation number has not yet been implemented, but will be implemented in the future. Upon release from jail, a process already exists with Ortner Management Group to do "warm handoffs" of the severely mentally ill. OMG has initiated discussions and collaboration with the Sheriff and a Memorandum of Understanding (MOU) will be finalized within the next 120 days or less.

R3. "When no crime has been committed, dispatchers refer mental health Emergency 911 calls directly to an access center during the hours that the access center is fully staffed." (F9).

This recommendation number requires further analysis. A preliminary meeting with Sheriff Allman has taken place regarding having Mental Health be first responders. An assessment of the feasibility of this option needs to be conducted. Additional analysis is required and will occur over the next six months.

R4. "Behavioral Health and Recovery Services resolve the discrepancy between the billing and payment for the 2009-2010 Medi-Cal reimbursement." (F10, F11, F12).

This recommendation number has been implemented. The County of Mendocino disputes the finding of a discrepancy of \$12,000,000 for Fiscal year 2009-2010 based on the information used to determine the finding. The finding cited an interim report of receivables that was high due to the State of California conversion from the Short Doyle Medi-Cal billing system to the Short Doyle II Medi-Cal billing system. However, the finding made no attempt at reconciliation of the amount in accruals. Had there been a reconciliation of the accruals the Grand Jury would have found that the State conversion process created a down time at the state level that halted all payments to counties until the conversion was completed three months after the cited interim report. At the time of the interim report we had 3 years of accruals, FY 06-07 was a state queue issue on the prior conversion from the "proprietary system" and FY 08/09 and FY 09/10 that was caught up in the Short Doyle II conversion. The County is finalizing the FY 06/07 issue

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