



**County of Santa Barbara**  
**BOARD OF SUPERVISORS**  
**Minute Order**

**March 7, 2017**

---

**Present:** 4 - Supervisor Williams, Supervisor Wolf, Supervisor Hartmann, and Supervisor Adam  
**Absent 1 - Supervisor Lavagnino**

BEHAVIORAL WELLNESS

File Reference No. 17-00176

**RE:** Consider recommendations regarding Behavioral Wellness Fiscal Year (FY) 2016-2017 Amendments -Institutions for Mental Disease/Residential Mental Health Contracts, as follows: (4/5 Vote Required)

- a) Approve and authorize the Chair to execute the Second Amendment to the Agreement for Services of Independent Contractor with California Psychiatric Transitions (not a local vendor), an Institution for Mental Disease, to increase the FY 2016-2017 contract by \$106,500.00 for a total contract amount not to exceed \$991,450.00 for the period July 1, 2015 through June 30, 2017;
- b) Approve and authorize the Chair to execute the Third Amendment to the Agreement for Services of Independent Contractor with Merced Behavioral Center (not a local vendor), an Institution for Mental Disease, to increase the FY 2016-2017 contract by \$350,000.00 for a total contract amount not to exceed \$1,330,608.00 for the period July 1, 2014 through June 30, 2017;
- c) Approve and authorize the Chair to execute a Fourth Amendment to the Agreement for Services of Independent Contractor with Psynergy Programs, Inc., (not a local vendor) for the provision of adult residential mental health services, to increase the FY 2016-2017 contract by \$350,000.00 for a total contract amount not to exceed \$2,174,228.00 for the period July 1, 2014 through June 30, 2017;
- d) Approve and authorize the Chair to execute the Third Amendment to the Agreement for Services of Independent Contractor with Sylmar Health and Rehabilitation Center (not a local vendor), an Institution for Mental Disease, to increase the FY 2016-2017 contract by \$670,000.00 for a total contract amount not to exceed \$3,242,826.00 for the period July 1, 2014 through June 30, 2017;
- e) Approve Budget Revision Request No. 0004909 increasing appropriations of \$1,476,500.00 in Behavioral Wellness Mental Health Fund for Services and Supplies funded by an increase to Intergovernmental Revenue - State, an increase in charges for services revenues, and an increase to Miscellaneous Revenue; and
- f) Determine that these activities are exempt from California Environmental Quality Act (CEQA) review per CEQA Guidelines Section 15378(b)(5) since the recommended actions are government administrative activities which do not involve commitment to any specific project which may result in potentially significant physical impact on the environment.

**A motion was made by Supervisor Williams, seconded by Supervisor Wolf, that this matter be Acted on as follows:**

- a) through d) Approved and authorized; Chair to execute; and
- e) and f) Approved.

**The motion carried by the following vote:**

**Ayes:** 4 - Supervisor Williams, Supervisor Wolf, Supervisor Hartmann, and Supervisor Adam



**County of Santa Barbara**  
**BOARD OF SUPERVISORS**  
**Minute Order**

**March 7, 2017**

---

**Absent:** 1 - Supervisor Lavagnino



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

Department Name: Behavioral Wellness  
Department No.: 043  
For Agenda Of: March 7, 2017  
Placement: Administrative  
Estimated Time:  
Continued Item: No  
If Yes, date from:  
Vote Required: 4/5

---

TO: Board of Supervisors  
FROM: Department Alice Gleghorn, PhD, Director  
Director(s) Department of Behavioral Wellness 805-681-5220  
Contact Info: Chris Ribeiro, Chief Financial Officer  
Department of Behavioral Wellness 805-681-5220

SUBJECT: Behavioral Wellness FY 16-17 Amendments –Institutions for Mental  
Disease/Residential Mental Health Contracts

