



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 23-815

Board Meeting Date: 10/3/2023

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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  
Jei Africa, Director, Behavioral Health, and Recovery Services

**Subject:** Agreement with Crestwood Behavioral Health, Inc. for Mental Health Rehabilitation Center Services

**RECOMMENDATION:**

Adopt a resolution authorizing an agreement with Crestwood Behavioral Health, Inc. for mental health rehabilitation center services for the term of October 1, 2023, through June 30, 2026, in an amount not to exceed \$10,145,051.

**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 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. (Crestwood), Caminar, Inc., S.T.A.R.S., Inc. dba Stars Community Services, 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 services to be more targeted to specific consumer needs, improving consumer outcomes.

Crestwood, a public benefit corporation, operates numerous long-term care mental health facilities throughout California. They have extensive experience providing mental health services for older adults, operating M.H.R.C.'s, Psychiatric Health Facilities, Crisis Residential, and long-term care residential programs. B.H.R.S. has contracted with Crestwood for services at their operated facilities since 1988.

Agreements with the other three M.H.R.C. providers are being submitted to this Board separately.

**DISCUSSION:**

Crestwood 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 are older adults and medically fragile. BHRS will refer consumers to Crestwood, including some consumers who will be transferred from the existing Cordilleras facility. Crestwood 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 County Attorney as to form.

This item is coming to this Board late due to extended negotiations with the contractor.

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 \$10,145,051 for the 33-month term. Funds in the amount of \$2,384,003 are included in the BHRS FY 2023-24 Adopted Budget. Of that amount, Federal Medi-Cal will fund \$578,773; 2011 Realignment, including the match for Medi-Cal services, will fund \$1,566,830; and the Net County Cost is \$238,400. Similar arrangements will be made for future years.

Attachments:

1. RFP Matrix