



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: DBW
Department No.: 043
For Agenda Of: March 15, 2016
Placement: Administrative
Estimated Time:
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: Lindsay Walter, JD, Interim Chief Financial Officer
Department of Behavioral Wellness 805-681-5220

SUBJECT: DBW FY 15-16 Amendments – Crestwood, Psynergy, Sylmar

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 the Third Amendment to the Agreement for Services of Independent Contractor with **Crestwood Behavioral Health Center, Inc.** (not a local vendor), an institution for mental disease, to increase the FY 15-16 contract by \$102,000 for a total contract amount not to exceed **\$3,302,000** through June 30, 2017.
- B) Approve and authorize the chair to execute the 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 15-16 contract by \$224,228 for a total contract amount not to exceed **\$1,724,228** through June 30, 2017.
- C) Approve and authorize the chair to execute the Second Amendment to the Agreement for Services of Independent Contractor with **Sylmar Health & Rehabilitation Center** (not a local vendor), an institution for mental disease, to increase the FY 15-16 contract by \$372,826 for a total contract amount not to exceed **\$2,572,826** through June 30, 2017.
- D) Determine that the above actions are government fiscal activities or funding mechanisms which do not involve any commitment to any specific project which 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 Department of Behavioral Wellness (DBW) provides a continuum of mental health and substance use disorders to Santa Barbara County residents, in part through contracted providers including Community-Based Organizations (CBOs). Due to an increased demand for inpatient contracted acute and long-term beds, DBW requested a one-time budget expansion that was approved in June 2015. The expansion of \$2,000,000 was partially funded by a release of General Fund which was a result of recording unanticipated revenue of \$500,000 from Tobacco Settlement funds that are held by the Public Health Department. In September 2015, Public Health transferred \$500,000 to the General Fund via budget revision BJE #0004163. Approval of the recommended actions enables DBW to fund increased services by \$500,000 to meet higher demands for contracted inpatient beds.

Background:

Institutions from Mental Disease (IMD): DBW 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. DBW 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. DBW contracts with IMDs that are licensed as Skilled Nursing Facilities with Special Treatment Patches (Crestwood Behavioral Health Center, and Sylmar Health & Rehabilitation Center), Mental Health Rehabilitation Centers (some Crestwood facilities), and Residential Mental Health Facilities (Psynergy Programs, Inc.). Acute Psychiatric Hospitals are used only for clients with emergency mental health needs meeting the criteria of Welfare and Institutions Code (WIC) Section 5150, and rates are significantly higher due to the hospital license, versus other types of IMDs, which are locked facilities used to treat ongoing psychiatric needs. Due to limited bed availability at each IMD, DBW contracts with a number of IMDs throughout the State.

Crestwood offers a continuum of care including IMDs, IMD step-down facilities, Psychiatric Health Facilities (PHFs), and gero-psychiatric specialty programs. This contract with Crestwood provides funding for a total of 17 beds. If clients are placed at step-down facilities, the contract will be able to accommodate a greater number of beds due to the lower rates.

Psynergy Programs, Inc. (Psynergy): Psynergy is located in the Bay Area and 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 through three progressions of residential care, with the eventual goal of equipping clients to return to Santa Barbara County to live independently.

Sylmar is a locked facility for adults with severe mental illness located in Los Angeles County. Sylmar provides intensive psychiatric mental health treatment, medical assessment, diagnosis and monitoring, and treatment groups for clients, including those diagnosed with co-occurring disorders. This facility is able to accommodate medically complex or fragile individuals. This contract with Sylmar provides funding for a total of 8 beds.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

Funding Sources	Current FY Cost:	Annualized On-going Cost:	Total One-Time Project Cost
General Fund	\$ 500,000.00		
State	\$ 1,149,527.00	\$ 1,050,000.00	
Federal	\$ 1,149,527.00	\$ 1,050,000.00	
Fees			
Other:			
Total	\$ 2,799,054.00	\$ 2,100,000.00	\$ -

Narrative: The above referenced contracts are funded by State and Federal Funds. These funding sources are included in the FY 2015-2016 Adopted Budget. Public Health transferred \$500,000 to the General Fund via budget revision BJE #0004163 in September 2015. Budget revision BJE #0004317 approved by the Board of Supervisors on February 2, 2016 transferred the funds from the General Fund, completing the CEO recommended expansions submitted to the Board for DBW in June 2015.

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

Attachments:

Attachment A: Crestwood Behavioral Health Amendment 3

Attachment B: Crestwood Behavioral Health Amendment 2 available at*:

<https://santabarbara.legistar.com/LegislationDetail.aspx?ID=2283959&GUID=CC665281-E039-47A4-9642-C7A4ED212510&Options=&Search=>

Attachment C: Crestwood Behavioral Health Amendment 1 available at*:

<https://santabarbara.legistar.com/LegislationDetail.aspx?ID=2283959&GUID=CC665281-E039-47A4-9642-C7A4ED212510&Options=&Search=>

Attachment D: Crestwood Behavioral Health BC15-027 available at*

<https://santabarbara.legistar.com/LegislationDetail.aspx?ID=2283959&GUID=CC665281-E039-47A4-9642-C7A4ED212510&Options=&Search=>

Attachment E: Psynergy Programs, Inc. Amendment 2

Attachment F: Psynergy Programs, Inc. Amendment available at*:

<https://santabarbara.legistar.com/LegislationDetail.aspx?ID=2367341&GUID=299BC969-00A8-4D0F-A887-2E6E4165511C&Options=&Search=>

Attachment G: Psynergy Programs, Inc. BC 15-034 available at*:

<https://santabarbara.legistar.com/LegislationDetail.aspx?ID=1821837&GUID=002D1CEB-B164-4B51-A421-B9F4AF6AFB2D&Options=&Search=>

Attachment H: Sylmar Health and Rehabilitation Center Amendment 2

Attachment I: Sylmar Health and Rehabilitation Center Amendment 1 available at*:

<https://santabarbara.legistar.com/LegislationDetail.aspx?ID=2283959&GUID=CC665281-E039-47A4-9642-C7A4ED212510&Options=&Search=>

Attachment J: Sylmar Health and Rehabilitation Center BC 15-028 available at*:

<https://santabarbara.legistar.com/LegislationDetail.aspx?ID=2283959&GUID=CC665281-E039-47A4-9642-C7A4ED212510&Options=&Search=>

Attachment K: BRR #0004317

*Copies are also on file at the Clerk of the Board

Authored by:

QLopez