



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 23-762

Board Meeting Date: 9/26/2023

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise F. Rogers, Chief, San Mateo County Health
Jei Africa, Director, Behavioral Health and Recovery Services

Subject: Agreement with S.T.A.R.S., Inc. dba Stars Community Services for Mental Health
Rehabilitation Center Services

RECOMMENDATION:

Adopt a resolution authorizing an agreement with S.T.A.R.S., Inc. dba Stars Community Services for mental health rehabilitation center services, for the term of October 1, 2023, through June 30, 2026, in an amount not to exceed \$11,818,178.

BACKGROUND:

The current aged Cordilleras Mental Health Center in Redwood City is being replaced with four new Mental Health Rehabilitation Centers (M.H.R.C.) and co-housing facilities at the newly named Cordilleras Health and Healing Campus. Services at the new facilities are anticipated to begin in early 2024.

In May 2022, Behavioral Health and Recovery Services (B.H.R.S.) issued a Request for Proposals (R.F.P.) seeking four separate agencies to provide M.H.R.C. services for four separate 16-bed M.H.R.C. facilities at the rebuilt Cordilleras campus. In August 2022, Crestwood Behavioral Health, Inc., Caminar, Inc., S.T.A.R.S., Inc. dba Stars Community Services (STARS), and Telecare Corporation were selected to provide these services. By having four separate providers and limiting the size of each facility to no more than 16 beds, the M.H.R.C. services provided will be eligible for Federal Financial Participation through Medi-Cal. Smaller facilities also allow for services to be more targeted to specific consumer needs, which will improve consumer outcomes.

STARS has 34 years of experience designing, implementing, and operating acute inpatient facilities and other programs providing residential, rehabilitation, and crisis services. It operates residential and community-based mental health services in 10 other California counties, including Santa Clara, where it has been a certified Medi-Cal provider since 2000. STARS has experience operating Psychiatric Health Facilities and Institutions of Mental Diseases (IMDs) and opening and operating an M.H.R.C. Agreements with the other three M.H.R.C. providers, which will be submitted to this Board

separately.

DISCUSSION:

STARS will operate an MHRC, providing Medi-Cal billable psychiatric treatment services and room and board services in a locked facility setting for up to 16 seriously mentally ill county consumers. Services will be primarily provided to consumers who may be registered sex offenders or have histories of violence. BHRS will refer consumers to STARS, including some consumers who will be transferred from the existing Cordilleras facility. STARS will have a start-up period from the start of the agreement until the facilities are completed and ready for services. The facility's construction is anticipated to be completed in January 2024.

The resolution contains the County's standard provisions allowing amendments to the County's fiscal obligation by a maximum of \$25,000 (in aggregate).

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

It is anticipated that 85% of consumers will not be discharged to an acute psychiatric level of care within 15 days of admission.

PERFORMANCE MEASURES:

Measure	FY 2023-24 Estimated	FY 2024-25 Projected
Percentage of consumers not discharged to an acute psychiatric level of care within 15 days of admission	85% 16 clients	85% 20 clients

FISCAL IMPACT:

The term of the agreement is October 1, 2023, through June 30, 2026. The amount of the agreement is not to exceed \$11,818,178 for the 33-month term. Funds in the amount of \$2,710,312 are included in the BHRS FY 2023-24 Recommended Budget. Of that amount, Federal Medi-Cal will fund \$578,773; 2011 Realignment, including the match for Medi-Cal services, will fund \$1,860,508; and the Net County cost is \$271,031. Similar arrangements will be made for future years.

Attachments:

1. RFP Matrix