



Antonette Navarro, LMFT
Director

June 6, 2025

To: Clerk of the Board

From: Antonette Navarro, LMFT, Director

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AN

Subject: Correction to Board Letter for Crestwood IMD FY 2023-26 AM 1 and CSU FY 2023-27 AM 1 on the June 10, 2025 Board of Supervisors Agenda

Please revise Recommended Action “a” in the Board Letter to include additional details describing what the additional funds added will provide.

The following words are requested to be added: “to add additional IMD placements outside of the county” in the placement identified below:

- a) Approve, ratify and authorize the Chair to execute the First Amendment to the Agreement for Services of Independent Contractor with **Crestwood Behavioral Health, Inc.**, (not a local vendor) for Institutions for Mental Disease (IMD) services (BC-23-132) to update certain terms in compliance with State and federal requirements; and to increase the contract amount by \$385,000 to add additional IMD placements outside of the county for a revised total maximum contract amount not to exceed \$2,185,000, inclusive of \$580,000 for FY 2023-2024, \$675,000 for FY 2024-2025, and \$930,000 for FY 2025-2026, with no change to the contract term of July 1, 2023 through June 30, 2026; and

Additional edits were also made in the Summary, Discussion, and Background Sections. The redline of all edits is attached for your consideration.

Please feel free to contact Contract Manager, Marilyn Simon-Gersuk, at msimongersuk@sbcbswell.org with any questions.

Enclosure: Revised Board Letter Crestwood IMD FY 2023-26 AM 1 and CSU FY 2024-27 AM 1



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Submitted on:
(COB Stamp)

Department Name: Behavioral Wellness
Department No.: 043
Agenda Date: June 10, 2025
Placement: Administrative Agenda
Estimated Time: N/A
Continued Item: No
If Yes, date from: N/A
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director: Antonette Navarro, LMFT, Director, Behavioral Wellness
Contact: Chris Ribeiro, Chief Financial and Administrative Officer, Behavioral Wellness
SUBJECT: Crestwood Behavioral Health, Inc., First Amendment to the FY 2023-26 Service Agreement for Institutions for Mental Disease (IMD) and First Amendment to the Crestwood Behavioral Health, Inc. FY 2023-27 Services Agreement for Crisis Stabilization Unit (CSU) Services

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve, ratify and authorize the Chair to execute the First Amendment to the Agreement for Services of Independent Contractor with **Crestwood Behavioral Health, Inc.**, (not a local vendor) for Institutions for Mental Disease (IMD) services (BC-23-132) to update certain terms in compliance with State and federal requirements; and to increase the contract amount by \$385,000 to add additional IMD placements for a revised total maximum contract amount not to exceed **\$2,185,000**, inclusive of \$580,000 for FY 2023-2024, \$675,000 for FY 2024-2025, and \$930,000 FY 2025-2026, with no change to the contract term of July 1, 2023 through June 30, 2026; and
- b) Approve, ratify and authorize the Chair to execute the First Amendment to the Agreement for Services of Independent Contractor with **Crestwood Behavioral Health, Inc.**, (not a local vendor) for Crisis Stabilization Services (CSU) services (BC-23-297) to update certain terms in compliance with State and federal requirements; and to increase the maximum billable hours from 20 hours per client to 23 hours per client, with no change to the maximum contract amount not to exceed \$22,192,530 or the contract term of March 1, 2024 through June 30, 2027; and

- c) Determine that the above-recommended actions are not a project that is subject to environmental review under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines section 15378(b)(4), finding that the actions are governmental funding mechanisms and/or fiscal activities that will not result in direct or indirect physical changes in the environment.

Summary Text:

The first action on this item is to approve the First Amendment to the Agreement for Services of Independent Contractor **Crestwood Behavioral Health, Inc.** (Crestwood) Institutions for Mental Disease (IMD) to update certain State and federal terms, to increase services to IMD, to accommodate additional placements in excess of the original agreement including clients in higher acuity levels, and to increase the maximum contract amount to not to exceed **\$2,185,000** inclusive of \$580,000 for FY 2023-2024, \$675,000 for FY 2024-2025 and \$930,000 FY 2025-2026 for the period of July 1, 2023 through June 30, 2026. The increase will include IMD bed placements located at Crestwood facilities throughout the State and are not located in Santa Barbara County.

