



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: January 15, 2019
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors

FROM: Department Alice Gleghorn, PhD, Director
Director(s) Department of Behavioral Wellness 805-681-5220
Contact Info: Chris Ribeiro, Chief Financial Officer
Department of Behavioral Wellness 805-681-5220

SUBJECT: **Psynergy FY 17-20 Amendment 2**

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- A) Approve, ratify and authorize the chair to execute a 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 2017-2018 contract by **\$60,293** and the FY 2018-2019 contract by **\$500,000** for a total contract amount not to exceed **\$2,421,549** for the period July 1, 2017 through June 30, 2020.
- B) Approve a Budget Revision Request (BJE #0006036) increasing appropriations of \$500,000 in Behavioral Wellness Mental Health Services Act Fund for Services and Supplies funded by unanticipated Intergovernmental Revenue – State (\$350,000) and Charges for Services revenue (\$150,000).
- C) Determine that the recommended actions are not a “project” under the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15378(b)(4) since the recommended actions are government fiscal activities which do not involve commitment to any specific project which may result in potentially significant physical impact on the environment.

Auditor-Controller Concurrence

As to form: Yes

Summary Text:

The above referenced items are on the agenda to request an increase in Psynergy Programs, Inc.'s (Psynergy) FY 17-18 and FY 18-19 contracts. Approval of the recommended actions will allow Behavioral Wellness to pay for additional client placements at Psynergy's facility.

The Board previously authorized the County to enter into a First Amendment to the Agreement for Services of Independent Contractor ("First Amendment"), on May 15, 2018, to increase the contract amount for Fiscal Year ("FY") 17-18 by \$87,707 for an amount not to exceed \$1,861,256, and signed the First Amendment setting forth an increase of \$148,000 for FY 17-18. The Second Amendment authorizes the \$60,293 difference to ensure payment for services up to \$148,000 for FY 17-18 and the additional requested amount of \$500,000 for a total contract amount not to exceed \$2,421,549 for the period July 1, 2017 through June 30, 2020. When sending the Minute Order and Auditor Summary form to the Auditor Controller's office, the department realized that the numbers in the Minute Order and Amendment conflicted. We notified the office of the conflicting numbers and they updated the County's Financial Information Network according to the amount on the executed First Amendment for FY 17-18.

Behavioral Wellness provides a continuum of mental health and substance use disorder services to Santa Barbara County residents, in part through contracted providers including Community-Based Organizations (CBOs). Contracts with facilities providing services at various levels of care are key to ensuring that the needs of clients are optimally met. Due to an increased demand for inpatient contracted long-term beds, Behavioral Wellness needs to amend Psynergy's contract. This amendment will be funded by unanticipated State Intergovernmental Revenue and Federal Medi-Cal Charges for Services Revenue. Approval of the recommended actions will allow Behavioral Wellness to continue to provide mandated mental health, substance use, and ancillary services.

Background:

Institutions for Mental Disease (IMD): Behavioral Wellness 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. Behavioral Wellness examined the current caseload and historical use of IMD facilities in order to project the following year's contract amounts within the Department's budget constraints. Behavioral Wellness also contracts with IMD-alternative facilities (Psynergy), which are unlocked facilities providing highly structural residential programs for clients transitioning out of IMDs.

Psynergy Programs, Inc. (Psynergy), located in the Bay Area, 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 to a lower level of care, then works to step clients down through three progressions of residential care, with the eventual goal of equipping clients to return to Santa Barbara County to live independently.

Performance Outcomes:

For the first quarter of the current fiscal year, Psynergy has consistently held a caseload of 17-20 clients. The current funding projections are based on a caseload of up to 23 clients per month for the second quarter of the fiscal year.

Fiscal and Facilities Impacts:

Budgeted: No

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Total Contract</u> <u>Amount</u>
General Fund		
State	\$ 600,000.00	\$ 1,384,774.00
Federal	\$ 400,000.00	\$ 1,036,775.00
Fees		
Other:		
Total	\$ 1,000,000.00	\$ 2,421,549.00 \$ -

Narrative: The above referenced contract is funded by State and Federal funds.

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

Attachments:

- Attachment A: Psynergy 17-20 Am 2
- Attachment B: Psynergy 17-20 Am 1
- Attachment C: Psynergy FY 17-20 BC
- Attachment D: BRR#0006036

Authored by:

Q.Lopez