

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY
PARTICIPATION AGREEMENT
COVER SHEET

1. Santa Barbara County (“Participant”) desires to participate in the Program identified below.
Name of Program: State Hospitals Program
2. California Mental Health Services Authority (“CalMHSA”) and Participant acknowledge that the Program will be governed by CalMHSA’s Joint Powers Agreement and its Bylaws, and by this Participation Agreement. The following exhibits are intended to clarify how the provisions of those documents will be applied to this particular Program.
 - Exhibit A Program Description and Funding
 - Exhibit B General Terms and Conditions
 - Exhibit C County Specific Funding Allocation
3. The maximum amount payable under this Participation Agreement is \$15,422.00.
4. Funds payable under this Participation Agreement are subject to reversion:
 - Yes: Reversion Date _____
 - No.
4. The term of the Program is July 1, 2022 through June 30, 2023
5. Authorized Signatures:

California Mental Health Services Authority (“CalMHSA”)

Signed: _____ Name (Printed): Dr. Amie Miller, Psy.D., MFT

Title: Executive Director Date: _____

Participant:

Signed: _____ Name (Printed): _____

Title: Director of Behavioral Wellness Date: _____

Participation Agreement
EXHIBIT A – PROGRAM DESCRIPTION

- I. Name of Program: State Hospitals Program**
- II. Term of Program: July 1, 2022 – June 30, 2023**
- III. Program Objective and Overview:**

Objective:

The State Hospitals Program is focused on streamlining administration and contracting between the Department of State Hospitals and Counties/Cities. In the past, each County was required to negotiate bed rates individually. In addition, due to an ongoing patient waitlist, CalMHSA and Members are interested in exploring facilities that provide alternative placement opportunities for clients.

Overview:

CalMHSA, on behalf of the Members including the above-signed, will function as the main point of contact and the lead in negotiations of a Memorandum of Understanding for terms and rates for psychiatric bed utilization at the Department of State Hospitals. In addition, CalMHSA shall work with the Members to explore and determine feasibility of local infrastructure projects to serve as alternative facilities to Department of State Hospitals.

Government Code section 6500 *et seq.* allows California public entities to form separate entities to exercise powers held by its members. California Counties have under the authority of the Government Code formed the California Mental Health Services Authority (CalMHSA). CalMHSA is authorized by its Joint Exercise of Powers Act to jointly develop, and fund mental health services under, among other things, Division 5 of the California Welfare and Institutions Code, including the provision of necessary administrative services.

Sections 4330 through 4335 of the Welfare and Institutions Code provide for Counties, including Counties acting jointly, to contract with the State Department of State Hospitals for use of State Hospital facilities for their civil commitments under Division 5 of the California Welfare and Institutions Code (WIC). Certain members of CalMHSA desire to authorize CalMHSA to jointly negotiate and contract with the State Department of State Hospitals for use of such facilities on their behalf, and to explore and potentially implement related, alternative, or replacement services.

Based on the foregoing, the parties do hereby enter into this Participation Agreement for the CalMHSA State Hospitals Program to authorize CalMHSA to contract for State Hospital beds on behalf of Program Participants and to evaluate and implement collaborative opportunities in the development of programs for special populations requiring secure 24-hour treatment services (i.e., IMD, court commitments, acute treatment, incompetent to stand trial, etc).

IV. Program Outcomes:

CalMHSA will collectively work as a single administrative body engaging in a single negotiation of terms and rates for bed utilization, establish quality assurance standards and procedures, review shared financial analysis, and explore and facilitate opportunities and alternatives.

A. Contracting

- 1. Develop new contract terms that address all critical responsibilities, establish performance standards, protect counties from improper inflation of rates,

clearly denote bed classification and processes, and require the state to indemnify counties for liability due to the state's negligent acts.

2. Provide counties the ability to audit DSH costs, appeal DSH decisions, and pursue recourse for unfair dealings by DSH.
3. Develop fair and accurate rates.
4. Enable counties to have more control over realignment funds owed to them. (WIC Section 17601.)
5. Maximize flexibility of bed utilization.

