

**FIRST AMENDED AGREEMENT**  
**FOR SERVICES OF INDEPENDENT CONTRACTOR**

**THIS First Amendment to the AGREEMENT** for Services of Independent Contractor, referenced as BC 20-147 (hereafter First Amended Agreement), is made by and between the County of Santa Barbara (County) and **Crestwood Behavioral Health, Inc.** (Contractor), a Delaware corporation, with its principle place of business at 520 Capitol Mall, Sacramento, CA, wherein Contractor agrees to provide and County agrees to accept the 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 continue to retain the services of Contractor pursuant to the terms, covenants, and conditions herein set forth;

**WHEREAS**, the County Board of Supervisors authorized County to enter into an Agreement for Services of Independent Contractor, referred to as BC 20-147, on October 6, 2020 for the provision of in-County Mental Health Rehabilitation Center (MHRC) Services for a total Maximum Contract Amount not to exceed \$16,900,000, inclusive of \$3,200,000 for FY 20-21; \$4,300,000 for FY 21-22; \$4,400,000 for FY 22-23; and \$5,000,000 for FY 23-24, for the period of October 5, 2020 through June 30, 2024;

**WHEREAS**, the County and Contractor wish to enter into this First Amended Agreement to add a new pilot program that will deliver services for up to two clients who are found incompetent to stand trial on misdemeanor charges and to increase the amount of the Agreement by \$91,000 for FY 20-21 and by \$365,000 for FY 21-22 for a new, total Maximum Contract Amount not to exceed \$17,356,000, inclusive of \$3,291,000 for FY 20-21; \$4,665,000 for FY 21-22; \$4,400,000 for FY 22-23; and \$5,000,000 for FY 23-24, for the period of October 5, 2020 to June 30, 2024; and

**WHEREAS**, this First Amended Agreement incorporates the terms and conditions set forth in the original Agreement, approved by the County Board of Supervisors on October 6, 2020, except as modified by this First Amended Agreement.

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

- I. Delete Exhibit A-2 MHRC: Champion Healing Center in its entirety and replace with the following:**

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## EXHIBIT A-2

### MHRC: CHAMPION HEALING CENTER

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#### 1. PROGRAM SUMMARY.

Contractor provides diagnosis, treatment, and care of adult clients with mental diseases, including medical attention, nursing care, and related services in an inpatient setting for a minimum of 32 clients with serious mental illness (SMI) and serious emotional disturbances (SED), hereafter, the “MHRC Program.” The Program is licensed as a Mental Health Rehabilitation Center (MHRC). The Program shall be classified as an Institution for Mental Disease (IMD), defined in Title 42, Code of Federal Regulations (CFR) 435.1010 as a nursing facility or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment, and care of persons with mental diseases, including medical attention, nursing care, and related services.

Contractor also provides diagnosis, treatment, and care of up to two (2) clients, who are found to be Incompetent to Stand Trial on misdemeanor charges and court-ordered into treatment at Contractor’s facility, hereafter, the “MIST Program.” Care will include medical attention, nursing care, and related services in an inpatient setting, as well as Restoration to Competency services. Contractor will collaborate with County Justice Alliance staff to support and facilitate MIST Program client restoration on an ongoing basis and for the duration of a MIST Program client’s stay at the facility.

Collectively, the MHRC and MIST Programs shall be referred to as the “Program.”

#### 2. PROGRAM GOALS.

- A. To provide a safe, secure, and behaviorally focused environment for adults with serious mental illness, which enhances the opportunity of the clients to reach their maximum level of functioning.
- B. To assist adults with serious mental illness to develop strategies for reducing symptoms, increasing adaptive behaviors, and reducing subjective distress.
- C. To assist adults with serious mental illness to improve or restore the social and functional skills necessary for step-down to a less restrictive environment and for successful living in the community.
- D. To assist the County of Santa Barbara Department of Behavioral Wellness, hereafter, “Department of Behavioral Wellness,” in efficiently and effectively managing limited resources by providing an alternative to utilization of state hospital days and acute hospital administrative days.

- E. To assist MIST Program clients to regain competency to stand trial by use of restoration to competency strategies.

