



# County of Santa Barbara BOARD OF SUPERVISORS

## Minute Order

May 15, 2018

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**Present:** 5 - Supervisor Williams, Supervisor Wolf, Supervisor Hartmann, Supervisor Adam, and Supervisor Lavagnino

BEHAVIORAL WELLNESS

File Reference No. 18-00343

**RE:** Consider recommendations regarding Behavioral Wellness Fiscal Year (FY) 2017-2018 Amendments and FY 2018-2019 extension, Institutions for Mental Disease/Residential Mental Health Contracts, as follows:

- a) Approve and authorize the Chair to execute the First 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 2017-2018 contract by \$119,585.00 for a total contract amount not to exceed \$1,769,585.00 for the period July 1, 2017 through June 30, 2020;
- b) Approve, ratify and authorize the Chair to execute a First 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 2017-2018 contract by \$87,707.00 for a total contract amount not to exceed \$1,861,256.00 for the period July 1, 2017 through June 30, 2020;
- c) Approve and authorize the Chair to execute the First 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 2017-2018 contract by \$264,011.00 for a total contract amount not to exceed \$3,564,011.00 for the period July 1, 2017 through June 30, 2020;
- d) Approve and authorize the Chair to execute the First Amendment to the Agreement for Services of Independent Contractor with Vista Pacifica Enterprises, Inc. (not a local vendor), an Institution for Mental Disease and a Skilled Nursing Facility, to increase the FY 2017-2018 contract by \$113,662.00 and to extend the term of the Agreement into Fiscal Year 2018-2019 for an additional \$300,000.00, for a total contract maximum amount not to exceed \$1,026,962.00 for the period July 1, 2017 through June 30, 2019; and
- e) 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 Wolf, seconded by Supervisor Hartmann, that this matter be Acted on as follows:

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

The motion carried by the following vote:

**Ayes:** 5 - Supervisor Williams, Supervisor Wolf, Supervisor Hartmann, Supervisor Adam, and 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

2018 MAY -3 PM 4:29

COUNTY OF SANTA BARBARA  
CLERK OF THE  
BOARD OF SUPERVISORS

Department Name: Behavioral Wellness  
Department No.: 043  
For Agenda Of: May 15, 2018  
Placement: Administrative  
Estimated Time: N/A  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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 17-18 Amendments and FY 18-19 extension – 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 First 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 2017-2018 contract by **\$119,585** for a total contract amount not to exceed **\$1,769,585** for the period July 1, 2017 through June 30, 2020.
- B) Approve, ratify and authorize the chair to execute a First 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 2017-2018 contract by **\$87,707** for a total contract amount not to exceed **\$1,861,256** for the period July 1, 2017 through June 30, 2020.
- C) Approve and authorize the chair to execute the First 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 2017-2018 contract by **\$264,011** for a total contract amount not to exceed **\$3,564,011** for the period July 1, 2017 through June 30, 2020.
- D) Approve and authorize the chair to execute the First Amendment to the Agreement for Services of Independent Contractor with **Vista Pacifica Enterprises, Inc.** (not a local vendor), an Institution for

Mental Disease and a Skilled Nursing Facility, to increase the FY 2017-2018 contract by **\$113,662** and to extend the term of the Agreement into Fiscal Year 2018-2019 for an additional **\$300,000**, for a total contract maximum amount not to exceed **\$1,026,962** for the period July 1, 2017 through June 30, 2019.

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- E) 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 to increase funding for FY 17-18. These amendments will be funded by savings from underutilized IMD contracts. Two of contracts referred to in the recommendations above are one year contracts and therefore we are also taking this opportunity to extend their terms into the following Fiscal Year. Approval of the recommended actions will allow Behavioral Wellness to continue to provide mandated mental health, substance use, and ancillary services.

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**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. Acute Psychiatric Hospitals (Aurora Las Encinas) are used only for clients with emergency mental health needs who are determined to be a danger to themselves or others or gravely disabled pursuant to Welfare and Institutions Code §5150, and bed rates are significantly higher due to the hospital license, compared with other types of IMDs, which are locked facilities used to treat ongoing psychiatric needs. 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.