---

**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 and authorize the chair to execute the Second Amendment to the Agreement for Services of Independent Contractor with **California Psychiatric Transitions** (not a local vendor), an Institution for Mental Disease, to increase the FY 2016-2017 contract by **\$106,500** for a total contract amount not to exceed **\$991,450** for the period July 1, 2015 through June 30, 2017.
- B) Approve and authorize the chair to execute the Third Amendment to the Agreement for Services of Independent Contractor with **Merced Behavioral Center** (not a local vendor), an Institution for Mental Disease, to increase the FY 2016-2017 contract by **\$350,000** for a total contract amount not to exceed **\$1,330,608** for the period July 1, 2014 through June 30, 2017.
- C) Approve and authorize the chair to execute a Fourth Amendment to the Agreement for Services of Independent Contractor with **Psynergy Programs, Inc.**, (not a local vendor) for the provision of adult residential mental health services, to increase the FY 2016-2017 contract by **\$350,000** for a total contract amount not to exceed **\$2,174,228** for the period July 1, 2014 through June 30, 2017.

- D) Approve and authorize the chair to execute the Third Amendment to the Agreement for Services of Independent Contractor with **Sylmar Health & Rehabilitation Center** (not a local vendor), an Institution for Mental Disease, to increase the FY 2016-2017 contract by **\$670,000** for a total contract amount not to exceed **\$3,242,826** for the period July 1, 2014 through June 30, 2017.
- E) Approve a budget journal entry BJE #0004909 increasing appropriations of \$1,476,500 in Behavioral Wellness Mental Health Fund for Services and Supplies funded by an increase to Intergovernmental Revenue – State, an increase in charges for services revenues, and an increase to Miscellaneous Revenue.
- F) Determine that these activities are exempt from California Environmental Quality Act(CEQA) review per CEQA Guidelines Section 15378(b)(5) since the recommended actions are government administrative activities which do not involve commitment to any specific project which may result in potentially significant physical impact on the environment.

**Summary Text:** The Department of Behavioral Wellness provides a continuum of mental health and substance use disorder services to Santa Barbara County residents, in part through contracted providers including Community-Based Organizations (CBOs). Contracts with facilities providing services at various levels of care are key to ensuring that the needs of clients are optimally met. Due to an increased demand for inpatient contracted long-term beds, Behavioral Wellness needs to amend several of its Institutions for Mental Disease (IMD) contracts. These amendments will be partially funded by savings from underutilized IMD contracts. Approval of the recommended actions will allow Behavioral Wellness to continue to provide mandated mental health, substance use, and ancillary services.

**Background:**

**Institutions for Mental Disease (IMD):** Behavioral Wellness provides a continuum of services, including inpatient treatment services to best meet the needs of individuals with severe mental illness. IMDs are facilities including hospitals, nursing facilities, or other institutions of more than 16 beds that are primarily engaged in providing diagnosis, treatment, or care of persons with mental illness, including medical attention, nursing care, and related services. Due to the Federal IMD Exclusion, these services are not reimbursable by Medi-Cal for clients between the ages of 21 and 65. There are a limited number of these highly structured residential treatment services in California and none in Santa Barbara County. Behavioral Wellness examines the current caseload and historical use of IMD facilities in order to project the following year's contract amounts within Department's budget constraints. Behavioral Wellness contracts with IMDs that are licensed as Acute Psychiatric Hospitals, Skilled Nursing Facilities with Special Treatment Patches (Sylmar Health & Rehabilitation Center and California Psychiatric Transitions), and Mental Health Rehabilitation Centers. Due to limited bed availability at each IMD, Behavioral Wellness contracts with a number of IMDs throughout the State.

Behavioral Wellness also contracts with IMD-alternative facilities (Psynergy), which are unlocked facilities providing highly structural residential programs for clients transitioning out of IMDs.