### 3. PROGRAM OBJECTIVES.

A. Within 15 days of admission, each client will be evaluated, goals of admission will be established, and barriers to discharge will be identified. A joint service plan will be completed in collaboration with the Long-Term Care Team or designated case management staff to advocate for the client to address:

1. Psychosocial, behavioral, and medication needs;
2. Development of strategies and skills for symptom management and reduction;
3. Strategies to enhance the client's ability to participate in treatment, identify and understand the client's current challenges, as well as recognize the client's own role in the self-management of mental illness;
4. Identification of appropriate interventions to address skill deficits, behavioral issues, or other barriers to success in a less restrictive environment; and
5. Competency to stand trial, if applicable.

B. Treatment team meetings will be held quarterly. Meetings will include review of the client's individualized service plan and progress toward goals of admission.

C. Contractor will provide clients with opportunities to demonstrate development of skills identified in the client's individualized service plan.

D. Contractor will complete a monthly progress report to address client progress towards the client's individualized service plan objectives.

E. The average length of stay for clients will be 6-12 months, but some stays may exceed this timeframe. The estimated length of stay for MIST Program clients will be 30-45 days.

F. The goal upon admission of clients will be to facilitate discharge of clients to a less restrictive environment.

4. **SERVICES.** Contractor shall provide diagnosis, treatment, and care of clients with mental diseases, including medical attention, nursing care, and related services, in the following program type:

A. **MHRCs are 24-hour programs**, which are licensed by the California Department of Health Care Services and provide intensive support and rehabilitation services designed

to assist persons, 18 to 64 years of age, with mental disorders varying in levels of severity and functioning ability. Clients will be provided with levels of treatment appropriate to their level of impairment. The Program has a step-down system with four levels of treatment driven by four levels of need. The levels of impairment are: Highest level of Risk/Impairment, neuro trauma population where level of impairment will be higher than mild, mild level of impairment, and community re-entry. Clients will be provided with a rehabilitation program based on a social rehabilitation case management model. Services shall include physician, nursing, dietary, and pharmaceutical services; a rehabilitation program; and an activity program and shall adhere to the requirements specified in Title 9 CCR, Division 1, Chapter 3.5.

1. **MHRC LEVELS 1 – 3**: Contractor will generally provide three levels of care for the MHRC beds at Contractor’s facility. The base rates for these levels are as specified in Exhibit B of this Agreement. MHRC Levels 1-3 offer increasingly enhanced services for clients at higher acuity levels, with Level 1 being the highest and Level 3 being the lower. Additionally, Contractor shall offer a specialized level of care as medically necessary for a patient.
  - i. **Level 1** - Clients who are subacute with behaviors that may require additional supervision and a high level of behavioral interventions. These clients may require a high-level of nursing interventions (non-skilled) so enhanced nursing coverage should be provided 24-hours a day, seven days a week (exceeds the regulations). Level 1 will also encompass care of MIST Program clients.
  - ii. **Level 2** - Clients who will be significantly impaired, may be more chronic and require routine and frequent interventions, intensive programming and supervision and support.
  - iii. **Level 3**- Clients with greater stabilization, who are low-level of need, require fewer but regular behavior intervention, and require psychoeducation and community living skills development for a successful transition to independence. Usually, these clients have been stabilized, and Contractor is looking for an appropriate placement for the clients.
    - a. Transportation of clients to and from Contractor’s facility will be provided or arranged.
- B.** County shall be entitled to a minimum of 32 MHRC beds at Contractor’s facility. When non-County beds become available, Contractor agrees to work with County in good faith to determine whether County shall contract for such beds at the rate set-forth in Exhibit B-1.
- C.** County shall be entitled to two (2) beds for the treatment of MIST Program clients.
- D.** Contractor shall continuously monitor clients to ensure that clients are being moved to a lower level of care as appropriate.

