

W-7.C.1.

AGENDA COVER MEMO

Date: December 15, 2004
To: Board of County Commissioners
Department: Health & Human Service
Presented by: Rob Rockstroh



Agenda Title: ORDER _____ / IN THE MATTER OF RATIFYING THE COUNTY ADMINISTRATOR'S SIGNATURE ON A CONTRACT WITH PEACEHEALTH, OREGON REGION FOR BILLING AUTHORITY NOT TO EXCEED \$400,000 AND TO DELEGATE AUTHORITY TO SIGN CONTRACTS WITH MERCY MEDICAL CENTER AND PROVIDENCE HEALTH SYSTEMS FOR BILLING AUTHORITY NOT TO EXCEED \$200,000 EACH FOR THE PERIOD OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005

I. MOTION

ORDER _____ / In the Matter of Ratifying the County Administrator's Signature on a Contract with PeaceHealth, Oregon Region for Billing Authority not to Exceed \$400,000 and To Delegate Authority To Sign Contracts with Mercy Medical Center and Providence Health Systems for Billing Authority not to Exceed \$200,000 Each for the Period October 1, 2004 through September 30, 2005.

II. ISSUE OR PROBLEM

Board Order #04-6-16-1 delegated authority to the County Administrator to sign contracts with PeaceHealth, Oregon Region, Mercy Medical Center and Providence Health Systems for acute inpatient hospital psychiatric care of Oregon Health Plan members experiencing a mental health crisis. The Board Order did not include an estimated billing authority amount, which is required.

III. DISCUSSION

A. Background / Analysis

Lane County has signed the State of Oregon, Department of Human Services 2004-2005 Managed Mental Health Agreement effective October 1, 2004. The agreement states "Contractor shall maintain agreements with local and regional hospitals for the provision of emergency and non-emergency hospitalization for OHP members with mental disorders that require Acute Inpatient Hospital Psychiatric Care".

Sacred Heart Johnson Unit is currently experiencing a tremendous surge of mental health clients who are requiring hospitalization. Therefore, it is necessary to have

contracts in place with Mercy Medical Center and Providence Health Systems so that they may handle any overflow that occurs. The billing authority amount is estimated based on historical utilization of these hospital facilities and the current trend of increase regional hospitalization for both adults and children/adolescents.

Lane Manual 20.128 grants an exemption from the competitive selection process for inpatient psychiatric service providers as part of the LaneCare provider panel. A condition of the exemption is that Lane County contact all licensed acute care facilities outside of Lane County and enter into non-exclusive requirements contracts with any who are interested in entering into agreements for treating LaneCare overflow clients. All licensed acute care facilities were contacted for the fiscal year October 1, 2004 through September 30, 2005 and two hospitals indicated a willingness to enter into an agreement with Lane County and be reimbursed at the LaneCare rate of \$758.00 per day.

B. Alternatives / Options

1. To ratify the County Administrator's signature on a contract with PeaceHealth, Oregon Region for billing authority not to exceed \$400,000 and to delegate authority to sign contracts with Mercy Medical Center and Providence Health Systems for billing authority not to exceed \$200,000 each for the period October 1, 2004 through September 30, 2005.
2. Not to ratify the County Administrator's signature on a contract with Peace Health, Oregon Region for billing authority not to exceed \$400,000 and to delegate authority to sign contracts with Mercy Medical Center and Providence Health Systems for billing authority not to exceed \$200,000 each for the period October 1, 2004 through September 30, 2005.

C. Recommendation

To approve the motion number one as stated above.

D. Timing

The effective date of the beginning of these three contracts is October 1, 2004.

IV. IMPLEMENTATION

Upon Board action, the Department of Health & Human Services will complete the contracts and forward the contracts to the County Administrator for signature. The effective date of the contracts will be October 1, 2004.

V. ATTACHMENT

Board Order

I:/Admin / Marcia / Board Orders 03-05/ Ratify County Administrator's Signature

THE BOARD OF COUNTY COMMISSIONERS, LANE COUNTY, OREGON

RESOLUTION AND ORDER:) IN THE MATTER OF RATIFYING THE COUNTY
) ADMINISTRATOR'S SIGNATURE ON A CONTRACT WITH
) PEACEHEALTH, OREGON REGION FOR BILLING AUTHORITY
) NOT TO EXCEED \$400,000 AND TO DELEGATE AUTHORITY
) TO SIGN CONTRACTS WITH MERCY MEDICAL CENTER AND
) PROVIDENCE HEALTH SYSTEMS FOR BILLING AUTHORITY
) NOT TO EXCEED \$200,000 EACH FOR THE PERIOD
) OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005

WHEREAS, Lane County has signed the 2004 -2005 Managed Mental Health Agreement with State of Oregon, Department of Human Services effective October 1, 2004 and the agreement requires that Lane County maintain agreements with local and regional hospitals for the provision of emergency and non-emergency hospitalization for Oregon Health Plan members; and

WHEREAS, Board Order #04-6-16-1 delegated authority to the County Administrator to sign contracts with PeaceHealth, Oregon Region, Mercy Medical Center and Providence Health Systems but did not state an amount of billing authority allowed; and

WHEREAS, Board Order 02-10-30-6 ordered an exemption from the competitive selection process for licensed acute inpatient care facilities outside Lane County and allowed Lane County to enter into non-exclusive requirement contracts with any who are interested in entering into agreements with Lane County; and

WHEREAS, an estimated amount of billing authority is required for those licensed acute inpatient facilities which responded.

NOW THEREFORE, IT IS HEREBY ORDERED to ratify the County Administrator's signature on a contract with PeaceHealth, Oregon Region for billing authority not to exceed \$400,000 and further ordered to delegate authority to the County Administrator to sign contracts with Mercy Medical Center and Providence Health Systems for billing authority not to exceed \$200,000 each for the period October 1, 2004 through September 30, 2005.

DATED this ____ day of December 2004.

APPROVED AS TO FORM

Date 12/7/04 lane county

Haidlaw
OFFICE OF LEGAL COUNSEL

Bobby Green, Sr., Chair
Lane County Board of Commissioners