

Board Contract # 23-297

**FIRST AMENDMENT TO THE AGREEMENT  
FOR SERVICES OF  
INDEPENDENT CONTRACTOR**

BETWEEN

COUNTY OF SANTA BARBARA

AND

CRESTWOOD BEHAVIORAL HEALTH, INC.

FOR

MENTAL HEALTH SERVICES

**FIRST AMENDMENT TO THE AGREEMENT  
FOR SERVICES OF INDEPENDENT CONTRACTOR**

**THIS FIRST AMENDMENT** to the Agreement for Services of Independent Contractor, **BC No. 23-297**, is made by and between the County of Santa Barbara (hereafter, County or Department), a political subdivision of the State of California, and **Crestwood Behavioral Health, Inc.**, a Delaware corporation (hereafter, Contractor) with an address at 520 Capitol Mall, Sacramento, CA 85814 for the continued provision of services specified herein (hereafter, First Amendment).

**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 herein set forth;

**WHEREAS**, County and Contractor (collectively, the parties) entered into an Agreement for Services of Independent Contractor, BC No. 23-297, for the provision of an outpatient Crisis Stabilization Unit (CSU), for services primarily to Santa Barbara County Medi- Cal beneficiaries experiencing a psychiatric emergency or mental health crisis, for maximum billable hours of 20 hours per client, for a maximum contract amount not to exceed \$22,192,530, for the period of March 1, 2024, through June 30, 2027 (Agreement); and

**WHEREAS**, the parties wish to increase the allotted billable hours for CSU services; to increase FY 2024-27 total maximum billable hours of 20 hours per client to a new total maximum billable hours of 23 hours per client, with no change to the maximum contract amount or contract term.

**NOW, THEREFORE**, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

**I. Delete Section 8, Debarment and Suspension of the Standard Terms and Conditions of the Agreement, in its entirety and replace it with the following:**

**8. DEBARMENT AND SUSPENSION.**

- A.** Contractor certifies to County that it and its employees and principals are not debarred, suspended, or otherwise excluded from or ineligible for, participation in federal, state, or county government contracts. Contractor certifies that it shall not contract with a subcontractor that is so debarred or suspended.
- B.** This certification is a material representation of fact relied upon by County. If it is later determined that Contractor did not comply with 2 C.F.R. part 180, as supplemented by 2 C.F.R. part 376, in addition to the remedies available to the California Department of

Health Care Services and County, the Federal Government may pursue available remedies including, but not limited to, suspension and/or debarment.

- C. This Agreement is a covered transaction for purposes of 2 C.F.R. part 180 and 2 C.F.R. part 376. As such Contractor is required to verify that none of the Contractor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
- D. Contractor must comply with 2 C.F.R. part 180, as supplemented by 2 C.F.R. part 376, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- E. Contractor shall also comply with the debarment and suspension provision set forth in EXHIBIT A-1-MHS General Provisions to this Agreement.

**II. Delete Section 10, Conflict of Interest of the Standard Terms and Conditions of the Agreement, and replace it with the following:**

**10. CONFLICT OF INTEREST.**

Contractor covenants that Contractor presently has no employment or interest and shall not acquire any employment or interest, direct or indirect, including any interest in any business, property, or source of income, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed by Contractor. Contractor must promptly disclose to the County, in writing, any potential conflict of interest. County retains the right to waive a conflict of interest disclosed by Contractor if County determines it to be immaterial, and such waiver is only effective if provided by County to Contractor in writing. Contractor acknowledges and agrees to comply with state laws on conflict of interest in the performance of this Agreement including, but not limited to, the Political Reform Act of 1974 (Gov. Code, § 81000 et seq.), Public Contract Code Section 10365.5, and Government Code Section 1090.

**III. Delete Section 14, Records, Audit, and Review, Section A, of the Standard Terms and Conditions of the Agreement, and replace it with the following:**

- A. Contractor shall make available for inspection, copying, evaluation, or audit, all of its premises; physical facilities, or such parts thereof as may be engaged in the performance of the Agreement; equipment; books; records, including but not limited to beneficiary records; prescription files; documents, working papers, reports, or other evidence; contracts; financial records and documents of account, computers; and other electronic devices, pertaining to any aspect of services and activities performed, or determination of amounts payable, under this Agreement (hereinafter referred to as "Records"), at any time by County, Department of Health Care Services (DHCS), Centers for Medicare & Medicaid Services (CMS), Department of General Services, Bureau of State Audits, Health and Human Services (HHS),

Inspector General, U.S. Comptroller General, or other authorized federal or state agencies, or their designees ("Authorized Representative") (hereinafter referred to as "Audit").