- 5. TREATMENT SERVICES.** Contractor shall provide:
- A. An individualized program to meet the specific needs of each client.
  - B. A structured training regimen with individualized therapy to assist clients in the development of new skills and in modifying behaviors that exclude them from living in a lower level of care facility. Contractor's facility shall have the capability of providing all of the following special rehabilitation program services:
    - 1. Individual programs shall be provided based on the specific needs identified through the client assessments.
      - i. **Self-Help Skills Training:**
        - 1) Whole Health Focus and Medication Education.
        - 2) Life Skills.
        - 3) Money Management.
        - 4) Use of public transportation.
        - 5) Use of community resources.
        - 6) Behavior control and impulse control.
        - 7) Frustration tolerance/stress management.
        - 8) Mental health/substance use education and Relapse Prevention.
        - 9) Wellness and fitness support including Zumba.
      - ii. **Behavioral Intervention Training:**
        - 1) Behavior modification modalities.
        - 2) Re-motivation therapy.
        - 3) Patient government activities.
        - 4) Process Groups: Social Group, Peer Support Group and Resident Council Group.
        - 5) Individual counseling and individual therapy with a licensed clinician.
        - 6) Psycho-educational groups, individual counseling and support.
      - iii. **Interpersonal Relationships:**
        - 1) Social counseling.
        - 2) Educational and recreational therapy.
        - 3) Social activities such as outings, dances, etc.
        - 4) Nutritional education, counseling and support.
        - 5) Yoga, meditation and support for a spirituality path.
      - iv. **Pre-vocational Preparation Services:**
        - 1) Supported Employment through Dreamcatchers Empowerment Network.
        - 2) Motivational Interviewing.
        - 3) Work activity.
        - 4) Vocational counseling.
      - v. **Pre-release Planning:**
        - 1) Discharge and transition planning to create and support movement as possible.

- 2) Family support and education coordinated with local the National Alliance on Mental Illness (NAMI).
- 3) Linkage to community supports.
- 4) Linkage to medical services in the community as needed.

vi. **Competency Restoration Services:**

- 1) Will implement daily interventions to assist in restoration to competency.
- 2) Will stay in contact about all client care issues with County Justice Alliance team and meet with the team at minimum weekly to review and plan care.
- 3) Provide plans as needed to facilitate step-down from Contractor's facility or return to custody.

**6. CLIENTS.** The services shall be provided to individuals with SMI or SED who are either:

**A.** Reimbursement for covered services to these Medi-Cal beneficiaries shall be provided to Contractor directly by the State's fiscal intermediary. Medi-Cal beneficiaries, as described in Title 22, CCR, Division 3, Subdivision 1, Chapter 2, Article 5, and Article 7. IMD Services provided by Contractor to Medi-Cal beneficiaries are covered by Medi-Cal, subject to the conditions in Title 9 CCR § 1840.312, as follows:

1. The beneficiary is 65 years of age or older; or
2. The beneficiary is under 21 years of age; or
3. The beneficiary was receiving such services prior to the beneficiary's twenty-first birthday, and the services are rendered without interruption until no longer required or the beneficiary's twenty-second birthday, whichever is earlier.

OR

**B.** Uninsured individuals, or Medi-Cal beneficiaries over the age of 21 and under the age of 65, who are referred and authorized by the Department of Behavioral Wellness to receive Program services. Reimbursement for these services will be the responsibility of the Department of Behavioral Wellness.

Persons eligible to receive MHRC services include persons who are considered seriously and persistently mentally disabled, who otherwise would be placed in a state hospital or other mental health facility, and for whom such a setting is the least restrictive alternative available to meet their needs, as specified in Title 9 CCR § 784.26.

OR

C. Individuals ordered by the court to Contractor's facility for treatment to restore competency.

## 7. REFERRAL AND ADMISSION PROCESS

**A. POINT OF AUTHORIZATION.** The designated Point of Authorization (POA) is: the Department of Behavioral Wellness Quality Care Management section, the Long - Term Care Team, and the County Justice Alliance Team.

**B.** POA shall submit a referral packet to Contractor, requesting admission for each prospective client.

**C.** Contractor shall respond to referrals:

1. From the PHF unit, within one (1) business day for individuals who no longer meet acute status.
2. From the County Justice Alliance for MIST client beds, within one (1) business day for individuals who will not be made available for interviews.
3. From all other referral sources, within five (5) days from the date of receipt of the referral.

