



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: ADMHS  
Department No.: 043  
For Agenda Of: 3-18-14  
Placement: Administrative  
Estimated Tme: N/A  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors  
**FROM:** Department Takashi Wada, MD, MPH, Interim Director  
Director(s) Alcohol, Drug and Mental Health Services, 681-5220  
Contact Info: Ole Behrendtsen, MD, Medical Director/ Assistant Director, 681-5220  
**SUBJECT: FY 13-14 Crestwood and Sylmar Contract Amendments**

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**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:

- 1) Approve and authorize the Chair to execute a fourth 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 contract amount by \$331,000 for a total contract amount not to exceed \$850,000 through June 30, 2014.
- 2) Approve and authorize the Chair to execute a fifth amendment to the Agreement for Services of Independent Contractor with Sylmar Health and Rehabilitation Center (not a local vendor) an institution for mental disease, to increase the contract amount by \$100,000 for a total contract amount not to exceed \$485,000 through June 30, 2014
- 3) 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 Alcohol, Drug and Mental Health Services (ADMHS) Department provides mental health services, including inpatient, to Santa Barbara County residents. ADMHS analyzes service levels throughout the Fiscal Year and makes adjustments to contracts accordingly. The proposed contract amendments will accommodate an increased need for inpatient treatment services consistent with the assessed needs of clients and available bed capacity at Institutions for Mental Disease (IMD) facilities.

**Background:**

ADMHS provides a continuum of services, including inpatient treatment services to best meet the needs of individuals with severe mental illness. Institutions for Mental Disease (IMD) 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. ADMHS examines 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.

During the year, placements are made according to client's needs and availability of beds at each facility. Staff attempt to place clients in the least restrictive setting, such as Skilled Nursing Facilities (which are reimbursed directly by Medi-Cal and not subject to the IMD exclusion); however, over the past year, the State has begun to question the placement of clients with severe mental illness (SMI) at Skilled Nursing Facilities, and many of these facilities have stopped accepting clients with SMI. As a result, ADMHS has seen an increased need for placement of clients at IMDs. ADMHS is adjusting the contracts described herein to accommodate the current year's trends for each facility. ADMHS anticipates that these facilities will provide a greater number of services than originally contemplated, and will incur expenses beyond the value of the existing agreements. Approval of the recommended action will allow ADMHS to continue to provide clients with critical inpatient mental health services throughout the remainder of FY 13-14.

**Crestwood Behavioral Health Center, Inc.** (Crestwood), located in Kern, Shasta and Santa Clara counties, provides intensive psychiatric mental health treatment, medical assessment, diagnosis, and monitoring, and treatment groups for clients, including those diagnosed with co-occurring disorders, in locked facilities. These skill-building and symptom management services are designed to support clients in returning to community living as soon as possible. Approval of the amendment accommodates five additional beds per day at Crestwood, for a total of approximately twelve Crestwood beds per day throughout FY 13-14.

**Sylmar Health and Rehabilitation Centers** (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. Approval of the amendment accommodates two additional beds per day at Sylmar, for a total of approximately nine beds per day throughout FY 13-14.

**Key Contract Risks:**

There is risk that the number of contracted IMD beds may increase beyond what the department has projected. In that case, the department would return to the Board of Supervisors to request an additional request to the contract maximum.

**Fiscal and Facilities Impacts:**

Budgeted: No

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized On-going Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
General Fund	\$ 431,000.00		
State			
Federal	\$ -		
Fees			
Other:			
Total	\$ 431,000.00	\$ -	\$ -

**Narrative:**

The above referenced contract amendment is funded by State and County General funds. The funding sources are included in the FY 2013-14 Adopted Budget, but may not be sufficient to cover the increased costs. Execution of this amendment may increase the use of general fund dollars by ADMHS. ADMHS will return to the Board of Supervisors in May 2014 with a 3<sup>rd</sup> quarter financial update and a budget adjustment request, if necessary, to request additional funding.

**Special Instructions:**

Please send one (1) complete copy of each executed contract amendment and one (1) minute order to:

Alcohol, Drug and Mental Health Services  
Attn: Contracts  
300 North San Antonio Road, Bldg 3  
Santa Barbara, CA 93110

**Attachments:**

Crestwood contract amendment  
Sylmar contract amendment