



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: July 13, 2021
Placement: Administrative
Estimated Time: N/A
Continued Item: No

If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors
FROM: Department Pam Fisher, Pam Fisher, PsyD, Acting 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 Mental Health Services – Dignity Health, dba Marian
Regional Medical Center Agreement for FY 2021-2024

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- A. Approve, and authorize the Chair to execute the Agreement with **Dignity Health, dba Marian Regional Medical Center (“Marian”)** (a local vendor) for the provision of outpatient Crisis Stabilization Unit services to Santa Barbara County Medi-Cal beneficiaries experiencing a psychiatric emergency or mental health crisis for a contract maximum not to exceed **\$4,800,000**, inclusive of **\$1,600,000** per year, for the period of July 13, 2021 through June 30, 2024 (Attachment A); and
- B. Approve a **Budget Revision Request (BRR # 0007729)** to increase appropriations of \$1,600,000 in Behavioral Wellness Mental Health Services Act Fund for Services and Supplies funded by an increase in Charges for Service and an Operating Transfer from the General Fund and increase appropriations of \$800,000 in General County Programs, General Fund for Other Financing Uses funded by release of Committed Mental Health Fund Balance (Attachment B); and
- C. Delegate to the Director of the Department of Behavioral Wellness or designee the authority to provide County’s written consent for Marian to subcontract its obligations under the Agreement per Section 18 of the Agreement; make immaterial changes to the Agreement per Section 26 of the Agreement; amend the staffing levels, to reallocate between funding sources in the year end cost settlement, and amend the program goals, outcomes, and measures per Exhibits E of the

Agreement, all without altering the Maximum Contract Amount and without requiring formal amendment of the Agreement by the Board, subject to the Board's ability to rescind this delegated authority at any time; and

- D. Determine that the above actions are government fiscal activities, which do not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment and are therefore not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4) of the CEQA Guidelines.

Summary Text: The item is on the agenda to request the Board of Supervisors (Board) approve of a contract with Marian to provide crisis stabilization services at its Crisis Stabilization Unit (CSU) located in Santa Maria. (Attachment A.) Approval of the agreement will allow Behavioral Wellness (BWELL) to initiate the site certification process. Upon completion and approval of site certification by BWELL, Marian will become a Specialty Mental Health Services provider and be eligible to receive mental health Medi-Cal reimbursement for services rendered to County Clients. Marian will provide outpatient crisis stabilization services lasting less than 24 hours, in accordance with California Code of Regulations (C.C.R.), Title 9, Section 1810.210, to Santa Barbara County Medi-Cal Mental Health beneficiaries, aged 18 and older, who are experiencing a psychiatric emergency or mental health crisis, including co-morbid alcohol and other drug induced disorders, who are medically stabilized and would benefit from outpatient crisis stabilization services (Clients).

Background:

South County CSU

In January 2016 BWELL opened the County's first CSU in South Santa Barbara County. The County CSU was partly funded through Senate Bill 82. Senate Bill 82 "Investment in Mental Wellness" was a State grant that financed the development of CSUs across California. Santa Barbara County was awarded \$1,500,000 which provided rehabilitation of a County owned building for the South County CSU. The actual cost of renovations totaled \$499,644, and the balance of funds was reallocated to purchase and rehabilitate a Crisis Residential Treatment facility in Santa Maria.

The County CSU provides safe, short-term, voluntary emergency treatment option for individuals experiencing a psychiatric emergency or mental health crisis. The program accommodates up to eight individuals daily for stays of up to 23 hours. The CSU is located on the County Calle Real campus in Santa Barbara.

Need for North County CSU

In order to reduce the length of time Clients in a psychiatric emergency or mental health crisis who present at Marian's Emergency Department (ED) remain in the ED, and provide timely mental health crisis stabilization services, Marian will medically clear and transfer these Clients to its newly constructed 8 bed CSU for crisis stabilization services lasting less than 24 hours, in accordance with C.C.R., Title 9, Section 1810.210. Marian will be subcontracting out performance of direct services to Clients and also management of the CSU. Marian shall be fully responsible for all services performed by its subcontractor. Marian funded the construction of the CSU.

Additionally, this proposed agreement is for three years in order to evaluate the program's effectiveness and impact on the overall system of care. As a pilot program, the program goals are aligned with the Mental Health Services Act (MHSA) as the program will be monitored and reported on to stakeholders as

part of the MHSA 2020-2023 Three Year Plan and Yearly Updates. If MHSA growth funds are available, the program may be sustained by MHSA funds and Medi-Cal reimbursements in subsequent years.

The maximum contract amount was established based on a 1.6 County Medi-Cal Client census per service day totaling \$1,600,000 per year. It is estimated that the maximum contract amount will be funded equally from Medi-Cal reimbursements and County matching funds. The census estimates were provided by Marian during the development process. Marian's CSU has capacity to serve 8 patients. Marian will also be accepting privately insured patients in addition to County Clients.

Program Goals

The goals of the Program are to:

- Increase Clients' access to mental health crisis stabilization services by providing timely access to such services;
- Improve the efficacy and integration of medical and mental health crisis services;
- Reduce Marian's ED length of stay for Clients requiring mental health crisis stabilization;
- Reduce unnecessary psychiatric hospitalizations;
- Provide rapid treatment and resolve mental health crisis in the least restrictive setting;
- Reduce use of more restrictive measures for treatment for Clients undergoing mental health crisis;
- Ensure services are individualized, person-centered, recovery-based, and trauma informed in order to build upon strengths and promote stabilization in the community;
- Improve Clients' level of functioning and refer them to an appropriate community resource for Clients returning to the community; and
- Increase coordination to continuity of care plan for Client linkage to mental health and alcohol and drug treatment services.