The second action on this item is to approve the First Amendment to the Agreement for Services of Independent Contractor **Crestwood Behavioral Health, Inc.** (Crestwood) Crisis Stabilization Unit (CSU) to update certain State and federal terms, and to increase the allowable billing hours to 23 per client in accordance with State billing regulations, for the period of March 1, 2024 through June 30, 2027.

Discussion:

Crestwood Behavioral Health, Inc. provides a range of services to Santa Barbara County's Department of Behavioral Wellness (BWell). There are two proposed amendments to increase the contract values due to additional accommodations needed based on usage. The First Amendment to Services Agreement for Crestwood IMD is to update certain State and federal terms, to increase services to IMD, to accommodate additional bed nights at placements located at Crestwood facilities throughout the State, in excess of the original agreement. The First Amendment to the Agreement for Services Crestwood CSU is to update certain State and federal terms, and to accommodate an additional three hours per client, now providing billable services for 23 hours per client.

Background:

Institutions for Mental Disease - Crestwood Behavioral Health, Inc. provides a continuum of services from traditional psychiatric services to recovery programs. BWell works with Crestwood to provide critical services for members of our community. The current contract with Crestwood for IMD services for FY 2023-26 (BC-23-132) provides inpatient treatment services to meet the needs of individuals with severe mental illness. Institutions for Mental Disease (IMDs) are facilities, including hospitals, nursing facilities, Mental Health Rehabilitation Centers (MHRCs), or other institutions, of more than 16 beds that are primarily engaged in providing diagnosis, treatment, or care of persons with mental illness. This includes medical attention, nursing care, and related services. BWell has contracted with Crestwood for IMD services since 2017. Crestwood has IMD facilities located throughout the State of California. Crestwood does not have IMD facilities located in Santa Barbara County.

The Board of Supervisors approved the Crestwood IMD contract for FY 2023-26 on August 29, 2023, to provide mental health services and residential treatment services.

This amendment is presented to the Board of Supervisors to approve expanding the IMD program at the start of FY 2024-25 and 2025-26 to increase services and accommodate additional placements in

excess of the original agreement including clients in higher acuity levels, and increasing the contract maximum amount to not exceed \$2,185,000 for the contract period of FY 2023-26.

Crisis Stabilization Unit – In FY 2015-16, Behavioral Wellness (BWell) began operating an unlocked CSU located on the County's Calle Real campus, adjacent to the Psychiatric Health Facility (PHF) in Santa Barbara. At the time, the funding available to build out and fund the CSU could not be used for locked facilities. Therefore, the BWell CSU was established as an unlocked intensive crisis intervention center. The original funding restriction has since been lifted, allowing for the CSU to now be designated and operated as a locked facility. A request to adopt a resolution to designate the Department of Behavioral Wellness (BWell) Crisis Stabilization Unit (CSU) as an LPS 5150 designated facility was brought to the Board of Supervisor's April 23, 2024 meeting. Although built to accommodate eight crisis beds, in 2016 the facility was staffed and operated to accommodate four beds. The impact of COVID, as well as ongoing staffing challenges at the PHF, led to the temporary closure of the CSU in May 2022.

On August 29, 2023, the Board of Supervisors authorized BWell to issue a Request for Proposal (RFP) to contract out the operation and service delivery of its CSU to a qualified community-based organization. The RFP, issued on September 1, 2023, stipulated that the designation of the CSU would be converted from an unlocked to a locked facility and would operate eight crisis beds. Crestwood is an experienced provider that has successfully demonstrated its ability to provide effective crisis stabilization services, including the hiring and retention of adequate staffing, consistently high rates of client utilization, and efficient fiscal management. Both involuntary and voluntary services will be provided.