B. Fiscal:

1. Create a baseline to use as a projection of bed use by county and type of bed.
2. Create and maintain an actual cost reimbursement structure. (WIC Section 433)
3. Ensure accuracy of costs charged based on actual use by county and for each bed type.
4. Create a fair and established process for assigning beds.
5. Stabilize and flat line individual county costs.
6. Facilitate an efficient and timely process for invoicing Participants.
7. Develop a process for county notification and reconciliation of federal reimbursement for services (Medicare).
8. Begin establishment of a database in order to efficiently evaluate DSH and state hospital services and contract compliance, as well as to evaluate alternatives.
9. Use database to enhance bed rate efficiency by bed type.

C. Quality of Care Services

1. Create a baseline for performance measurements and review for compliance.
2. Provide for regular audits/reviews of performance activity of the counties and Hospitals to ensure expectations are being met.
3. Enhance patient care.
4. Reduce bed use and/or length of stay, leading to less cost.
5. Allow CalMHSA to research options for patient services not provided.
6. Ensure standardization across the board and creation of a system to measure against.
7. Track services not provided but needed by counties.
8. Allow counties to be more informed and better served, and for DSH to be more informed, resulting in better service to counties.
9. Enhance processes and outcomes.

D. Work with the Members to explore and determine feasibility of local infrastructure projects to serve as alternative facilities to Department of State Hospitals.

V. Funding Terms:

Based on recent data provided by DSH, Santa Barbara County is currently using eleven (11) beds within DSH. Therefore, the total funding allocation for the current fiscal year, FY 22-23, is estimated not to exceed \$15,422.

Participation Agreement
EXHIBIT B – General Terms and Conditions

I. Definitions

The following words, as used throughout this Participation Agreement, shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used:

- A. CalMHSA – California Mental Health Services Authority, a Joint Powers Authority (JPA) created by counties in 2009 at the instigation of the California Mental Health Directors Association to jointly develop and fund mental health services and education programs.
- B. Member – A County (or JPA of two or more Counties) that has joined CalMHSA and executed the CalMHSA Joint Powers Agreement.
- C. Mental Health Services Division (MHSD) – The Division of the California Department of Health Care Services responsible for mental health functions.
- D. Participant – Any County participating in the Program either as Member of CalMHSA or under a Memorandum of Understanding with CalMHSA.
- E. Department of State Hospitals (DSH) – Manages the California state hospital system and provides mental health services to patients admitted into DSH facilities. Facilities overseen by DSH include Atascadero, Coalinga, Metropolitan, San Joaquin, and Patton.
- F. Program – The program identified in the Cover Sheet.

II. Relationship of Parties

Sections 4330 through 4335 of the Welfare and Institutions Code (WIC) require counties to contract with DSH to reimburse DSH for use of state hospital beds/services provided pursuant to Part 1 (commencing with Section 5000) of Division 5 of the WIC. Sections 4330 through 4335 of WIC provide for counties to contract in combination with other counties.

The purpose of this Participation Agreement is to grant CalMHSA the authority to contract with DSH for state hospital bed utilization on behalf of Participants, and to define roles and responsibilities between CalMHSA and Participants in the context of an MOU between CalMHSA and DSH.

Participant shall demonstrate and provide proof of authorization to enter into this Agreement on behalf of Participant, consisting of a resolution of Participant's Board authorizing such signature, proof of delegated authority to execute contracts of a class that includes this Participation Agreement, or other comparable authority.

III. Governance

- A. Per CalMHSA Bylaws, CalMHSA members have the authority to create a Program such as the SHP, while participants in the SHP govern its operation through adoption and execution of this Participation Agreement and by voting on Program items.
- B. Participants may determine the need for an oversight committee for this program.

V. Responsibilities of the Parties

A. Responsibilities of CalMHSA:

1. Negotiate Memorandum of Understanding for terms and rates for psychiatric bed utilization at the Department of State Hospitals.
2. Act as the Fiscal and Administrative agent for the Program.
3. Manage funds received consistent with the requirements of any applicable laws, regulations, guidelines, and/or contractual obligations.
4. Provide regular fiscal reports, as requested, to Participant and/or other public agencies with a right to such reports.
5. Comply with applicable laws, regulations, guidelines, contractual agreements, and CalMHSA's Joint Powers Agreement and Bylaws.