**IV. Delete Section 28, Compliance with Law, of the Standard Terms and Conditions of the Agreement, and replace it with the following:**

**28. COMPLIANCE WITH LAW.**

Contractor shall, at its sole cost and expense, comply with all County, State and Federal ordinances; statutes; regulations; orders including, but not limited to, executive orders, court orders, and health officer orders; policies; procedures; directives; guidance; bulletins; information notices; and letters including, but not limited to, those issued by the California Department of Health Care Services (DHCS) now in force or which may hereafter be in force with regard to this Agreement. The judgment of any court of competent jurisdiction, or the admission of Contractor in any action or proceeding against Contractor, whether County is a party thereto or not, that Contractor has violated any such ordinance, statute, regulation, order, policy, procedure, directive, guidance, bulletin, information notice, and/or letter shall be conclusive of that fact as between Contractor and County.

**V. Add Section 35, Uniform Administrative Requirements, Cost Principles, And Audit Requirements For Federal Awards, to the Standard Terms and Conditions of the Agreement as follows:**

**35. UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS.** Contractor shall comply with the requirements of 2 C.F.R. Parts 200 and 300 and 45 C.F.R. Part 75, which are incorporated herein by reference.

**VI. Delete Section 36, Mandatory Disclosure, Section A, Prohibited Affiliations, Subsection 2; Section B, Written Disclosures, Subsection 5, Crimes, i, Violations of Criminal Law, and Section C, Lobbying, Paragraph 1, of the Standard Terms and Conditions of the Agreement, and replace them with the following:**

**36. MANDATORY DISCLOSURES.**

**A. Prohibited Affiliations.**

- 2.** Contractor shall not have a prohibited type of relationship by employing or contracting with providers or other individuals and entities excluded from participation in federal health care programs (as defined 42 U.S.C. § 1320a-7b(f)) pursuant to 42 U.S.C. sections 1320a-7, 1320a-7a, 1320c-5, and 1395u(j)(2). (42 C.F.R. §§ 438.214(d)(1), 438.610(b).)

**B. Written Disclosures.**

**5. Crimes.**

i. Violations of Criminal Law. Contractor must promptly disclose whenever, in connection with this Agreement (including any activities or subcontracts thereunder), it has credible evidence of the commission of a violation of federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in title 18 of the United States Code or a violation of the civil False Claims Act (31 U.S.C. §§ 3729–3733). The disclosure must be made in writing to County, Health and Human Services Office of Inspector General, and DHCS. Contractor is also required to report matters related to County, state, or federal agency's integrity and performance in accordance with Appendix XII of 2 C.F.R. part 200. Failure to make required disclosures can result in any of the remedies described in 2 C.F.R. section 200.339 Remedies for noncompliance. (See also 2 C.F.R. part 180, 31 U.S.C. §3321, and 41 U.S.C. § 2313.)

C. Lobbying. Contractor shall complete a Certification Regarding Lobbying as set forth in EXHIBIT D, Attachment 1, and, if applicable, a Lobbying Restrictions and Disclosure Certification as set forth in EXHIBIT D, Attachment 2, attached hereto and incorporated herein by reference.

**VII. Delete Section 37, Procurement of Recovered Materials, of the Standard Terms and Conditions of the Agreement, and replace it with the following:**

**37. PROCUREMENT OF RECOVERED MATERIALS.**

- A. Contractor shall comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 as amended, 42 U.S.C. section 6962. The requirements of section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
- B. Contractor should, to the greatest extent practicable and consistent with law, purchase, acquire, or use products and services that can be reused, refurbished, or recycled; contain recycled content, are biobased, or are energy and water efficient; and are sustainable. This may include purchasing compostable items and other products and services that reduce the use of single-use plastic products. See Executive Order 14057, section 101, Policy.

