



County of Santa Barbara BOARD OF SUPERVISORS

Minute Order

March 15, 2016

Present: 5 - Supervisor Carbajal, Supervisor Wolf, Supervisor Farr, Supervisor Adam, and Supervisor Lavagnino

BEHAVIORAL WELLNESS

File Reference No. 16-00193

RE: Consider recommendations regarding the Department of Behavioral Wellness Fiscal Year 2015-2016 Amendments to agreements with Crestwood, Psynergy and Sylmar, as follows:

- a) Approve and authorize the Chair to execute the Third Amendment to the Agreement for Services of Independent Contractor with Crestwood Behavioral Health Center, Inc. (not a local vendor), an institution for mental disease, to increase the Fiscal Year (FY) 2015-2016 contract by \$102,000.00 for a total contract amount not to exceed \$3,302,000.00 through June 30, 2017;
- b) Approve and authorize the Chair to execute the Second 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 2015-2016 contract by \$224,228.00 for a total contract amount not to exceed \$1,724,228.00 through June 30, 2017;
- c) Approve and authorize the Chair to execute the Second 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 2015-2016 contract by \$372,826.00 for a total contract amount not to exceed \$2,572,826.00 through June 30, 2017; and
- d) Determine that the above actions are government fiscal activities or funding mechanisms which do not involve any commitment to any specific project which 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.

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

- a) through c) **Approved; Chair to execute; and**
- d) **Approved.**

The motion carried by the following vote:

Ayes: 5 - Supervisor Carbajal, Supervisor Wolf, Supervisor Farr, Supervisor Adam, and Supervisor Lavagnino



BOARD OF SUPERVISORS
AGENDA LETTER

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

2016 MAR -3 PM 4: 41

COUNTY OF SANTA BARBARA
Department Name: CLERK OF THE BOARD OF SUPERVISORS
Department No.: 043
For Agenda Of: March 15, 2016
Placement: Administrative
Estimated Time:
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: Lindsay Walter, JD, Interim Chief Financial Officer
Department of Behavioral Wellness 805-681-5220

SUBJECT: DBW FY 15-16 Amendments – Crestwood, Psynergy, Sylmar

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 Third Amendment to the Agreement for Services of Independent Contractor with **Crestwood Behavioral Health Center, Inc.** (not a local vendor), an institution for mental disease, to increase the FY 15-16 contract by \$102,000 for a total contract amount not to exceed **\$3,302,000** through June 30, 2017.
- B) Approve and authorize the chair to execute the Second 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 15-16 contract by \$224,228 for a total contract amount not to exceed **\$1,724,228** through June 30, 2017.
- C) Approve and authorize the chair to execute the Second 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 15-16 contract by \$372,826 for a total contract amount not to exceed **\$2,572,826** through June 30, 2017.
- D) Determine that the above actions are government fiscal activities or funding mechanisms which do not involve any commitment to any specific project which 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 Department of Behavioral Wellness (DBW) provides a continuum of mental health and substance use disorders to Santa Barbara County residents, in part through contracted providers including Community-Based Organizations (CBOs). Due to an increased demand for inpatient contracted acute and long-term beds, DBW requested a one-time budget expansion that was approved in June 2015. The expansion of \$2,000,000 was partially funded by a release of General Fund which was a result of recording unanticipated revenue of \$500,000 from Tobacco Settlement funds that are held by the Public Health Department. In September 2015, Public Health transferred \$500,000 to the General Fund via budget revision BJE #0004163. Approval of the recommended actions enables DBW to fund increased services by \$500,000 to meet higher demands for contracted inpatient beds.

Background:

Institutions from Mental Disease (IMD): DBW 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. DBW 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. DBW contracts with IMDs that are licensed as Skilled Nursing Facilities with Special Treatment Patches (Crestwood Behavioral Health Center, and Sylmar Health & Rehabilitation Center), Mental Health Rehabilitation Centers (some Crestwood facilities), and Residential Mental Health Facilities (Psynergy Programs, Inc.). Acute Psychiatric Hospitals are used only for clients with emergency mental health needs meeting the criteria of Welfare and Institutions Code (WIC) Section 5150, and rates are significantly higher due to the hospital license, versus other types of IMDs, which are locked facilities used to treat ongoing psychiatric needs. Due to limited bed availability at each IMD, DBW contracts with a number of IMDs throughout the State.

