



COUNTY OF SAN BERNARDINO

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Director of Legislative Affairs

April 2, 2010

The Honorable Wesley Chesbro
California State Assembly
State Capitol
Sacramento, CA 95814

RE: AB 2645 (Chesbro) – As introduced on February 19, 2010 – SUPPORT

Dear Assemblyman Chesbro:

The San Bernardino County Board of Supervisors is pleased to support AB 2645, legislation to conform the reimbursement rates for services in Institutions for Mental Disease (IMDs) to the nursing home rates that were frozen in the Budget Act of 2009.

As you know, IMDs are skilled nursing facilities with 16 or more beds that provide 24-hour care to individuals who need continuous nursing care, and are primarily engaged in diagnosing, treating, and/or caring for individuals with severe mental illnesses.

AB 2645 will have no impact on the state general fund because all IMD costs are paid by counties, including the current mandatory 4.7% annual rate increase. Under current law, counties must use realignment funds, which have significantly declined over the past few years, for the increased annual costs of services provided in IMDs, leaving less available for other types of community-based care. AB 2645 will freeze IMD rates at their current levels, which was done as a state general fund savings measure in last year's state budget for many other types of licensed facilities.

The mandatory 4.7% annual IMD rate increase is unsustainable for counties, and is diverting nearly \$60,000 per year in San Bernardino County from other less restrictive, community-based levels of care. During difficult fiscal times for counties, AB 2645 will remove the mandatory cost of living increase that is enjoyed only by IMDs, and not any other part of the public mental health system.

For these reasons, the San Bernardino County Board of Supervisors joins the California State Association of Counties in supporting AB 2456. If you have any questions, please do not hesitate to contact Lance Larson, the County's Director of Legislative Affairs at (909) 387-4821. The Board thanks you for your attention in this matter.

Sincerely,

[Handwritten signature of Gary C. Ovitt]

GARY C. OVITT
Chairman, Board of Supervisors