**D.** Contractor may interview any client referred by Department of Behavioral Wellness, excluding MIST Program clients, and shall admit clients to Contractor's Program unless compelling clinical circumstances exist that contraindicate admission, subject to the admission and authorization criteria, or if space is not available in the Program.

**E. REFERRAL PACKET.** Prior to admission, the Department of Behavioral Wellness shall provide, and after admission, Contractor shall maintain within its files (hard copy or electronic), the following documentation for each client:

1. A one-page referral form including demographic information;
2. A copy of the most recent comprehensive assessment and/or assessment or update available; and
3. A copy of the most recent medication record and health history information, as available, including recent laboratory results.

**8. AUTHORIZATION PROCESS.**

**A. Utilization Review.** Contractor will participate in Monthly Utilization Review with the Department of Behavioral Wellness Quality Care Management team and will also provide this team a daily bed status update.

**9. DOCUMENTATION REQUIREMENTS.**

**A. ADMISSION REPORT.**

1. For MHRC clients, Contractor shall complete the following documents upon admission, pursuant to Title 9 CCR § 786.11:
  - a. Contractor shall complete an admission agreement, signed by the client or authorized representative, describing the services to be provided and the expectations and rights of the client regarding program rules, client empowerment and involvement in the program, and fees. The client shall receive a copy of the signed admission agreement;
  - b. Contractor shall prepare an initial written assessment of each client within fifteen (15) days of admission, unless a similar assessment has been done by the referring agency within thirty (30) days prior to admission; and
  - c. Contractor shall complete a comprehensive individual mental health evaluation, signed by a licensed mental health professional, within thirty (30) days of admission.

**B. TREATMENT PLAN.** Contractor shall complete a treatment plan, signed by a physician, for each client receiving Program services.

1. The treatment plan shall include:
  - i. Client's strengths and personal recovery goals or recovery vision, which guide the service delivery process;
  - ii. Goals/Objectives which clearly address the mental health condition for which the client is being treated;
  - iii. Goals/Objectives which are observable and/or measurable and which are designed to increase specific skills or behaviors and/or ameliorate the impairments caused by the condition; and
  - iv. Interventions planned to help the client reach the client's goals.



**10. DISCHARGE PLANNING.**

**A. DOCUMENTATION.** Contractor shall coordinate discharge planning with the Long-Term Care Team, Justice Alliance and other designated case management staff.

1. Prior to discharge, Contractor shall prepare a written discharge summary, which shall include an outline of services provided, goals accomplished, reason and plan for discharge, and referral follow-up plans, as specified in Title 9 CCR § 786.15(f) (MHRC).

**B. MEDICATION.** Upon discharge, Contractor agrees to provide all County clients with:

1. A seven (7) day supply and a prescription for a 30-day supply of all medications prescribed to the client at time of discharge;
2. Information on the process of obtaining future medications from the appropriate health care facility or provider; and
3. Instruction on medication management.

**II. Delete Section II (Maximum Contract Amount) of Exhibit B (Financial Provisions: MHS) and replace with the following:**

**II. MAXIMUM CONTRACT AMOUNT.**

The maximum contract amount of this Agreement shall not exceed **\$17,356,000** for **FY 20-24**, inclusive of \$3,291,000 for FY 20-21; \$4,665,000 for FY 21-22; \$4,400,000 for FY 22-23; and \$5,000,000 for FY 23-24. 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.

**III. Delete Exhibit B-1 Schedule of Rates and Contract Maximum: MHS in its entirety and replace with the following:**

**EXHIBIT B-1**  
**SCHEDULE OF RATES AND CONTRACT MAXIMUM: MHS**  
 (Applicable to the Program described in Exhibit A-2)

**EXHIBIT B-1**  
**BEHAVIORAL WELLNESS**  
**SCHEDULE OF RATES AND CONTRACT MAXIMUM**

**CONTRACTOR NAME:** Crestwood Behavioral Health, Inc. for the Champion Healing Center. **FISCAL YEAR:** 2020-21, 2021-22, 2022-23, 2023-2024