Crestwood offers a continuum of care including IMDs, IMD step-down facilities, Psychiatric Health Facilities (PHFs), and gero-psychiatric specialty programs. This contract with Crestwood provides funding for a total of 17 beds. If clients are placed at step-down facilities, the contract will be able to accommodate a greater number of beds due to the lower rates.

Psynergy Programs, Inc. (Psynergy): Psynergy is located in the Bay Area and 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 through three progressions of residential care, with the eventual goal of equipping clients to return to Santa Barbara County to live independently.

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. This contract with Sylmar provides funding for a total of 8 beds.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund	\$ 500,000.00		
State	\$ 1,149,527.00	\$ 1,050,000.00	
Federal	\$ 1,149,527.00	\$ 1,050,000.00	
Fees			
Other:			
Total	\$ 2,799,054.00	\$ 2,100,000.00	\$ -

Narrative: The above referenced contracts are funded by State and Federal Funds. These funding sources are included in the FY 2015-2016 Adopted Budget. Public Health transferred \$500,000 to the General Fund via budget revision BJE #0004163 in September 2015. Budget revision BJE #0004317 approved by the Board of Supervisors on February 2, 2016 transferred the funds from the General Fund, completing the CEO recommended expansions submitted to the Board for DBW in June 2015.

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:
admhscontractsstaff@co.santa-barbara.ca.us

Attachments:

Attachment A: Crestwood Behavioral Health Amendment 3

Attachment B: Crestwood Behavioral Health Amendment 2 available at*:

<https://santabarbara.legistar.com/LegislationDetail.aspx?ID=2283959&GUID=CC665281-E039-47A4-9642-C7A4ED212510&Options=&Search=>

Attachment C: Crestwood Behavioral Health Amendment 1 available at*:

<https://santabarbara.legistar.com/LegislationDetail.aspx?ID=2283959&GUID=CC665281-E039-47A4-9642-C7A4ED212510&Options=&Search=>

Attachment D: Crestwood Behavioral Health BC15-027 available at*

<https://santabarbara.legistar.com/LegislationDetail.aspx?ID=2283959&GUID=CC665281-E039-47A4-9642-C7A4ED212510&Options=&Search=>

Attachment E: Psynergy Programs, Inc. Amendment 2

Attachment F: Psynergy Programs, Inc. Amendment available at*:

<https://santabarbara.legistar.com/LegislationDetail.aspx?ID=2367341&GUID=299BC969-00A8-4D0F-A887-2E6E4165511C&Options=&Search=>

Attachment G: Psynergy Programs, Inc. BC 15-034 available at*:

<https://santabarbara.legistar.com/LegislationDetail.aspx?ID=1821837&GUID=002D1CEB-B164-4B51-A421-B9F4AF6AFB2D&Options=&Search=>

Attachment H: Sylmar Health and Rehabilitation Center Amendment 2

Attachment I: Sylmar Health and Rehabilitation Center Amendment 1 available at*:

<https://santabarbara.legistar.com/LegislationDetail.aspx?ID=2283959&GUID=CC665281-E039-47A4-9642-C7A4ED212510&Options=&Search=>

Attachment J: Sylmar Health and Rehabilitation Center BC 15-028 available at*:

<https://santabarbara.legistar.com/LegislationDetail.aspx?ID=2283959&GUID=CC665281-E039-47A4-9642-C7A4ED212510&Options=&Search=>

Attachment K: BRR #0004317

*Copies are also on file at the Clerk of the Board

Authored by:

QLopez

SECOND AMENDMENT 2015-2016

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 15-028**, by and between the **County of Santa Barbara** (County) and **Sylmar Health & Rehabilitation 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, this Second Amended Contract incorporates the terms and conditions set forth in the contract approved by the County Board of Supervisors in July 2014 and the First Amendment approved by the County Board of Supervisors in May 2015, except as modified by this Second Amended Contract.

