



County of Santa Barbara BOARD OF SUPERVISORS

Minute Order

April 9, 2019

Present: 5 - Supervisor Williams, Supervisor Hart, Supervisor Hartmann, Supervisor Adam, and Supervisor Lavagnino

BEHAVIORAL WELLNESS

File Reference No. 19-00329

RE: Consider recommendations regarding Fiscal Years (FY) 2017-2020 Institute for Mental Disease Amendments with Merced Behavioral Center, Sylmar Health, and Rehabilitation Center, and FY 2017-2019 Vista Pacifica Enterprises, Inc., as follows:

- a) Approve and authorize the Chair to execute the Third Amendment to the Agreement for services of Independent Contractor with Cf Merced Behavioral, LLC, a California limited liability company, dba Merced Behavioral Center (not a local vendor), an Institution for Mental Disease, to increase the FY 2019-2020 bed rates by 2%, to increase the FY 2018-2019 contract by \$50,000.00 and to increase the FY 2019-2020 contract by \$300,000.00 for a total contract amount not to exceed \$2,369,585.00 for the period July 1, 2017 through June 30, 2020;
- b) Approve and authorize the Chair to execute a Second Amendment to the Agreement for Services of Independent Contractor with Sylmar Health and Rehabilitation Center, Inc, a California corporation, (not a local vendor) an Institution for Mental Disease, to increase the FY 2018-2019 contract by \$300,000.00 and the FY 2019-2020 contract by \$300,000.00 for a total contract amount not to exceed \$4,164,011.00 for the period of July 1, 2017 through June 30, 2020;
- c) Approve and authorize the Chair to execute a Third Amendment to the Agreement for Services of Independent Contractor with Vista Pacifica Enterprises, Inc., a California corporation, (not a local vendor) an Institute for Mental Disease and a Skilled Nursing Facility, to increase the FY 2018-2019 contract by \$384,000.00 for a total contract amount not to exceed \$1,726,962.00 for the period July 1, 2017 through June 30, 2019; and
- d) Determine that these activities are exempt from California Environmental Quality Act (CEQA) review per CEQA Guidelines Section 15378(b)(4) since the recommended actions are government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.



**County of Santa Barbara
BOARD OF SUPERVISORS**

Minute Order

April 9, 2019

A motion was made by Supervisor Hart, seconded by Supervisor Hartmann, that this matter be acted on as follows:

- a) through c) Approved, authorized; Chair to execute; and
- d) Approved.

The motion carried by the following vote:

Ayes: 5 - Supervisor Williams, Supervisor Hart, Supervisor Hartmann, Supervisor Adam, and Supervisor Lavagnino



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 9, 2019
Placement: Administrative
Estimated Time: N/A
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: Chris Ribeiro, Chief Financial Officer
Department of Behavioral Wellness 805-681-5220

SUBJECT: **Institute for Mental Disease FY 17-20 Amendments: Merced Behavioral Center, Sylmar Health and Rehabilitation Center, and FY 17-19 Vista Pacifica Enterprises, Inc.**

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 Cf Merced Behavioral, LLC, a California limited liability company, dba **Merced Behavioral Center** (not a local vendor), an Institution for Mental Disease, to increase the FY 19-20 bed rates by 2%, to increase the FY 18-19 contract by **\$50,000** and to increase the FY 19-20 contract by **\$300,000** for a total contract amount not to exceed **\$2,369,585** for the period July 1, 2017 through June 30, 2020.
- B) Approve and authorize the Chair to execute a Second Amendment to the Agreement for Services of Independent Contractor with **Sylmar Health and Rehabilitation Center, Inc**, a California corporation, (not a local vendor) an Institution for Mental Disease, to increase the FY 18-19 contract by **\$300,000** and the FY 19-20 contract by \$300,000 for a total contract amount not to exceed **\$4,164,011** for the period of July 1, 2017 through June 30, 2020.
- C) Approve and authorize the Chair to execute a Third Amendment to the Agreement for Services of Independent Contractor with **Vista Pacifica Enterprises, Inc.**, a California corporation, (not a local vendor) an Institute for Mental Disease and a Skilled Nursing Facility, to increase the FY 18-19

contract by **\$384,000** for a total contract amount not to exceed **\$1,726,962** for the period July 1, 2017 through June 30, 2019.

- D) Determine that these activities are exempt from California Environmental Quality Act review per CEQA Guidelines Section 15378(b)(4) since the recommended actions are government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Summary Text:

The above referenced items are on the agenda to request an increase in the total contract amounts of the following contracts: Merced Behavioral Center (Merced), Sylmar Health and Rehabilitation Center (Sylmar), and Vista Pacifica Enterprises, Inc. (VPE). We also request a 2% increase in Merced's FY 19-20 bed rates. Approval of the recommended actions will allow Behavioral Wellness to pay for additional client placements at each of these facilities.

