



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 22-674

Board Meeting Date: 9/13/2022

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise F. Rogers, Chief, San Mateo County Health  
Lisa Mancini, Interim Director, Behavioral Health and Recovery Services

**Subject:** Amendment to the Agreement with Crestwood Behavioral Health, Inc. for Residential Rehabilitation and Long-Term Care Services

**RECOMMENDATION:**

Adopt a resolution authorizing an amendment to the agreement with Crestwood Behavioral Health, Inc. to provide residential rehabilitation and long-term care services, increasing the amount by \$622,690 to an amount not to exceed \$15,887,140 with no change to the agreement term.

**BACKGROUND:**

Crestwood has provided services for San Mateo County residents since 1988. On August 3, 2021, this Board approved an agreement with Crestwood Behavioral Health, Inc. (Crestwood) to provide mental health services to both Behavioral Health and Recovery Services (BHRS) and Aging and Adult Services (AAS) divisions of San Mateo County Health for a maximum amount of \$15,215,790 for the term of July 1, 2021 through June 30, 2024.

In January 2022, this Board approved an amendment to the agreement to increase the maximum amount by \$48,660 to an amount not to exceed \$15,264,450.

Crestwood provides quality services for clients that have complex medical and behavioral needs. Crestwood's network of facilities provides up to 58 beds for BHRS clients who are seriously mentally ill and in need of mental health rehabilitation, treatment, and long-term care. Crestwood also provides up to eight skilled nursing facility 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.

In addition, BHRS has four dedicated beds at Crestwood's San Jose Psychiatric Health Facility (PHF), as a less costly alternative to beds with other providers. Purchasing these beds guarantees their availability to the County. These beds will be managed by Psychiatric Emergency Services (PES) at San Mateo Medical Center (SMMC), as back up to SMMC's 3A/B. Additionally, should PES

be able to predict availability, the beds could be transferred to other counties in need of placement, and those counties would be billed the same rates by PHF. In this situation, BHRS would be credited for the days that other counties use PHF beds.

**DISCUSSION:**

BHRS recently received notice that Crestwood’s rates will be increased. As a result, BHRS is recommending an amendment to update the to the rates and increase the total maximum amount of the agreement.

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 amendment and resolution have been reviewed and approved by the County Attorney as to form.

It is anticipated that 80% of clients in a locked/Mental Health Rehabilitation Center placement that will be discharged to a less restrictive, more independent level of care or maintained at a current lower level of care.

**PERFORMANCE MEASURE:**

<b>Measure</b>	<b>FY 2021-22 Actual</b>	<b>FY 2022-23 Estimated</b>
Percentage of clients in a locked/Mental Health Rehabilitation Center placement that are discharged to a less restrictive, more independent level of care or maintained at current level of care	80% 46 clients	80% 46 clients

**FISCAL IMPACT:**

The term of the agreement is July 1, 2021 through June 30, 2024. The amount of the amended agreement is not to exceed \$15,887,140 for the three-year term. The amendment increases the contract amount by \$622,690, where \$311,345 is included in the BHRS FY 2022-23 Recommended Budget. Of this amount, it is anticipated that Realignment will fund 90% of the amendment or \$560,421. The remaining 10% or \$62,269 will be Net County Cost.

Similar arrangements will be in place for FY 2023-24.