**California Psychiatric Transitions (CPT)**, located in Delhi, Merced County, CPT provides two on-site psychiatrists, a medical doctor, and 24-hour nursing staff. CPT also provides individualized care in a highly structured program focusing on activities of daily living, interactive groups, and work programs, helping clients to learn social and domestic skills that will prepare them for reentry into the community. A specialized CPT program focuses on clients with disruptive behaviors, helping clients to address, correct, and minimize the occurrence of these behaviors. In addition, CPT operates a facility tailored to the needs of misdemeanor-charged individuals who have been deemed incompetent to stand trial (IST), under California Penal Code section 1370.01. The IST program focuses on restoring trial competency, including understanding of courtroom proceedings, penalties, charges and defenses, and legal terminology. For the first half of the current fiscal year, CPT has consistently held a caseload of 3-4 clients per month. The current funding projections are based on a caseload of 4 clients per month for the second half of the fiscal year.

**Merced Behavioral Center (Merced)**, located in Merced County, provides intensive psychiatric mental health treatment, medical assessment, diagnosis, and monitoring in a locked setting. For the first half of the current fiscal year, Merced has consistently held a caseload of 7-9 clients per month. The current funding projections are based on a caseload of 9 clients per month for the second half of the fiscal year.

**Psynergy Programs, Inc. (Psynergy)**, located in the Bay Area, provides residential treatment services to adult clients as a step down from IMDs. Psynergy works with clients in IMDs to identify clients who may be ready to step down to a lower level of care, then works to step clients down through three progressions of residential care, with the eventual goal of equipping clients to return to Santa Barbara County to live independently. For the first half of the current fiscal year, Psynergy has consistently held a caseload of 9-14 clients. The current funding projections are based on a caseload of 14 clients per month for the second half of the fiscal year.

**Sylmar Health & Rehabilitation Center (Sylmar)** is a locked facility for adults with severe mental illness located in Los Angeles County. Sylmar provides intensive psychiatric mental health treatment, medical assessment, diagnosis and monitoring, and treatment groups for clients, including those diagnosed with co-occurring disorders. This facility is able to accommodate medically complex or fragile individuals. For the first half of the current fiscal year, Sylmar has consistently held a caseload of 15-18 clients per month. The current funding projections are based on a caseload of 17 clients per month for the second half of the fiscal year.

**Fiscal and Facilities Impacts:**

Budgeted: No

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized</u></b>	<b><u>Total One-Time</u></b>
		<b><u>On-going Cost:</u></b>	<b><u>Project Cost</u></b>
General Fund			
State	\$ 3,144,750.00		
Federal	\$ 197,500.00		
Fees			
Other:			
Total	\$ 3,342,250.00	\$ -	\$ -

Narrative: The above referenced contracts are funded by State and Federal Funds; approval of the requested Budget Revision will not result in any increased General Fund expenditures.

**Key Contract Risks:**

There is risk that the number of contracted IMD and IMD-alternative beds may increase beyond what the department has projected. In this case, the department will return to the Board of Supervisors to request an increase to the contract maximums where needed.

**Special Instructions:**

Please send one (1) complete copy of each executed contract and one (1) minute order to: qilopez@co.santa-barbara.ca.us.

**Attachments:**

- Attachment A: California Psychiatric Transitions FY 15-17 Amendment 2
- Attachment B: California Psychiatric Transitions FY 15-17 Amendment 1
- Attachment C: California Psychiatric Transitions FY 15-16 BC 16-121
- Attachment D: Merced Behavioral Health Amendment 3 FY 16-17
- Attachment E: Merced Behavioral Health Amendment 2 FY 15-16
- Attachment F: Merced Behavioral Health Amendment 1 FY 14-15
- Attachment G: Merced Behavioral Health FY 14-17 BC 15-029
- Attachment H: Psynergy Programs, Inc. FY 14-17 Amendment 4
- Attachment I: Psynergy Programs, Inc. FY 14-17 Amendment 3
- Attachment J: Psynergy Programs, Inc. FY 14-17 Amendment 2
- Attachment K: Psynergy Programs, Inc. FY 14-17 Amendment 1
- Attachment L: Psynergy Programs, Inc. FY 14-17 BC 15-034
- Attachment M: Sylmar Health and Rehabilitation Center Amendment 3 FY 16-17
- Attachment N: Sylmar Health and Rehabilitation Center Amendment 2 FY 15-16
- Attachment O: Sylmar Health and Rehabilitation Center Amendment 1 FY 14-15
- Attachment P: Sylmar Health and Rehabilitation Center FY 14-17 BC 15-028
- Attachment Q: BJE#0004909

