



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: April 6, 2021
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Alice Gleghorn, Ph.D., Director
Director(s) Behavioral Wellness, (805) 681-5220
Contact Info: Dr. Ole Behrendtsen, Medical Director,
Behavioral Wellness, (805) 681-5220
SUBJECT: Behavioral Wellness - California Mental Health Services Authority State
Hospital Bed Memorandum of Understanding Amendment FY 14-21 and Second
Amendment for Participation Agreement State Hospital Bed Administrative Fee
FY 20-21

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- A. Approve, ratify, and authorize the Director of the Department of Behavioral Wellness (BWell) to execute the Third Amendment to the Memorandum of Understanding (MOU) between the County, the **California Mental Health Services Authority (CalMHSA)**, and the **California Department of State Hospitals (DSH)** to extend the MOU from July 1, 2014 through June 30, 2021 for the purchase of State Hospital beds in the estimated amount of \$225,205 for fiscal year 2020-2021 (Attachment A);
- B. Approve, ratify, and authorize the Director of the Department of Behavioral Wellness (BWell) to execute the Second Amendment to the **California Mental Health Services Authority (CalMHSA) State Hospitals Program** Participation Agreement No. 278-2017-SHP-A2 to extend the agreement from July 1, 2020 through June 30, 2021 for FY 20-21 for an Administrative fee not to exceed \$1,402 per bed, per fiscal year, for a total of \$1,402 (Attachment B); and

- C. 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 items are on the agenda to request the Board of Supervisors (Board) to approve, ratify, and authorize the Director of Behavioral Wellness to enter into an Amendment to the Memorandum of Understanding (MOU) with CalMHSA and the Department of State Hospitals (DSH) to extend the MOU from July 1, 2014 through June 30, 2021 for the purchase of State Hospital beds in the estimated amount of \$225,205 for fiscal year 2020-2021. Also, on the agenda is the CalMHSA State Hospitals Program Participation Agreement No. 278-2017-SHP-A2 to extend the agreement to June 30, 2021 for the administrative fee payment of \$1,402 per bed, per fiscal year for FY 20-21. The approval of these items will allow Behavioral Wellness to purchase State Hospital beds at a low seven-year rate for the term of FY 2014-2021 and pay an annual, per-bed administrative fee for mandate services.

Background:

Clients referred to state hospitals by BWell are individuals who have major mental illness, requiring continuing care inpatient services or individuals who, under the Lanterman Petris Short Act “Murphy” Conservatorships, were previously found incompetent to stand trial on specific felony charges. CalMHSA is the administrative agent for behavioral health departments. Section 4330 of the California Welfare and Institutions Code (WIC) requires counties to reimburse Department of State Hospitals (DSH) for use of state hospital beds and services provided to their residents. California Mental Health Services Authority (CalMHSA), a Joint Powers Authority (JPA), negotiates the State Hospital Bed MOU with DSH on behalf of city and county mental health authorities, including Behavioral Wellness (BWell). On April 1, 2014, the Board authorized BWell to become a member of CalMHSA.

As a member of CalMHSA, participating counties, including the County of Santa Barbara, are able to sign on to the negotiated agreement between CalMHSA and DSH for the County’s State Hospital bed needs. Prior to CalMHSA’s involvement in negotiating a MOU with DSH, the rates for State Hospital beds were higher and increased annually. BWell paid a flat annual fee, regardless of whether or not the beds were utilized.

On May 20, 2014, the Board approved BWell’s entrance into the first MOU between CalMHSA and DSH for the period of July 1, 2013 through June 30, 2014. Then on January 1, 2016, the Board authorized the BWell director’s execution of the MOU with CalMHSA and DSH for the period of July 1, 2014 through June 30, 2016. Since then, the Board has approved an amendment to the MOU with CalMHSA and DSH on July 18, 2017, for the time period July 1, 2016 through June 30, 2019. Then on June 4, 2019, the Board approved the MOU amendment to be extended from July 1, 2019 through June 20, 2020.