**VIII. Delete Section 38, Domestic Preferences for Procurements, Section A of the Standard Terms and Conditions of the Agreement, and replace it with the following:**

**38. DOMESTIC PREFERENCES FOR PROCUREMENTS.**

- A. Contractor should, to the greatest extent practicable and consistent with law, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including, but not limited to, iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subcontractor agreements.

**IX. Delete Section 39, Clean Air Act and Federal Water Pollution Control Act of the Standard Terms and Conditions of the Agreement, and replace it with the following:**

**39. CLEAN AIR ACT.**

- A. Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. section 7401 et seq.
- B. Contractor agrees to report each violation to the California Environmental Protection Agency and understands and agrees that the California Environmental Protection Agency will, in turn, report each violation as required to assure notification to the County, federal agency which provided funds in support of this Agreement, and the appropriate Environmental Protection Agency Regional Office.
- C. Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with federal assistance.

**X. Delete Section 40, PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT to the Standards Terms and Conditions of the Agreement and replace it with the following:**

**40. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT**

- A. Contractor is prohibited from obligating or expending loan or grant funds to:
1. Procure or obtain covered telecommunications equipment or services;
  2. Extend or renew a contract to procure or obtain covered telecommunications equipment or services; or
  3. Enter into a contract (or extend or renew a contract) to procure or obtain covered telecommunications equipment or services.
- B. As described in section 889 of Public Law 115-232, “covered telecommunications equipment or services” means any of the following:
1. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);

2. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
  3. Telecommunications or video surveillance services provided by such entities or using such equipment; or
  4. Telecommunications or video surveillance equipment or services produced or provided by an entity that the United States Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.
- C. For the purposes of this section, “covered telecommunications equipment or services” also include systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.
- D. In implementing the prohibition under section 889 of Public Law 115-232, heads of executive agencies administering loan, grant, or subsidy programs must prioritize available funding and technical support to assist affected businesses, institutions, and organizations as is reasonably necessary for those affected entities to transition from covered telecommunications equipment or services, to procure replacement equipment or services, and to ensure that communications service to users and customers is sustained.
- E. Contractor certifies that it will comply with the prohibition on covered telecommunications equipment and services in this section. Contractor and its subcontractors are not required to certify that funds will not be expended on covered telecommunications equipment or services beyond the certification provided upon accepting grant funding and those provided upon submitting payment requests and financial reports.
- F. For additional information, see section 889 of Public Law 115-232 and 2 Code of Federal Regulations section 200.471.
- G. Contractor shall include these requirements in all subcontracts to perform work under this Agreement.

**XI. Add Section 41, Federal Water Pollution Control Act to the Standard Terms and Conditions of the Agreement as follows:**

**41. FEDERAL WATER POLLUTION CONTROL ACT.**

- A. Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq.

- B. Contractor agrees to report each violation to the California State Water Resources Control Board and understands and agrees that the California State Water Resources Control Board will, in turn, report each violation as required to assure notification to the County, Federal Agency which provided funds in support of this Agreement, and the appropriate Environmental Protection Agency Regional Office.
- C. Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance.

**XII. Delete Section 2, Subsection D of PROGRAM GOALS of EXHIBIT A-2 – STATEMENT OF WORK: MHS CRISIS STABILIZATION UNIT (CSU) and replace it with the following:**

D. Provide crisis stabilization with linkage to ongoing care within a 23.59-hour limit. County shall only pay for a maximum of 23 hours per client stay in accordance with C.C.R Title 9, Section 1840. 368, with payment also subject to the contract maximum as stated in the Exhibit B(s). Further, Contractor shall only enter a maximum of 23 hours in the County's SmartCare system for each client to conform with State billing rules.

**XIII. Delete Section 4, Subsection D of PROGRAM GOALS of EXHIBIT A-2 – STATEMENT OF WORK: MHS CRISIS STABILIZATION UNIT (CSU) and replace it with the following:**

- D. Maintain the ability to provide Program Services to clients at the CSU:
  - i. Document CSU efforts for discharge planning and meeting the beneficiary's needs within the specified timeline of 23:59 hours. County shall only pay for a maximum of 23 hours per client stay in accordance with C.C.R Title 9, Section 1840.368, up to the maximum contract amount as stated in Exhibit B.

