



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Health System



**Date:** August 17, 2015  
**Board Meeting Date:** September 22, 2015  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise Rogers, Chief, Health System  
Stephen Kaplan, Director, Behavioral Health and Recovery Services  
Lisa Mancini, Director, Aging and Adult Services

**Subject:** Agreement with Crestwood Behavioral Health for Residential Rehabilitation and Long-Term Care Services

**RECOMMENDATION:**

Adopt a resolution authorizing an agreement with Crestwood Behavioral Health for residential rehabilitation and long-term care services for the term July 1, 2015 through June 30, 2018, in an amount not to exceed \$5,346,000.

**BACKGROUND:**

As a provider of mental health services, Crestwood Behavioral Health's programs include Skilled Nursing Facilities (SNF) / Neurobehavioral Programs, Mental Health Rehabilitation Centers, Adult Residential Programs, Wellness Clinics, Community Programs, Residential Care Facilities for the Elderly, and Psychiatric Health Facilities. Crestwood offers a continuum of care and treatment, from traditional psychiatric services to recovery programs, geared towards community reintegration. The contractor has provided services for San Mateo County residents since 1988.

Under the B-1 Administrative Memorandum, the selection of providers for long-term locked facility services is exempt from the Request for Proposals requirement.

**DISCUSSION:**

Crestwood will provide services to both Behavioral Health and Recovery Services (BHRS) and Aging and Adult Services (AAS) divisions of San Mateo County's Health System. Specifically, Crestwood will provide 44 beds for BHRS clients who are seriously mentally ill and in need of mental health rehabilitation, treatment, and long-term care. Crestwood will also provide up to 8 SNF beds for AAS clients who are probate dementia conservatees of the San Mateo County Public Guardian and who require a long-term care setting. Services provided through this agreement offer an

alternative to the use of more costly hospital emergency services, inpatient hospital admissions and correctional facilities.

This contract is late because BHRS, as a part of its due diligence for this agreement, needed to review the contractor's FY 14-15 units of service and costs, prior to finalizing this new contract for FY 15-16.

The resolution contains the County's standard provision allowing amendment of the County's fiscal obligations by a maximum of \$25,000 (in aggregate).

The agreement and resolution have been reviewed and approved by County Counsel as to form. This agreement is on the Continuing Resolution.

The agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing residential rehabilitation and long-term care to the vulnerable population of adults suffering from serious mental illness. It is anticipated that 68% of clients who receive services through this agreement will be maintained at a current or lower level of care.

**PERFORMANCE MEASURE(S):**

Measure	FY 2015-16 Estimate	FY 2016-17 Projected
Percentage of clients maintained at current or lower level of care.	68% 8 Clients	68% 8 Clients

**FISCAL IMPACT:**

The term of the agreement is July 1, 2015 through June 30, 2018. The amount of the agreement is not to exceed \$5,346,000. Of this amount, \$4,875,000 is for BHRS and \$471,000 is for AAS.

Of the maximum amount for BHRS, \$1,625,000 will be for FY 2015-16 and is funded as follows: \$1,462,500 (90%) from sales tax provided through Realignment and \$162,500 (10%) net county cost. These funds are included in the BHRS FY 2015-16 Recommended Budget.

Of the maximum amount for AAS, \$157,000 will be for FY 2015-16 and is funded 100% through client reimbursements. There is no net county cost. These funds are included in the AAS FY 2015-16 Recommended Budget.

Similar arrangements will be in place for FY 2016-17 and FY 2017-18.

The payment provisions in this agreement remain essentially the same as those of the prior agreement.