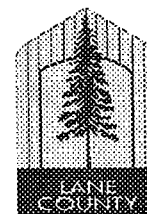


AGENDA COVER MEMO

W. 8. B. 1.
03-12-10-3

Agenda Date: December 10, 2003
To: Board of County Commissioners
Department: Health & Human Services
Presented By: Rob Rockstroh



AGENDA ITEM: In the Matter of Delegating Authority to the County Administrator to Execute Agreements with PeaceHealth Oregon Region; Mercy Medical Center; Rogue Valley Medical Center and Providence Health Systems for Inpatient Psychiatric Services as Part of the LaneCare Provider Panel for the Period October 1, 2003 through September 30, 2004.

I. MOTION

TO DELEGATE AUTHORITY TO THE COUNTY ADMINISTRATOR TO EXECUTE AGREEMENTS WITH PEACEHEALTH OREGON REGION; MERCY MEDICAL CENTER; ROGUE VALLEY MEDICAL CENTER AND PROVIDENCE HEALTH SYSTEMS FOR INPATIENT PSYCHIATRIC SERVICES AS PART OF THE LANECARE PROVIDER PANEL FOR THE PERIOD OCTOBER 1, 2003 THROUGH SEPTEMBER 30, 2004

II. ISSUE OR PROBLEM

LM 20.128 allows the County to contract for direct client services without competitive selection when the department: 1) reasonably believes after inquiring that no qualified providers are likely to participate in competitive selection; and 2) will include on a list all qualified providers willing to consider taking client referrals on an as-needed basis; and 3) will select a qualified provider from the list as a client need arises, based on criteria including, but not limited to, client and family needs, quality/type of appropriate care, availability of service at the time it is needed, and cost. This exemption allows Lane County to enter into contracts with inpatient psychiatric service providers as part of the Lane Care provider panel without a competitive process. In order for Lane County to enter into contracts for inpatient psychiatric services, for LaneCare's fiscal year 2003-2004, authority must be delegated to the county administrator to execute agreements with inpatient psychiatric services providers.

III. DISCUSSION

A. Background / Analysis

The Lane County Psychiatric Hospital (LCPH) is the preferred provider for inpatient psychiatric services for adults who are enrolled in the Oregon Health Plan. There have been occasions that LaneCare (LCPH) hospital has been unable to provide inpatient services due to lack of bed space. This is partially due to the fact that there is a long waiting list of clients to receive these

services at the Oregon State Hospital. These clients remain in LCPH beds until there is room for them at the State Hospital.

Previously, clients who could not be served by LCPH were sent to one of the sixteen approved inpatient psychiatric service providers for involuntary psychiatric holds after an exception was granted by LaneCare for these services to be provided. The long waiting list for hospital beds has impacted LaneCare's ability to transfer clients to one of the other providers. By serving on the LaneCare provider panel, hospitals are more likely to accept LaneCare patients and the cost of care has already been negotiated.

The sixteen providers of inpatient psychiatric services in the State of Oregon were contacted and asked to submit letters of interest to serve on the LaneCare provider panel for fiscal year 2003-2004. At a rate determined by LaneCare, PeaceHealth Oregon Region, Mercy Medical Center, Rogue Valley Medical Center and Providence Health Systems submitted letters of interest to serve on the LaneCare provider panel. Authority must now be delegated to the County Administrator to sign agreements with these four providers of inpatient psychiatric services.

B. Alternatives / Options

1. To delegate authority to the County Administrator to execute agreements with PeaceHealth Oregon Region; Mercy Medical Center; Rogue Valley Medical Center and Providence Health Systems for inpatient psychiatric services as part of the LaneCare provider panel for the period October 1, 2003 through September 30, 2004.
2. Not to delegate authority to sign contracts for inpatient services with PeaceHealth Oregon Region, Mercy Medical Center, Rogue Valley Medical Center and Providence Health Systems for inpatient psychiatric services as part of the LaneCare provider panel for the period October 1, 2003 through September 30, 2004. If the delegation is not granted, Lane County will not be able to execute contracts for inpatient psychiatric services which may increase inpatient psychiatric costs to Lane County.

C. Recommendation

To approve number one above.

IV. IMPLEMENTATION / TIMING

Upon Board action, contracts will be executed.

V. ATTACHMENTS

Board Order

THE BOARD OF COUNTY COMMISSIONERS, LANE COUNTY, OREGON

RESOLUTION AND ORDER:) IN THE MATTER OF DELEGATING AUTHORITY TO THE
) COUNTY ADMINISTRATOR TO EXECUTE AGREEMENTS
) WITH PEACEHEALTH OREGON REGION; MERCY MEDICAL
) CENTER; ROGUE VALLEY MEDICAL CENTER AND
) PROVIDENCE HEALTH SYSTEMS FOR INPATIENT
) PSYCHIATRIC SERVICES AS PART OF THE LANE CARE
) PROVIDER PANEL FOR THE PERIOD OCTOBER 1, 2003
) THROUGH SEPTEMBER 30, 2004.

WHEREAS, The Board of County Commissioners has accepted revenues pursuant to the 2003/2004 County Mental Health Organization (MHO) Agreement with the State Department of Human Services (DHS); and

WHEREAS, the preferred provider for inpatient psychiatric services is the Lane County Psychiatric Hospital for Oregon Health Plan members and other inpatient psychiatric hospitals throughout the State of Oregon when LCPH beds are full; and

WHEREAS, an exemption to competitive selection for inpatient psychiatric services is possible through Lane Manual 20.128; and

WHEREAS, all qualified providers were invited to serve on the LaneCare provider panel and four organizations were interested in doing so; and

WHEREAS, agreements must be put in place with the four organizations to provide inpatient psychiatric services for Lane County clients at a cost savings to the county; and

WHEREAS, these agreements are beyond the county administrator's signature authority.

NOW THEREFORE, IT IS HEREBY ORDERED that the county administrator be delegated authority to sign agreements with PeaceHealth Oregon Region; Mercy Medical Center; Rogue Valley Medical Center and Providence Health Systems for inpatient psychiatric services for the period October 1, 2003 through September 30, 2004.

DATED this _____ day of December 2003

Peter Sorenson, Chair
Lane County Board of Commissioners

APPROVED AS TO FORM

Date 12/1/03 lane county
[Signature]
OFFICE OF LEGAL COUNSEL