**XIV. Delete Section III. OPERATING BUDGET AND FEE FOR SERVICE RATES of Exhibit B (FINANCIAL PROVISIONS - MHS) and replace it with the following:**

**Fee-For-Service Rates.** For Medi-Cal services, County agrees to reimburse Contractor at a Negotiated Fee-For-Service rate (the "Negotiated Fee") during the term of this Agreement as specified in the Exhibit B-1 and Exhibit B-3 MHS. County may increase the fee-for-service rate at the discretion of the Director of the Department of Behavioral Wellness or designee and based on Contractor's documented operating needs. Reimbursement remains subject to the contract maximum amount specified in the Exhibit B-1. Specialty mental health services provided to Non-Medi-Cal clients will be paid at the rates, subject to the maximum amount specified in the Exhibit B-1 MHS. County shall only pay for a maximum of 23 hours per client stay in accordance with C.C.R Title 9, Section 1840. 368, with payment also subject to the contract maximum as stated in the Exhibit B(s). Further, Contractor shall only enter a maximum of 23 hours in the County's SmartCare system for each client to conform with State billing rules.

**XV. Exhibit B Section VII. – BILLING AND PAYMENT PROCEDURES AND LIMITATIONS, Subsection A-1 add in the following:**

In the event that the State denies payment for services provided under this contract and such denial is later determined to be the result of inappropriate adjudication by the State, the County reserves the right to issue a credit to the Contractor for the denied services at the rates identified in Exhibit B-1 and B-3 MHS.

**XVI. In Exhibit B-3, replace “(maximum of 20 hours)” with “(maximum of 23 hours).”**

**XVII. Effectiveness.** The terms and provisions set forth in this First Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Agreement. The terms and provisions of the Agreement, except as expressly modified and superseded by this First Amendment, are ratified and confirmed and shall continue in full force and effect and shall continue to be legal, valid, binding, and enforceable obligations of the parties.

**XVIII. Execution of Counterparts.** This First Amendment may be executed in any number of counterparts, and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

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SIGNATURE PAGE FOLLOWS

## SIGNATURE PAGE

Agreement for Services of Independent Contractor between the **County of Santa Barbara** and **Crestwood Behavioral Health, Inc.**

**IN WITNESS WHEREOF**, the parties have executed this Agreement to be effective on July 1, 2025.

### COUNTY OF SANTA BARBARA:

By: \_\_\_\_\_  
LAURA CAPPS, CHAIR  
BOARD OF SUPERVISORS

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

### ATTEST:

MONA MIYASATO  
COUNTY EXECUTIVE OFFICER  
CLERK OF THE BOARD

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

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

### CONTRACTOR:

**CRESTWOOD BEHAVIORAL HEALTH, INC.**

Signed by:  
*Elena Mashkevich*  
C2FCF433A5064D2...  
By: \_\_\_\_\_  
Authorized Representative

Name: \_\_\_\_\_  
Elena Mashkevich

Title: \_\_\_\_\_  
Executive Director of Contr

Date: \_\_\_\_\_  
5/29/2025

### APPROVED AS TO FORM:

RACHEL VAN MULLEM  
COUNTY COUNSEL

Signed by:  
*Bo Bae*  
48A252DE7F03466...  
By: \_\_\_\_\_  
Deputy County Counsel

### APPROVED AS TO ACCOUNTING FORM:

BETSY M. SCHAFFER, CPA  
AUDITOR-CONTROLLER

Signed by:  
*Shawna Jorgensen*  
DF0DB0D7D6344E0...  
By: \_\_\_\_\_  
Deputy

### RECOMMENDED FOR APPROVAL:

ANTONETTE NAVARRO, LMFT,  
DIRECTOR  
DEPARTMENT OF BEHAVIORAL  
WELLNESS

Signed by:  
*[Signature]*  
F0BB4DE8FCB14E7...  
By: \_\_\_\_\_  
Director

### APPROVED AS TO FORM:

GREG MILLIGAN, ARM  
RISK MANAGER

Signed by:  
*Greg Milligan*  
05E555E00269466...  
By: \_\_\_\_\_  
Risk Manager