



Legislation Text

File #: 16-0391, **Version:** 2

Health and Human Services Agency, recommending the Board:

- 1) Approve and authorize the Chair to sign Amendment 2 to Agreement for Services 010-S1711 with Crestwood Behavioral Health, Inc., for the provision of “as requested” long-term, 24-hour treatment programs for adults with serious mental disorders, for the term ending June 30, 2019, and increasing the compensation by \$1,200,000 for a maximum contractual obligation of \$4,200,000; and
- 2) Authorize the Purchasing Agent, or designee, to execute further documents relating to Agreement for Services 010-S1711, including amendments which do not increase the maximum dollar amount or term of the Agreement, and contingent upon approval by County Counsel and Risk Management.

FUNDING: Federal and State (Medi-Cal).

DEPARTMENT RECOMMENDATION

Health and Human Services Agency (HHSA) recommending the Board approve and authorize the Chair to sign Amendment 2 to Agreement for Services 010-S1711 with Crestwood Behavioral Health, Inc., to provide “as requested” long-term, 24-hour treatment programs for adults with serious mental disorders. Crestwood Behavioral Health, Inc. services include long-term residential facility services for eligible individuals. The County does not have a long-term residential treatment facility. Due to higher than anticipated utilization and due to a statutorily authorized rate increase, HHSA recommends increasing the compensation by \$1,200,000 for a maximum contractual obligation of \$4,200,000. The increased compensation factors in an annual increase in rates.

Additionally, HHSA has determined, in accordance with County Ordinance Section 3.13.030, it is more economical and feasible to engage an independent contractor for these services as the County does not possess the facilities required to provide the services.

DISCUSSION / BACKGROUND

On behalf of the County, HHSA contracts with the State as the Mental Health Plan (MHP) for the County. As the MHP, HHSA is required to provide Specialty Mental Health Services to eligible individuals, including long-term residential facility placements when appropriate. To meet this requirement, the MHP contracts with long-term residential treatment facilities and psychiatric facilities, to ensure availability of services on an “as requested” basis, in accordance with Title 9, California Code of Regulations (CCR), Title 22 CCR and Welfare and Institutions Code (WIC), Division 5.

Crestwood Behavioral Health, Inc. is licensed by the State of California to provide long-term residential intensive psychiatric and rehabilitation services to adults with serious mental health disorders. The services are designed to assist eligible clients, age 18 or older, in the development of skills to become more self-sufficient and to move toward increasing levels of independent functioning with the goal of community reintegration.

Pursuant to WIC Section 5912, Crestwood Behavioral Health, Inc.’s rates will increase annually by 3.5 percent, pursuant to WIC Section 5912. The rates are established by the State Department of

Health Care Services.

HHSA has contracted with Crestwood Behavioral Health, Inc. since 2007. The Board approved Agreement for Services 010-S1711 on May 17, 2016 (File 16-0391, Item 19), and on September 16, 2016, the Purchasing Agent signed Amendment 1 to Agreement for Services 010-S1711 as authorized by the Board (File 16-0391, Item 19). The Amendment included language revisions but no change to term or compensation. Due to a higher than anticipated utilization, HHSA now recommends the Board's approval of Amendment 2 to Agreement for Services 010-S1711. Amendment 2 increases the maximum obligation by \$1,200,000 for the remaining term of the Agreement and incorporates the language revisions necessary to accommodate the statutorily-authorized rate increase effective July 1, 2017.

ALTERNATIVES

Disapproval of Amendment 2 to Agreement for Services 010-S1711 will result in severe difficulty meeting the service demands of the community and may disrupt the progress and continuity of care for clients currently receiving services from Crestwood Behavioral Health, Inc.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel, Human Resources, Procurement and Contracts, and Risk Management.

CAO RECOMMENDATION

It is recommended that the Board approve this item.

FINANCIAL IMPACT

There is no Net County Cost associated with this Agenda item. Sufficient appropriations were included in the fiscal year 2016-17 budget, and will be included in future budgets for the term of the Agreement.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) Clerk of the Board to obtain signature of Chair on two (2) original Amendments 2 to Agreement for Services 010-S1711.
- 2) Clerk of the Board to return one (1) fully executed Amendment to the HHSA Contracts Unit at 3057 Briw Road.

STRATEGIC PLAN COMPONENT

Healthy Communities: "Improved health, well-being and self sufficiency of El Dorado County communities, residents, and visitors."

CONTACT

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