The Board of Supervisors approved the Crestwood CSU contract for FY 2023-27 (BC-23-297) on April 23, 2024, to provide mental health services and residential treatment services for a contract maximum of \$22,192,530.

This amendment is presented to the Board of Supervisors to approve expanding the CSU program at the start of FY 2024-25, 2025-26, and 2026-27 to increase services from 20 hours and accommodate an additional 3 hours per patient for a total maximum of 23 hours per patient.

Performance Measure:

Institutions for Mental Disease:

For FY 2023-24, Crestwood consistently had an average caseload of five clients per month. The caseload rose to seven unique clients per month during FY 2024-25. The current funding projections are based on an average caseload of eight clients per month for FY 2025-26, which is inclusive of the current seven clients with an additional spot for FY 2024-25 and FY 2025-26. Overall, BWell is satisfied with Crestwood's performance in meeting their objectives while providing service to clients for 275 client who were referred by BWell and admitted for treatment.

Crisis Stabilization Unit (CSU):

Census Information:

- 344 clients were referred to CSU, 342 not in-custody, and 2 in-custody.
- 326 referrals were accepted, 326 not in-custody, and 0 in-custody.
- 94% of non-custody referrals were accepted, with a goal of at least 95%.
- 0% of in-custody referrals were accepted, with a goal of at least 95%.
- 275 clients were admitted.
- 273 not in-custody clients were discharged.
- 0 in-custody clients were discharged.

Stabilization in Community:

- Of those discharged, 12% transitioned to a higher level of care, with a goal of less than 15%.
- Of those discharged, 88% transitioned to a lower level of care, with a goal of at least 85%.

Linkage & Referrals:

- 97% of clients linked to physical health care services upon discharge, with a goal of at least 95%.
- 71% of clients linked to mental health (MH) or substance use disorder (SUD) services upon discharge, with a goal of at least 95%.

Fiscal Impacts:

Budgeted: Yes

Fiscal Analysis:**Crestwood CSU**

Funding Source	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Total
General Fund					
State	\$1,396,230	\$1,144,772	\$1,144,772	\$1,144,772	\$4,830,546
Federal					
Fees					
Medi-Cal Patient Revenue	\$1,086,300	\$5,425,228	\$5,425,228	\$5,425,228	\$17,361,984
Total	\$2,482,530	\$6,570,000	\$6,570,000	\$6,570,000	\$22,192,530

Crestwood IMD

Funding Source	FY 2023-24	FY 2024-25	FY 2025-26	Total
General Fund				
State	\$580,000	\$675,000	\$930,000	\$2,185,000
Federal				
Fees				
Other				
Total	\$580,000	\$675,000	\$930,000	\$2,185,000

Crestwood CSU is funded by a combination of State and federal funds. With the transition to California Advancing and Innovating Medi-Cal (CalAIM) Payment Reform, the ongoing program cost will primarily be funded with fee-for-service Medi-Cal Patient Revenue with Mental Health Services Act (MHSA) funding covering the local match. The amount of federal funds is contingent on the client's aid code and the State issued rate for the service. There is no change to the CSU contract maximum in this amendment.

Crestwood's IMD contract is funded with State Realignment funds. An increase in the contract funding allocations is necessary to cover additional client placements.

Funding sources for the CSU and IMD were included in the FY 24-25 Adopted Budget and FY 25-26 Recommended Budget and will be included in future recommended budgets submitted to the Board of Supervisors for approval.

Special Instructions:

Please return one (1) complete executed First Amendment and one (1) Minute Order to aleach@sbcbswell.org, msimongersuk@sbcbswell.org and to bwelcontractsstaff@sbcbswell.org.

Attachments:

Attachment A – Crestwood Behavioral Health, Inc. IMD FY 2023-26 AM1

Attachment B – Crestwood Behavioral Health, Inc. IMD FY 2023-26 BC 23-132

Attachment C– Crestwood Behavioral Health, Inc. CSU FY 2023-27 AM1

Attachment D– Crestwood Behavioral Health, Inc. CSU FY 2023-27 BC 23-297

Authored by:

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