**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 9-10 clients per month. The current funding projections are based on a caseload of 11 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 11-14 clients. The current funding projections are based on a caseload of 15 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.

**Vista Pacifica Enterprises, Inc. (VPE)** has two California facilities: Vista Pacifica Center located in Jurupa Valley and Vista Pacifica Convalescent in Riverside. Vista Pacifica Center specializes in geropsychology and offers four levels of service for residents that require high levels of supervision such as those whose behavioral and medical needs include: being absent without leave, extremely verbally aggressive or threatening and abusive towards staff and peers. They also include behaviors such as being suicidal, destroying property, and having severe psychosis which requires frequent redirection, counseling, and behavior modification from staff. Vista Pacifica Convalescent specializes in Alzheimer's Care and offers three levels of care: Level A focuses on residents with chronic mental health diagnosis, with active delusions and hallucinations and/or mood swings. Level B focuses on residents with dual diagnoses of Dementia and chronic mental illness with active psychosis. Level C focuses on residents with chronic mental health illness who are not stable on medications. For the first half of the current fiscal year, VPE has consistently held a caseload of 8-10 clients per month. The current funding projections are based on a caseload of 13 clients per month for the second half of the fiscal year.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>		<b><u>FY 18-19</u></b>	
General Fund				
State	\$	3,681,807.00	\$	300,000.00
Federal				
Fees				
Other:				
Total	\$	3,681,807.00	\$	300,000.00
			\$	-

Narrative: The above referenced contracts are funded by State funds.

**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](mailto:qilopez@co.santa-barbara.ca.us).

**Attachments:**

- Attachment A: Merced FY 17-20 Am 1
- Attachment B: Merced FY 17-20 BC
- Attachment C: Psynergy 17-20 Am 1
- Attachment D: Psynergy FY 17-20 BC
- Attachment E: Sylmar FY 17-20 Am 1
- Attachment F: Sylmar FY 17-20 BC
- Attachment G: Vista Pacifica FY 17-19 AM 1
- Attachment H: Vista Pacifica FY 17-18 PO to BC

**Authored by:**

Q.Lopez

**Attachment A:**

**Merced**

**FY 17-20 Am 1**

## First Amendment 17-20

### TO AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

This First Amendment (hereafter First Amended Contract) to the Agreement for Services of Independent Contractor, referenced as number BC 18-081, by and between the **County of Santa Barbara** (County) and **Merced Behavioral Center** (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 First Amended Contract incorporates the terms and conditions set forth in the contract approved by the County Board of Supervisors in July 2017, except as modified by this First 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 \$119,585 for Fiscal Year 17-18 to the prior annual maximum of \$550,000, 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 of this Agreement shall not exceed **\$669,585 for FY 17-18, \$550,000 for FY 18-19, and \$550,000 for FY 19-20**, for a total contract amount **not to exceed \$1,769,585 during the term of this agreement**. 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 and Contract Maximum, and replace with the following:**

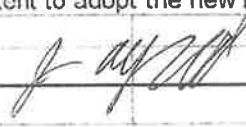
**First Amendment 17-20**

EXHIBIT B-1		
DEPARTMENT OF BEHAVIORAL WELLNESS		
SCHEDULE OF RATES AND CONTRACT MAXIMUM		
<b>CONTRACTOR NAME:</b>	<b>Merced Behavioral Center</b>	<b>FISCAL YEAR: 2017-18, 2018-19, 2019-20</b>
<b>Facility</b>	<b>Program</b>	<b>Maximum Daily Rate*</b>
<b>Country Villa Merced Behavioral Healthcare Center</b>	Basic SNF	\$192.48
	STP Supplement	\$5.72
	Bed Hold	(\$7.35)
<b>Maximum Contract Amount FY 17-18</b>		<b>\$669,585</b>
<b>Maximum Contract Amount FY 18-19</b>		<b>\$550,000</b>
<b>Maximum Contract Amount FY 19-20</b>		<b>\$550,000</b>
<b>Total Contract Maximum July 1, 2017 through June 30, 2020</b>		<b>\$1,769,585</b>
<p>*Or as otherwise published by the State Department of Healthcare Services. Upon notification of updated rates from DHCS, Contractor shall notify County of the new rates and its intent to adopt the new rates.</p>		
<b>CONTRACTOR SIGNATURE:</b>		
<b>STAFF ANALYST SIGNATURE:</b>	<i>Guiana Lopez</i>	
<b>FISCAL SERVICES SIGNATURE:</b>	<i>Dessi Madenna</i>	