**Authored by:**

Q. Lopez

## Second Amendment 2015-2017

### TO AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

This Second Amendment (hereafter Second Amended Contract) to the Agreement for Services of Independent Contractor, referenced as number BC 16-121, by and between the **County of Santa Barbara** (County) and **California Psychiatric Transitions, Inc.** (Contractor), for the continued provision of services specified herein.

Whereas, Contractor represents that it is specially trained, skilled, experienced and competent to perform the special services required by County and County desires to retain the services of Contractor pursuant to the terms, covenants, and conditions referenced herein.

Whereas, the Second Amended Contract incorporates the terms and conditions set forth in the contract approved by the County Board of Supervisors in September 2015 and the First Amendment approved by the County Board of Supervisors in June 2016, except as modified by this Second Amended Contract.

Whereas, County anticipates that Contractor will provide, at the request of the County, a greater number of services than contemplated by the original Agreement, and will incur expenses beyond the value of this Agreement. This amendment adds funds in the amount of \$106,500 for Fiscal Year 16-17 to the prior Agreement maximum of \$884,950, so as to compensate Contractor for additional services to be rendered under this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, County and Contractor agree as follows:

- I. **Delete Section II, Maximum Contract Amount, from Exhibit B, Financial Provisions, and replace with the following:**

- II. **MAXIMUM CONTRACT AMOUNT.**

The Maximum Contract Amount shall not exceed **\$319,200** for Fiscal Year 15-16, and **\$672,250** for Fiscal Year 16-17 for a total contract amount during the term of this Agreement not to exceed **\$991,450**. Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more than this Maximum Contract Amount for Contractor's performance hereunder without a properly executed amendment.

- II. **Delete Exhibit B-1, Schedule of Rates FY 16-17, and replace with the following:**

**EXHIBIT B-1  
SCHEDULE OF RATES FY 16-17**

<b>MHRC</b>	
Level 1	\$350/Day
1:1 Monitoring	\$40.00/Hour
<b>Disruptive Behavioral Unit (DBU)</b>	
Level 1	\$850/Day
1:1 Monitoring	\$40.00/Hour
<b>DIVERSION</b>	
Level 4 (IST)	\$525/Day
Level 3	\$475/Day
Level 2	\$450/Day
Level 1	\$425/Day
1:1 Monitoring	\$40.00/Hour
<b>MAXIMUM CONTRACT AMOUNT PAYABLE FY 16-17</b>	\$672,250

D.M

CONTRACTOR SIGNATURE: \_\_\_\_\_

STAFF ANALYST SIGNATURE: \_\_\_\_\_

*Quanaia Lopez*

FISCAL SERVICES SIGNATURE: \_\_\_\_\_

*[Signature]*

Upon review of client's case by Contractor's admitting psychiatrist, Contractor shall notify County which level and program Contractor proposes placing the client in. If County agrees with the proposed placement and a bed is available, Contractor shall proceed with the admission process. Following admission, Contractor shall notify the County's Designated Representative via fax prior to moving County clients between the programs and levels specified above.