This amendment to the MOU is to extend the agreement from July 1, 2020 through June 30, 2021. Under the CalMHSA MOU between DSH, BWell only pays for the beds that are utilized. The MOU does not financially obligate the county to any payments if BWell does not need the beds allocated in the MOU. Nor does it preclude BWell from utilizing additional beds. All terms of the MOU FY 2014 to current FY remain in effect, except for the extension of the MOU to July 1, 2014 through June 30, 2021. The bed rate for fiscal year 2020-2021 is the same low rate of \$225,205.

In addition, CalMHSA established a Participation Agreement in July 2014 between CalMHSA and BWell to clarify the specifics of the MOU and the purchase of Hospital Beds No. 142-2013-SHB-SB for the term of July 1, 2013 through June 30, 2017, with an administrative fee paid to CalMHSA for the coordination of statewide hospital bed procurement efforts. Then in July 2017, CalMHSA updated the CalMHSA and BWell State Hospitals Program Participation Agreement No. 278-2017-SHP for the period of July 1, 2017 through June 30, 2019, which the Board approved. Then in July 2019, the Board approved the First Amendment to State Hospitals Program Participation Agreement No. 278-2017-SHP-A1.

This Second Amendment Hospitals Program Participation Agreement No. 278-2017-SHP-A2 is to extend the date of the agreement from July 1, 2020 to June 30, 2021 with an administrative fee of \$1,402 per bed, per fiscal year to coincide with the CalMHSA and DSH MOU.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY 20-21 Estimated Cost:</u>	<u>Participation Agreement FY 20-21</u>	<u>Total Cost FY 20-21</u>
General Fund			
State	\$ 225,205.00		\$ 225,205.00
Federal			
Fees		\$ 1,402.00	\$ 1,402.00
Other:			
Total	\$ 225,205.00	\$ 1,402.00	\$ 226,607.00

Narrative: The above referenced contract is funded through State Mental Health Realignment funds. This funding source was included in the FY 2020-2021 budget process and was approved. Approval of this MOU and Participation Agreement does not impact the general fund contribution. The MOU does not financially obligate the county to any payments if BWell does not need the beds allocated in the MOU, nor does it preclude BWell from utilizing additional beds.

Key Contract Risks:

The MOU with CalMHSA and DSH and the Participation Agreement with CalMHSA are subject to any changes to the State Budget Act or to any statute or regulation that may affect the provisions, terms, or funding of the MOU or the Participation Agreement enacted by the Legislature. If statutory, regulatory, bed rate, or billing process changes occur during the term of the MOU, the MOU permits the parties to renegotiate the terms of the MOU affected by such changes. Similarly, the Participation Agreement allows for the renegotiation of terms affected by any statutory or regulatory changes. BWell has contracts with other Institutes of Mental Disease facilities to provide needed care in the event of disruptions to DSH services. Also, if the state determines, it no longer is interested in negotiating the state hospital bed rate with CalMHSA, Bwell will enter into a contract directly with the state for the procurement of hospital beds. In addition, while the MOU contains a mutual indemnification provision, the County’s exposure is only in proportion to and to the extent such liability, loss, expense, attorneys’ fees, or claims for injury or damage are caused by or result from the negligent or intentional acts or omissions of the County.

Staffing Impacts:

Legal Positions:

N/A

FTEs:

N/A

Special Instructions: Please send one (1) scanned copy of the Minute Order to Denise Morales at dmorales@co.santa-barbara.ca.us and the BWell Contracts Division at bwellcontractsstaff@co.santa-barbara.ca.us.

Attachments:

Attachment A: CalMHSA State Hospital Beds FY 20-21 MOU
Attachment B: CalMHSA State Hospital Beds FY 20-21 PA No. 278-2017-SHP-A2
Attachment C: CalMHSA State Hospital Beds FY 19-20 MOU
Attachment D: CalMHSA State Hospital Beds FY 19-20 PA No. 278-2017-SHP-A1
Attachment E: CalMHSA State Hospital Beds FY 16-19 MOU
Attachment F: CalMHSA State Hospital Beds FY17-19 PA No. 278-2017-SHP
Attachment G: CalMHSA State Hospital Beds MOU FY 14-16

Authored by:

D. Morales