



**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:** June 16, 2020  
**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: Ole Behrendtsen, MD, Medical Director  
Department of Behavioral Wellness 805-681-5220

**SUBJECT:** **Crestwood Behavioral Health Center Inc. - First Amendment to FY 19-20 Board Contract and Renewal for FY 20-23**

**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 a First Amendment to Agreement for Services of Independent Contractor with Crestwood Behavioral Health Center, Inc., a Delaware corporation (not a local vendor), for the provision of mental health services and residential treatment services, to increase the contract amount by \$200,000 for fiscal year 19-20 for a new maximum contract amount of \$2,750,000 for the period of July 1, 2017 through June 30, 2020;
- B. Approve and authorize the Chair to execute an Agreement for Services of Independent Contractor with Crestwood Behavioral Health Center, Inc., a Delaware corporation (not a local vendor), for the provision of mental health services and residential treatment services, for a maximum contract amount not to exceed \$1,500,000 for the period of July 1, 2020 through June 30, 2023, inclusive of \$500,000 per fiscal year;
- C. Delegate to the Behavioral Wellness Director, or designee, the authority to make immaterial changes to the agreement; reallocate funds between funding sources or programs during the term of the agreement, as long as there is no change to the Maximum Contract Amount; and amend the program goals, outcomes, and measures in Exhibit E, all without needing to return to the Board

for a formal amendment to the Agreement, subject to the Board's authority to rescind this delegated authority at any time; and

- D. Determine that these activities are exempt from California Environmental Quality Act review per CEQA Guidelines Section 15378(b)(4) since the recommended actions are governmental fiscal activities which do not involve commitment to any specific project which may result in potentially significant impact on the environment.

**Summary Text:** The Department of Behavioral Wellness (BWell) provides a continuum of mental health and substance use disorder services to Santa Barbara County residents, in part through contracted providers including Institutions for Mental Disease (IMDs). Contracts with facilities providing services at various levels of care are key to ensuring that the needs of County's clients are optimally met. Due to an increased need for services and use, BWell is requesting approval to amend its existing FY17-20 agreement to increase the FY 19-20 contract maximum amount to allow for provision of these services. BWell is also requesting approval to renew the Agreement for Services of Independent Contractor with Crestwood Behavioral Health Center, Inc. (Crestwood) to allow Crestwood to continue providing services for County's clients. Approval of the recommended actions will allow BWell to continue to provide mandated mental health, substance use, and ancillary services.

**Background:**

BWell provides a continuum of services to County residents, including inpatient treatment services to best meet the needs of individuals with severe mental illness. Institutions for Mental Disease (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 currently 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, and Mental Health Rehabilitation Centers. Due to limited bed availability at each IMD, Behavioral Wellness contracts with a number of IMDs throughout the State.

Crestwood facilities, located in Kern, Shasta and Santa Clara counties, provide intensive psychiatric mental health treatment, medical assessment, diagnosis, and monitoring, and treatment groups for clients, including those diagnosed with co-occurring disorders, in locked facilities. These skill-building and symptom management services are designed to support clients in returning to community living as soon as possible.

**Performance Measures:**

For the past fiscal year, Crestwood has consistently held a caseload of 10-13 clients per month. The current funding projections are based on an average caseload of 11 clients per month. Overall, BWell is satisfied with Crestwood's performance.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>FY 17-18 Cost</u></b>	<b><u>FY 18-19 Cost</u></b>	<b><u>FY 19-20 Cost</u></b>	<b><u>FY 20-23 Cost</u></b>	<b><u>Overall FY 17-23 Cost</u></b>
General Fund					
State	\$ 850,000.00	\$ 850,000.00	\$ 1,050,000.00	\$1,500,000	
Federal					
Fees					
Other:					
Total	\$ 850,000.00	\$ 850,000.00	\$ 1,050,000.00	\$1,500,000	\$ 4,250,000.00

Narrative: The above-referenced contract is funded by State funds. The funding sources are included in the FY 2019-2020 and 2020-2021 Adopted Budget. For FYs 21-22 and 22-23, funding is contingent on Board approval.

**Key Contract Risks:** As with any contract funded by State sources, there is a risk of future audit disallowances and repayments. BWell contracts include language requiring contractors to repay any amounts disallowed in audit findings, minimizing financial risks to the County.

**Special Instructions:**

Please return one (1) Minute Order and one (1) executed contract to Amber Foschaar at [cfoschaar@sbcbswell.org](mailto:cfoschaar@sbcbswell.org) and to the Contracts Division at [bwellcontractsstaff@co.santa-barbara.co.us](mailto:bwellcontractsstaff@co.santa-barbara.co.us).

**Attachments:**

- Attachment A: Crestwood Behavioral Health Center Inc. FY 17-20 BC First Amendment
- Attachment B: Crestwood Behavioral Health Center Inc. FY 17-20 BC (BC18079)
- Attachment C: Crestwood Behavioral Health Center Inc. FY 20-23 Board Contract

**Authored by:**

A. Foschaar