Five-Year Project Development

The proposed Marian CSU agreement is the result of ongoing discussions between the County and Marian since approximately 2016. In 2021, a program implementation team comprised of Marian representatives (CEO, ED physician, hospital administrator and legal counsel) and County staff (Assistant CEO, BWELL's Director and Assistant Directors, CFO, Contract Manager and program staff subject matter experts, along with County Counsel) was established to work out the details of establishing a North County CSU through Marian. This workgroup met regularly to develop the agreement. During that process, staff conducted extensive reviews of regulations, policies and procedures utilized in other similar units in the State, and information provided by Department of Health Care Services and the California Behavioral Health Director's Association.

Medi-Cal Site Certification

Per CCR Title 9 Section 1810.435, the Mental Health Plan (MHP) must certify that a provider other than the MHP meets the criteria set forth in the regulations governing Specialty Mental Health Services. This site certification to be completed by BWELL staff includes verification of a County contract, verification of a valid fire clearance, verification that the head of service is a licensed mental health professional, and an on-site visit which occurred on April 22, 2021. The on-site review consisted of ensuring that the facility is clean, sanitary, and in good repair; that safety policies and procedures are in place; that the client records

meet the requirements of all applicable state and federal standards; that medications are stored and dispensed according to all state and federal standards; and that patient’s rights are being accommodated.

Because Marian will be subcontracting out performance of direct services to Clients and also management of the CSU, the site certification will not be completed until the subcontracts receive the County’s, through the Director of BWELL’s, written consent.

The information collected prior to and during the site visit will be submitted to DHCS for approval. Following the initial site certification, BWELL will complete an additional annual site visit to ensure that all policies, procedures, and regulations are being followed and that Medi-Cal site certification can be maintained. Thereafter, Medi-Cal recertification occurs every two years and follows the same procedure as the initial site certification.

Performance Measure:

The Program will be measured according to the following goals and outcomes:

Crisis Stabilization Unit Program Evaluation		
Program Goals	Outcomes	CSU (all outcomes are in %)
1. Assist clients in their mental health recovery process and with developing the skills necessary to lead independent, healthy and productive lives in the community.	A. Of those who discharged: Number (%) of clients who transition to a higher level of care (e.g., inpatient admission)	≤40
	B. Of those who discharged: Number (%) of clients who transition to a lower level of care (e.g., outpatient care)	≥60*
2. Assess client need for mental health (and/or substance use) services and community support services.	A. Outpatient Mental Health	≥90
	B. Substance Use Disorder Services	≥90
	C. Primary Care Physician	≥90
	D. Domestic Violence	≥90
	E. Elder or Dependent Adult Abuse	≥90
3. Provide client linkage to appropriate mental health (and/or substance abuse) services and community support services as demonstrated in discharge plan.	A. Outpatient Mental Health	≥90
	B. Substance Use Disorder Services	≥90
	C. Primary Care Physician	≥90
	D. Domestic Violence	≥90
	E. Dependent/elder Abuse	≥90

* This % is for Year 1, FY 21-22. It will be reviewed in future years with the goal of increasing the percentage of Clients who discharge to a lower level of care.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>
General Fund Discretionary Fund Balance	\$ 800,000		
Federal: Medi-Cal	\$ 800,000	\$ 800,000	\$ 800,000
MHSA Growth/Other Local funds		\$ 800,000	\$ 800,000
Total	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000
Grand Total FY 21-24:			\$ 4,800,000

Narrative: Costs incurred for crisis stabilization services provided to Medi-Cal beneficiaries under this Agreement are eligible for reimbursement with 50% federal financial participation through the Medi-Cal program; Behavioral Wellness is responsible for the non-federal share of costs. Behavioral Wellness will use funds set aside in General County Programs for Behavioral Wellness Department Operations for the non-federal share of costs in FY 2021-22. This will allow Behavioral Wellness to identify other appropriate ongoing sources to fund the non-federal share of costs in FY 2022-23 and FY 2023-24.

Key Contract Risks:

The County’s Contractor Risk Assessment tool calculates that the proposed agreement with Marian presents a high risk. Some of the higher risk categories include the contract size (over \$500,000), the funding source (cost-reimbursed through Medi-Cal funds), Marian’s use of a subcontractor for more than 50% of performance of the services, and that this agreement is with a new provider. However in order to mitigate these potential risks, the contract is a limited term pilot and clear performance outcome are referenced above.

BWELL Quality Care Management will initiate regular monitoring and feedback of service provision to ensure all elements of CSU operations align with Mental Health Plan (MHP) rules and regulations. The contract is cost-reimbursed with a contract maximum to ensure the billing mechanisms are utilized in accordance with MHP financial standards. Additionally, BWELL staff will coordinate trainings and meet frequently with Marian to initiate this new program in order to mitigate programmatic risks in this new endeavor. The County may terminate the agreement for convenience, cause, or nonappropriation of funds. Marian may also terminate the agreement for convenience by providing 120 days’ notice to the County or for non-payment by County.

Special Instructions:

Please return one (1) Minute Order and one (1) complete copy of the Agreement to Denise Morales at dmorales@sbcbswell.org and bwelcontractsstaff@sbcbswell.org.

Attachments:

- Attachment A: Marian Board Contract FY 21-24
- Attachment B: Budget Revision Request Number # 0007729

Authored by:

D. Morales, M. Johnson