B. Responsibilities of Participant:

1. Transfer of full funding amount for the Program, as specified in Exhibit A, Program Description and Funding, including administrative fee, which Participant will pay within 30 days of execution of this Participation Agreement.
2. Provide CalMHSA and any other parties deemed necessary with requested information and assistance in order to fulfill the purpose of the Program.
3. Be responsible for any and all assessments, creation of individual case plans, and providing or arranging for services.
4. Cooperate by providing CalMHSA with requested information and assistance in order to fulfill the purpose of the Program.
5. Provide feedback on Program performance.
6. Comply with applicable laws, regulations, guidelines, contractual agreements, JPAs, and bylaws.

VI. Duration, Term, and Amendment

- A. The term of the Program is for 12 months from July 1, 2022 through June 30, 2023
- B. This Participation Agreement may be supplemented, amended, or modified only by the mutual agreement of CalMHSA and the Participant, expressed in writing and signed by authorized representatives of both parties.

VII. Withdrawal, Cancellation, and Termination

- A. Participant may withdraw from the Program and terminate the Participation Agreement upon six (6) months' written notice. Notice shall be deemed served on the date of mailing.
- B. The withdrawal of a Participant from the Program shall not automatically terminate its responsibility for its share of the expense and liabilities of the Program. The contributions of current and past Participants are chargeable for their respective share of unavoidable expenses and liabilities arising during the period of their participation.

- C. Upon cancellation, termination, or other conclusion of the Program, any funds remaining undisbursed after CalMHSA satisfies all obligations arising from the administration of the Program shall be returned to Participant. Unused funds paid for a joint effort will be returned pro rata to Participant in proportion to payments made. Adjustments may be made if disproportionate benefit was conveyed on particular Participant. Excess funds at the conclusion of county-specific efforts will be returned to the particular County that paid them.

VIII. Fiscal Provisions

- A. Funding required from Participant shall not exceed the amount stated in Exhibit A, Program Description and Funding.
- B. Payment Terms – Participant shall issue payment to CalMHSA by the first day of the beginning of the fiscal year, July 1, 2022 for fiscal year 2022-2023.
- C. In a Multi-County Program, Participants will share the costs of planning, administration, and evaluation in the same proportions as their overall contributions, which are included in the amount stated in Exhibit A, Program Description and Funding.

IX. Limitation of Liability and Indemnification

- A. CalMHSA is responsible only for funds as instructed and authorized by Participants. CalMHSA is not liable for damages beyond the amount of any funds which are identified on the cover page of this Participation Agreement.
- B. CalMHSA is not undertaking responsibility for assessments, creation of case or treatment plans, providing or arranging services, and/or selecting, contracting with, or supervising providers (collectively, “mental health services”). Participant will defend and indemnify CalMHSA for any claim, demand, disallowance, suit, or damages arising from Participant’s acts or omissions in connection with the provision of mental health services.
- C. To the fullest extent permitted by law, each party shall hold harmless, defend and indemnify the other party, including its governing board, employees and agents from and against any and all claims, losses, damages, liabilities, disallowances, recoupments, and expenses, including but not limited to reasonable attorney’s fees, arising out of or resulting from other’s negligence in the performance of its obligations under this Agreement, including the performance of the other’s subcontractors, except that each party shall have no obligation to indemnify the other for damages to the extent resulting from the negligence or willful misconduct of any indemnitee. Each party may participate in the defense of any such claim without relieving the other of any obligation hereunder.

X. Notice

All notices under this Participation Agreement shall be provided 1) by personal delivery, or mailed by U.S. registered or certified mail, return receipt requested, postage prepaid; AND 2) by email. All notices shall be provided to the respective party at the addresses and email addresses set forth below and shall be deemed received upon the relevant party’s receipt.

Participation Agreement for Department of State Hospital Program
EXHIBIT C – County Specific Funding Allocation

I. CONTRACT AMOUNT AND PAYMENT PROVISIONS

The amount payable by Participant to CalMHSA concerning this Agreement shall be \$1,402 per bed, per fiscal year, for a total funding allocation for FY 2022-2023 for an estimated amount of not to exceed \$15,422

II. BUDGET CONTINGENCIES

This Agreement is subject to any restrictions, limitations, or conditions enacted by the legislature and contained in the Budget Act or any statute enacted by the Legislature which may affect the provisions, terms, or funding of this Agreement in any manner. If statutory or regulatory changes occur during the term of this Agreement, both parties may renegotiate the terms of the Agreement affected by the statutory or regulatory changes.

III. FUNDING ALLOCATION

RATE	BEDS PER YEAR	FY 2022-23	TOTAL
\$1,402	11	\$15,422	\$15,422