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



**First Amendment 17-20**

EXHIBIT B-1		
DEPARTMENT OF BEHAVIORAL WELLNESS		
SCHEDULE OF RATES AND CONTRACT MAXIMUM		
<b>CONTRACTOR NAME:</b>	Merced Behavioral Center	<b>FISCAL YEAR:</b> 2017-18, 2018-19, 2019-20
<b>Facility</b>	<b>Program</b>	<b>Maximum Daily Rate*</b>
<b>Country Villa Merced Behavioral Healthcare Center</b>	Basic SNF	\$192.48
	STP Supplement	\$5.72
	Bed Hold	(\$7.35)
<b>Maximum Contract Amount FY 17-18</b>		\$669,585
<b>Maximum Contract Amount FY 18-19</b>		\$550,000
<b>Maximum Contract Amount FY 19-20</b>		\$550,000
<b>Total Contract Maximum July 1, 2017 through June 30, 2020</b>		<b>\$1,769,585</b>
<p>*Or as otherwise published by the State Department of Healthcare Services. Upon notification of updated rates from DHCS, Contractor shall notify County of the new rates and its intent to adopt the new rates.</p>		
<b>CONTRACTOR SIGNATURE:</b>		
<b>STAFF ANALYST SIGNATURE:</b>		
<b>FISCAL SERVICES SIGNATURE:</b>		

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

A-3  
A# 1

First Amendment 17-20

**SIGNATURE PAGE**

First Amendment to Agreement for Services of Independent Contractor between the County of Santa Barbara and Merced Behavioral Center.


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

COUNTY OF SANTA BARBARA

By:   
DAS WILLIAMS, CHAIR  
BOARD OF SUPERVISORS

Date: 5-15-18

ATTEST:  
MONA MIYASATO,  
COUNTY EXECUTIVE OFFICER  
CLERK OF THE BOARD

By:   
Deputy Clerk  
Date: 5-15-18

CONTRACTOR  
MERCED BEHAVIORAL CENTER

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

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

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

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

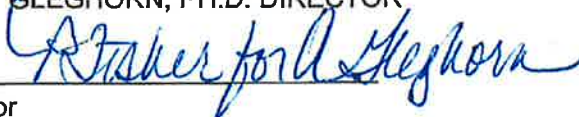
APPROVED AS TO FORM:  
MICHAEL C. GHIZZONI  
COUNTY COUNSEL

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

By:   
Director

APPROVED AS TO INSURANCE FORM:  
RAY AROMATORIO  
RISK MANAGER

By:   
Risk Management

**SIGNATURE PAGE**

First Amendment to Agreement for Services of Independent Contractor between the County of Santa Barbara and Merced Behavioral Center.

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

COUNTY OF SANTA BARBARA

By: \_\_\_\_\_  
DAS WILLIAMS, CHAIR  
BOARD OF SUPERVISORS

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

CONTRACTOR  
MERCED BEHAVIORAL CENTER

By: \_\_\_\_\_  
*[Signature]*

Name: Jeri Allgood

Title: Administrator

Date: 4/20/18

ATTEST:  
MONA MIYASATO,  
COUNTY EXECUTIVE OFFICER  
CLERK OF THE BOARD

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

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

By \_\_\_\_\_  
Director

APPROVED AS TO INSURANCE FORM:  
RAY AROMATORIO  
RISK MANAGER

By: \_\_\_\_\_  
Risk Management