**III. All other terms remain in full force and effect.**

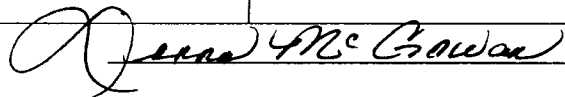


Second Amendment 2015-2017

**SCHEDULE OF RATES FY 16-17**

<b>MHRC</b>	
Level 1	\$350/Day
1:1 Monitoring	\$40.00/Hour
<b>Disruptive Behavioral Unit (DBU)</b>	
Level 1	\$850/Day
1:1 Monitoring	\$40.00/Hour
<b>DIVERSION</b>	
Level 4 (IST)	\$525/Day
Level 3	\$475/Day
Level 2	\$450/Day
Level 1	\$425/Day
1:1 Monitoring	\$40.00/Hour
<b>MAXIMUM CONTRACT AMOUNT PAYABLE FY 16-17</b>	<b>\$672,250</b>

CONTRACTOR SIGNATURE:



STAFF ANALYST SIGNATURE: \_\_\_\_\_

FISCAL SERVICES SIGNATURE: \_\_\_\_\_

Upon review of client's case by Contractor's admitting psychiatrist, Contractor shall notify County which level and program Contractor proposes placing the client in. If County agrees with the proposed placement and a bed is available, Contractor shall proceed with the admission process. Following admission, Contractor shall notify the County's Designated Representative via fax prior to moving County clients between the programs and levels specified above.

**III. All other terms remain in full force and effect.**

A-1  
A

Second Amendment 2015-2017

SIGNATURE PAGE

Second Amendment to Agreement for Services of Independent Contractor between the County of Santa Barbara and California Psychiatric Transitions.

IN WITNESS WHEREOF, the parties have executed this Amendment to be effective on the date executed by County.

COUNTY OF SANTA BARBARA

By: Joan Hartmann

JOAN HARTMANN, CHAIR  
BOARD OF SUPERVISORS

Date: 3/7/17

ATTEST:

MONA MIYASATO, COUNTY EXECUTIVE OFFICER  
CLERK OF THE BOARD

By: Mona Miyasato

Deputy Clerk

Date: 3-17-17

CONTRACTOR

CALIFORNIA PSYCHIATRIC TRANSITIONS

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

MICHAEL C. GHIZZONI  
COUNTY COUNSEL

By: Michael C. Ghizzoni

Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:

THEODORE A. FALLATI, CPA  
AUDITOR-CONTROLLER

By: Theo Fallati

Deputy

APPROVED AS TO FORM :

DEPARTMENT OF BEHAVIORAL WELLNESS  
ALICE GLEGHORN, PH.D. DIRECTOR  
DIRECTOR

By: A. Fuller for A. Gleghorn

Director

APPROVED AS TO INSURANCE FORM:

RAY AROMATORIO  
RISK MANAGER

By: Ray Aromatorio  
Risk Management

Second Amendment 2015-2017

SIGNATURE PAGE

Second Amendment to Agreement for Services of Independent Contractor between the County of Santa Barbara and California Psychiatric Transitions.

IN WITNESS WHEREOF, the parties have executed this Amendment to be effective on the date executed by County.

COUNTY OF SANTA BARBARA

By: \_\_\_\_\_

JOAN HARTMANN, CHAIR  
BOARD OF SUPERVISORS

Date: \_\_\_\_\_

ATTEST:

MONA MIYASATO, COUNTY EXECUTIVE OFFICER  
CLERK OF THE BOARD

By: \_\_\_\_\_

Deputy Clerk

Date: \_\_\_\_\_

CONTRACTOR

CALIFORNIA PSYCHIATRIC TRANSITIONS

By: Donna McGowan

Name: Donna McGowan

Title: Director

Date: 2/15/17

APPROVED AS TO FORM:

MICHAEL C. GHIZZONI  
COUNTY COUNSEL

By \_\_\_\_\_

Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:

THEODORE A. FALLATI, CPA  
AUDITOR-CONTROLLER

By \_\_\_\_\_

Deputy

APPROVED AS TO FORM :

DEPARTMENT OF BEHAVIORAL WELLNESS  
ALICE GLEGHORN, PH.D. DIRECTOR  
DIRECTOR

By \_\_\_\_\_

Director

APPROVED AS TO INSURANCE FORM:

RAY AROMATORIO  
RISK MANAGER

By: \_\_\_\_\_

Risk Management