Whereas, County anticipates that Contractor will provide, at the request of 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 \$372,826 for Fiscal Year 15-16 to the prior Agreement maximum of \$2,200,000, 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 shall not exceed **\$1,000,000** for Fiscal Year 14-15, **\$ 972, 826** for Fiscal Year 15-16, and **\$600,000** for Fiscal Year 16-17 for a total contract amount during the term of this agreement not to exceed **\$2,572,826**. 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:

SECOND AMENDMENT 2015-2016

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

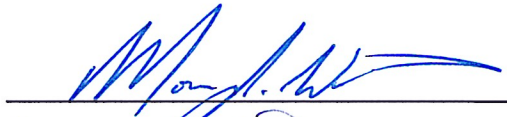
CONTRACTOR NAME: Sylmar Health and Rehabilitation Center

FISCAL YEAR: 2014-15, 2015-16, 2016-17

Facility	Program	Maximum Daily Rate*
Sylmar	Basic IMD/STP	\$172.41
	Augmented/ Dual-Diagnosis	\$26.84
	Subacute "A"	\$59.67
	Subacute "B"	\$86.40
	Bed Hold	(\$7.08)
Maximum Contract Amount FY 14-15		\$1,000,000
Maximum Contract Amount FY 15-16		\$972,826
Maximum Contract Amount FY 16-17		\$600,000
Total Contract Maximum for July 1, 2014 to June 30, 2017		\$2,572,826

*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.

CONTRACTOR SIGNATURE: _____



STAFF ANALYST SIGNATURE: _____



FISCAL SERVICES SIGNATURE: _____



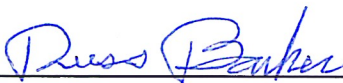
SECOND AMENDMENT 2015-2016

SIGNATURE PAGE

Second Amendment to Agreement for Services of Independent Contractor between the County of Santa Barbara and Sylmar Health & Rehabilitation Center.

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

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

By: 
Deputy

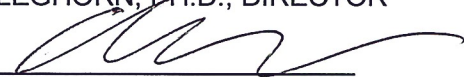
Date: 3-16-16

COUNTY OF SANTA BARBARA

By: 
PETER ADAM, CHAIR
BOARD OF SUPERVISORS

Date: 3-15-16

RECOMMENDED FOR APPROVAL:
DEPARTMENT OF BEHAVIORAL WELLNESS
ALICE GLEGHORN, PH.D., DIRECTOR

By: 
Director

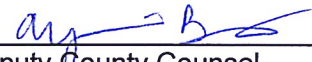
Date: 2/16/16

CONTRACTOR:
SYLMAR HEALTH & REHABILITATION CENTER


By: _____

Date: _____

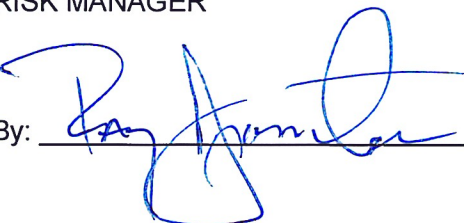
APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

By: 
Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By: 
Deputy

APPROVED AS TO FORM:
RAY AROMATORIO
RISK MANAGER

By: 

SIGNATURE PAGE

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CLERK OF THE BOARD

COUNTY OF SANTA BARBARA

By: _____
Deputy

By: _____
PETER ADAM, CHAIR
BOARD OF SUPERVISORS

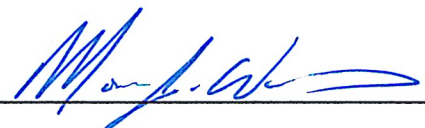
Date: _____

Date: _____

RECOMMENDED FOR APPROVAL:
DEPARTMENT OF BEHAVIORAL WELLNESS
ALICE GLEGHORN, PH.D., DIRECTOR

CONTRACTOR:
SYLMAR HEALTH & REHABILITATION CENTER

By _____
Director

By: 

Date: _____

Date: 2-16-16

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By _____
Deputy County Counsel

By _____
Deputy

APPROVED AS TO FORM:
RAY AROMATORIO
RISK MANAGER

By: _____