The Department of Behavioral Wellness provides a continuum of specialty mental health services to Santa Barbara County residents, in part through contracted providers. 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 the three contract listed above. These amendments will be funded through existing IMD and Acute Hospital contract savings. Approval of the recommended actions will allow Behavioral Wellness to continue to provide mandated mental health and ancillary services.

Background:

Institutions for Mental Disease (IMD): 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 contracts with IMDs that are licensed as Acute Psychiatric Hospitals, Skilled Nursing Facilities with Special Treatment Patches, and Mental Health Rehabilitation Centers. Behavioral Wellness also contracts with IMD-alternative facilities, which are unlocked facilities providing highly structural residential programs for clients transitioning out of IMDs.

Merced Behavioral Center (Merced), located in Merced County, provides intensive psychiatric mental health treatment, medical assessment, diagnosis, and monitoring in a locked setting.

Sylmar Health & Rehabilitation Center (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.

VPE has two California facilities: Vista Pacifica Center, located in Jurupa Valley, and Vista Pacifica Convalescent in Riverside. Vista Pacifica Center specializes in geropsychology and offers four levels of service for residents that require high levels of supervision such as those whose behavioral and medical

needs include: being absent without leave, extremely verbally aggressive or threatening and abusive towards staff and peers. They also include behaviors such as being suicidal, destroying property, and having severe psychosis which requires frequent redirection, counseling, and behavior modification from staff. Vista Pacifica Convalescent specializes in Alzheimer’s Care and offers three levels of care: Level A focuses on residents with chronic mental health diagnosis, with active delusions and hallucinations and/or mood swings. Level B focuses on residents with dual diagnoses of Dementia and chronic mental illness with active psychosis. Level C focuses on residents with chronic mental health illness who are not stable on medications.

Performance Outcomes:

The current funding projections for Merced are based on a client caseload that increased from 10 at the beginning of the current Fiscal Year to 11 for the months of March through June 2019. Sylmar has held a steady client caseload of 17 since FY 17-18. The current funding projections are based on the amount paid to Sylmar in FY 17-18. VPE’s IMD client caseload increased from 6 at the beginning of the Fiscal Year to a current caseload of 11. However, the current funding projections are based a caseload of 16 for the months of April through June 2019.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Total Contract Amount</u>		
General Fund				
State	\$ 3,250,000.00	\$	8,260,558.00	
Federal				
Fees				
Other:				
Total	\$ 3,250,000.00	\$	8,260,558.00	\$ -

Narrative: The above referenced contracts are funded by State funds. The current contract increases will be funded through existing IMD and Acute Hospital contract savings.

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 amendment and one (1) minute order to: qilopez@co.santa-barbara.ca.us and the BWell Contracts Division at bwellcontractsstaff@co.santa-barbara.ca.us.

Attachments:

Attachment A: Merced Behavioral Center FY 17-20 Am 3
Attachment B: Merced Behavioral Center FY 17-20 Am 2
Attachment C: Merced Behavioral Center FY 17-20 Am 1
Attachment D: Merced Behavioral Center FY 17-20 BC 18-081
Attachment E: Sylmar Health & Rehabilitation Center FY 17-20 AM 2
Attachment F: Sylmar Health & Rehabilitation Center FY 17-20 AM 1
Attachment G: Sylmar Health & Rehabilitation Center FY 17-20 BC 18-080
Attachment H: Vista Pacifica Enterprises FY 17-19 Am 3
Attachment I: Vista Pacifica Enterprises FY 17-19 Am 2
Attachment J: Vista Pacifica Enterprises FY 17-19 Am 1
Attachment K: Vista Pacifica Enterprises FY 17-19 BC 18-152

Authored by:

Q.Lopez

Third Amendment 17-20

TO AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

This **Third Amendment** to the Agreement for Services of Independent Contractor (hereafter "Third Amended Contract"), referenced as number **BC 18-081**, is made by and between the **County of Santa Barbara** (County) and CF Merced Behavioral, LLC, a California limited liability company, dba **Merced Behavioral Center** (Contractor), for the continued provision of services specified herein.

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 referenced herein;

Whereas, County anticipates that Contractor will provide, at the request of the County, a greater number of services in FY 18-19 and 19-20 and will incur expenses beyond the value of the Agreement and First and Second Amendments. This Third Amended Contract adds funds in the amount of \$50,000 for Fiscal Year 18-19 to the prior FY 18-19 contract maximum of \$800,000 and adds funds in the amount of \$300,000 for Fiscal Year 19-20 to the prior FY 19-20 contract maximum of \$550,000, so as to compensate Contractor for additional services to be rendered under the Agreement and Amendments.

Whereas, this Third Amended Contract incorporates the terms and conditions set forth in the contract approved by the County Board of Supervisors in July 2017, the First Amendment approved by the County Board of Supervisors in May 2018, and the Second Amended Contract approved by the County Board of Supervisors in January 2019, except as modified by this Third Amended Contract (hereinafter collectively referred to as the "Agreement").