Facility	Service Level	Maximum Daily Base Rate	Bed Rate Reduction	Daily Bed Rate
Champion Healing Center MHRC	MHRC Level 3	\$383.00	(\$21.00)	\$362.00
	MHRC Level 2	\$383.00	(\$21.00)	\$362.00
	MHRC Level 1	\$383.00	(\$21.00)	\$362.00
	MHRC -Forensic	\$500.00	n/a	\$500.00
<b>Maximum Contract Amount FY 20-21</b>				<b>\$3,291,000</b>
<b>Maximum Contract Amount FY 21-22</b>				<b>\$4,665,000</b>
<b>Maximum Contract Amount FY 22-23</b>				<b>\$4,400,000</b>
<b>Maximum Contract Amount FY 23-24</b>				<b>\$5,000,000</b>
<b>Total Contract Maximum October 5, 2020 through June 30, 2024</b>				<b>\$17,356,000</b>

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

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

\* In special situations, the daily rate may be adjusted by the Behavioral Wellness Director and/or designee to accommodate clients with acute needs, additional monitoring, or medical complexity. Rate changes must be pre-authorized by Behavioral Wellness. The agreed upon rate for special situations will receive the \$21 bed rate reduction.

\*\* A tenant improvement contribution of up to \$1,000,000 is to be repaid by Contractor through a reduction in the Maximum Daily Base Rate of \$21 until the tenant improvement is repaid to County, hereafter "Bed Rate Reduction". Crestwood may increase the Maximum Daily Base Rate by up to 3.5% each year commencing after July 1, 2021. During the repayment period any increase in the Maximum Daily Base Rate shall be allocated to the paydown of the contribution such that the Bed Rate Reduction increases in conjunction with the Maximum Daily Base Rate increase to maintain the Daily Bed Rate of \$362. For example, if a 2% increase is exercised in Year 2, the Maximum Daily Base Rate and Bed Rate Reduction would equal \$391 and \$29, respectively, to maintain the Daily Bed Rate at \$362. Once the tenant contribution is repaid in full by Contractor, the Bed Rate Reduction will no longer apply, effective the first month after the contribution is repaid in full, and the Maximum Daily Base Rate will be equal to the Daily Bed Rate.

\*\*\* New Forensic focused MHRC services pilot program for 2 beds to be implemented April 1, 2021 thru June 30, 2022 and funded by Community Corrections Partnership (CCP). CCP operating budget for 2 beds for FY 20-21 is \$91,000 and CCP budget for FY 21-22 is \$365,000.

**IV.** This First Amended Agreement incorporates the terms and conditions set forth in the original Agreement, approved by the County Board of Supervisors on October 6, 2020, except as modified by this First Amended Agreement. All other terms shall remain in full force and effect.

**SIGNATURE PAGE**

First Amendment to the Agreement for Services of Independent Contractor between the **County of Santa Barbara and Crestwood Behavioral Health, Inc.**

**IN WITNESS WHEREOF**, the parties have executed this First Amended Agreement to be effective on the date executed by COUNTY.

**COUNTY OF SANTA BARBARA:**

By: \_\_\_\_\_  
BOB NELSON, CHAIR  
BOARD OF SUPERVISORS

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

**ATTEST:**

MONA MIYASATO  
COUNTY EXECUTIVE OFFICER  
CLERK OF THE BOARD

\_\_\_\_\_  
Deputy Clerk  
Date: \_\_\_\_\_

**CONTRACTOR:**

CRESTWOOD BEHAVIORAL HEALTH, INC.

By: \_\_\_\_\_  
Authorized Representative

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

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

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

**APPROVED AS TO FORM:**

MICHAEL C. GHIZZONI  
COUNTY COUNSEL

By: \_\_\_\_\_  
Deputy County Counsel

**APPROVED AS TO ACCOUNTING FORM:**

BETSY M. SCHAFFER, CPA  
AUDITOR-CONTROLLER

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

**RECOMMENDED FOR APPROVAL:**

PAM FISHER, PSY.D., ACTING  
DIRECTOR  
DEPARTMENT OF BEHAVIORAL  
WELLNESS

By: \_\_\_\_\_  
Acting Director

**APPROVED AS TO INSURANCE FORM:**

RAY AROMATORIO, RISK MANAGER  
DEPARTMENT OF RISK MANAGEMENT

By: \_\_\_\_\_  
Risk Manager