



COUNTY OF SANTA BARBARA

*Making a Difference Since 1962*

Alcohol, Drug & Mental Health Services  
Administration

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Ann Detrick, PhD  
Director

*Response  
#s 1, 2, 4, 7*

December 22, 2009

Fletcher Phillips  
Foreperson  
Santa Barbara County Civil Grand Jury  
Grand Jury Room  
County Courthouse  
Santa Barbara, CA 93101

Dear Mr. Phillips:

The purpose of this correspondence is to transmit the update of the Alcohol, Drug, and Mental Health Services to the Civil Grand Jury's 2007-2008 report entitled "Inpatient Psychiatric Treatment: 16 Beds...And Deeper in Debt," specifically Recommendation #4.

Please do not hesitate to call me if you have any questions.

Thank you very much.

Sincerely,

Ann Detrick, Ph.D.  
Director

AD:sa

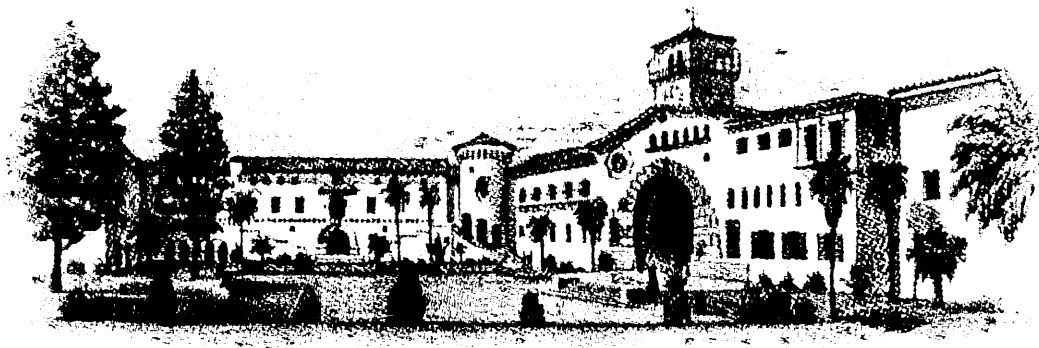
cc: Santa Barbara County Board of Supervisors

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## **Recommendation #2**

**The County should explore the possibility of a partnership with one of the general hospitals in the area to open a geriatric psychiatric unit.**

### **Update:**

The Department of Alcohol, Drug, and Mental Health Services met with Cottage Hospital's Chief Executive Office Staff and Cottage Hospital's Medical Director for Psychiatric Services on August 27, 2009 to discuss Cottage Hospital's strategic plans. At this point, Cottage Hospital staff indicated that additional psychiatric beds were not part of their strategic development plans for the near future. Cottage Hospital staff did indicate that they were aware of the needs of the community and would remain open to reviewing any future opportunities to accommodate these needs.



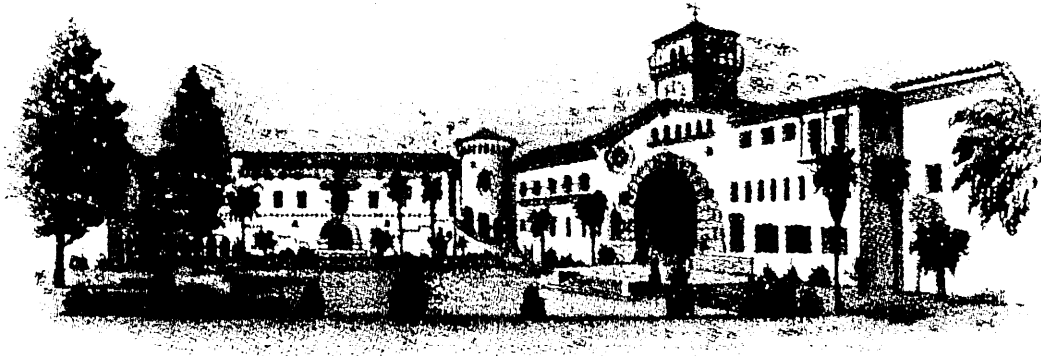
#### **Recommendation #4**

**The Psychiatric Health Facility should convert to electronic recordkeeping, as is now done in all outpatient facilities, thereby making patient records readily accessible to those responsible for providing aftercare.**

#### **Update:**

The Department of Alcohol, Drug and Mental Health Services (ADMHS) is in active discussions with Clinicians Gateway, the Electronic Medical Records (EMR) vendor supporting the Department. Stakeholders inclusive of Medical Staff, Nursing, Quality Assurance, and Management Information Systems (MIS) have worked throughout the last six months on developing and mapping out a needs assessment and workflow. The Electronic Medical Records plan is part of the Information Technology Mental Health Services Act (MHSA) plan that was recently shared with the Mental Health Commission. ADMHS will be submitting this plan to the State Department of Mental Health for approval of funding potentially in the spring of 2010.

The Psychiatric Health Facility will be one of the first modules to be rolled out and should be completed within the first year of implementation.



### **Recommendation #7**

**Alcohol, Drug and Mental Health Services should initiate accrual basis accounting instead of, or in addition, to the current cash basis system.**

**Have not yet implemented, but have timetable for implementation.**

#### **Update:**

ADMHS worked with the Auditor Controllers staff to implement accrual based accounting for Medi-Cal revenues. Accrual accounting for Medi-Cal revenues was accomplished in Fiscal Year 2008/09. After implementation, the benefits derived from such accounting were not in line with our expectations. Specifically:

- A significant number of journal entries (posted to each program) were being recorded each month, reversed the following month and then re-accrued until they were paid.
- Due the State's long delays (up to six months) in payments and co-mingling of partial payments from various months into one payment, the application against the accrued revenue was challenging and time consuming.
- When ADMHS and Auditor-Controller staff subsequently reviewed the general ledger to evaluate revenue and collections, there was so much activity (actual and accrual by the more than 40 mental health programs) that analysis was very complex. It was difficult to view the actual data from the accruals.

Based on the foregoing, the Auditor-Controller and ADMHS staff agreed that it would be best to no longer attempt to accrue the Medi-Cal revenue. Therefore, the practice was discontinued at the end of Fiscal Year 2008/09.

Our goal in establishing accrual accounting for Medi-Cal revenue was to determine, in a timely manner, if revenues were tracking to the ADMHS budgeted amounts. To accomplish this goal, ADMHS is now tracking the Medi-Cal revenue by program on a monthly basis outside of FIN (County's Financial Information Network). Since October, ADMHS has been reviewing actual results against budgeted amounts by program with ADMHS executive staff and program managers. Variances are being analyzed and corrective actions are currently being implemented. This new process is occurring every month at a standard time. The new reports and review processes has been shared with the Auditor-Controller.