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

- I. **Delete Section II, Maximum Contract Amount, from Exhibit B, Financial Provisions, and replace with the following:**

- II. **MAXIMUM CONTRACT AMOUNT.**

The Maximum Contract Amount of this Agreement shall not exceed **\$669,585 for FY 17-18, \$850,000 for FY 18-19, and \$850,000 for FY 19-20**, for a total contract amount not to exceed **\$2,369,585** during the term of this Agreement. Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more than this Maximum Contract Amount for Contractor's performance hereunder without a properly executed amendment.

- II. **Delete Exhibit B-1, Schedule of Rates and Contract Maximum and replace with the following:**

Third Amendment 17-20

**EXHIBIT B-1
DEPARTMENT OF BEHAVIORAL WELLNESS
SCHEDULE OF RATES AND CONTRACT MAXIMUM**

CONTRACTOR NAME: Merced Behavioral Center

FISCAL YEAR: 2017-18, 2018-19

Facility	Program	Maximum Daily Rate*
Country Villa Merced Behavioral Healthcare Center	Basic SNF	\$192.48
	STP Supplement	\$5.72
	Bed Hold	(\$7.35)
	Daily patch rate**	\$300.00
Maximum Contract Amount FY 17-18		\$669,585
Maximum Contract Amount FY 18-19		\$850,000

Third Amendment 17-20

CONTRACTOR NAME: Merced Behavioral Center

FISCAL YEAR: 2019-20

Facility	Program	Maximum Daily Rate*
Country Villa Merced Behavioral Healthcare Center	Basic SNF	\$196.33
	STP Supplement	\$5.72
	Bed Hold	(\$7.50)
	Daily patch rate**	\$300.00
Maximum Contract Amount FY 19-20		\$850,000
Total Contract Maximum July 1, 2017 through June 30, 2020		\$2,369,585

*Or as otherwise published by the State Department of Healthcare Services. Upon notification of updated rates from DHCS, Contractor shall notify County of the new rates and its intent to adopt the new rates.

** Daily patch rate may be adjusted by Director and/or his/her designee based on acuity of client and monitoring needs.

III. All other terms remain in full force and effect.

Third Amendment 17-20

SIGNATURES

Third Amendment to Agreement for Services of Independent Contractor between the County of Santa Barbara and CF MERCED BEHAVIORAL, LLC, dba Merced Behavioral Center.

IN WITNESS WHEREOF, the parties have executed this Third Amendment to be effective on the date executed by County.

COUNTY OF SANTA BARBARA

By: [Signature]
STEVE LAVAGNINO, CHAIR
BOARD OF SUPERVISORS

Date: 4-9-19

ATTEST:

MONA MIYASATO,
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By: [Signature]
Deputy Clerk
Date: 4-9-19

CONTRACTOR

CF MERCED BEHAVIORAL, LLC, dba MERCEI
BEHAVIORAL CENTER

By: _____

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

MICHAEL C. GHIZZONI
COUNTY COUNSEL

By: [Signature]
Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:

BETSY M. SCHAFFER, CPA
AUDITOR-CONTROLLER

By: [Signature]
Deputy

APPROVED AS TO FORM :

DEPARTMENT OF BEHAVIORAL WELLNESS
ALICE GLEGHORN, PH.D. DIRECTOR

By: [Signature]
Director

APPROVED AS TO INSURANCE FORM:

RAY AROMATORIO
RISK MANAGER

By: [Signature]
Risk Management

Third Amendment 17-20

SIGNATURES

Third Amendment to Agreement for Services of Independent Contractor between the County of Santa Barbara and CF MERCED BEHAVIORAL, LLC, dba Merced Behavioral Center.

IN WITNESS WHEREOF, the parties have executed this Third Amendment to be effective on the date executed by County.

COUNTY OF SANTA BARBARA

By: _____

STEVE LAVAGNINO, CHAIR
BOARD OF SUPERVISORS

Date: _____

ATTEST:

MONA MIYASATO,
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By: _____

Deputy Clerk

Date: _____

CONTRACTOR

CF MERCED BEHAVIORAL, LLC, dba MERCED
BEHAVIORAL CENTER

By: [Signature]

Name: Seri Allgood

Title: Administrator

Date: 4/27/19

APPROVED AS TO FORM:

MICHAEL C. GHIZZONI
COUNTY COUNSEL

By: _____

Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:

BETSY M. SCHAFFER, CPA
AUDITOR-CONTROLLER

By: _____

Deputy

APPROVED AS TO FORM :

DEPARTMENT OF BEHAVIORAL WELLNESS
ALICE GLEGHORN, PH.D. DIRECTOR

By: _____

Director

APPROVED AS TO INSURANCE FORM:

RAY AROMATORIO
RISK MANAGER

By: _____

Risk Management