

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY  
AND RECORD OF ACTION**

**December 17, 2024**

**FROM**

**GEORGINA YOSHIOKA, Director, Department of Behavioral Health**

**SUBJECT**

**Amendments to Contracts for Fee-For-Service Acute Psychiatric Inpatient Services**

**RECOMMENDATION(S)**

Approve Amendments to the following contracts for Fee-For-Service Acute Psychiatric Inpatient services, increasing the total aggregate amount by \$9,464,346 from \$27,613,575 to \$37,077,921, with no change to the contract period of December 15, 2020, through June 30, 2025:

1. Aurora Charter Oak Hospital, **Amendment No. 2 to Contract No. 20-1239**
2. Canyon Ridge Hospital, Inc. dba Canyon Ridge Hospital, **Amendment No. 3 to Contract No. 20-1240**
3. Community Hospital of San Bernardino, **Amendment No. 3 to Contract No. 20-1241**
4. Loma Linda University Medical Center, **Amendment No. 3 to Contract No. 20-1242**
5. Vista Behavioral Hospital, LLC dba Pacific Grove Hospital, **Amendment No. 2 to Contract No. 20-1243**

(Presenter: Georgina Yoshioka, Director, 252-5142)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Provide for the Safety, Health and Social Service Needs of County Residents.**

**Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.**

**FINANCIAL IMPACT**

This item does not impact Discretionary General Funding (Net County Cost). The increase of \$9,464,346 for Fee-For-Service (FFS) Acute Psychiatric Inpatient services will be funded by 1991 Realignment funds. Adequate appropriation and revenue have been included in the Department of Behavioral Health's (DBH) 2024-25 budget.

**BACKGROUND INFORMATION**

DBH is responsible for providing mental health and substance use disorder (SUD) services to county residents experiencing severe mental illness (SMI) and/or SUD. DBH entered into a contract with the State Department of Health Care Services (State) as a Mental Health Plan (MHP) established under Assembly Bill 757 (AB 757), in January 1995. As an MHP, DBH is responsible for providing access to high quality specialty mental health services for Medi-Cal beneficiaries in the most cost-effective manner possible. AB 757 allowed for the phased implementation of managed mental health care for Medi-Cal beneficiaries through Short-Doyle Medi-Cal and FFS contracts with MHPs and standardized the requirements for all MHPs that participate in the Medi-Cal Specialty Mental Health Service Consolidation Program. As a result

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of the contract with the State and pursuant to AB 757 and related regulations, DBH must contract with area hospitals to provide acute psychiatric services to Medi-Cal-eligible residents.

FFS hospitals provide acute psychiatric inpatient services and indigent care services to individuals with SMI at an appropriate level of care. The contracts outline the provision of care to county residents who are Medi-Cal beneficiaries or indigent persons. The FFS hospitals indicated in the Recommendation have agreed to accept these populations for treatment, determine Medi-Cal eligibility, and bill Medi-Cal directly as appropriate. Indigent persons who are not covered by Medi-Cal receive care under the County's Indigent Care Services Program and the FFS hospitals are reimbursed by DBH.

Administrative bed days consist of continued psychiatric inpatient services provided to patients who no longer meet medical necessity for acute inpatient care but are awaiting placement in an appropriate level of care to provide continued treatment for their behavioral health needs.

On December 15, 2020 (Item No. 27), the Board of Supervisors (Board) approved non-competitive contract for FFS hospitals in an aggregate amount not to exceed \$20,891,667 for the period of December 15, 2020, through June 30, 2025, for Contract No. 20-1239 with Aurora Charter Oak Hospital (ACOH Contract); Contract No. 20-1240 with Canyon Ridge Hospital, Inc. dba Canyon Ridge Hospital (CRH Contract); Contract No. 20-1241 with Community Hospital of San Bernardino (CHSB Contract); Contract No. 20-1242 with Loma Linda University Behavioral Medicine Center (LLUBMC Contract); Contract No. 20-1243 with Vista Behavioral Hospital, LLC dba Pacific Grove Hospital (PGH Contract); and Contract No. 20-1244 with Redlands Community Hospital (RCH Contract).

On October 4, 2022 (Item No. 15), the Board approved Amendment No. 1 to the CRH Contract, CHSB Contract, LLUBMC Contract, and RCH Contract, to update the negotiated bed day rates, with no change to the combined aggregate amount of \$20,891,667, or the contract period of December 15, 2020, through June 30, 2025.

On November 14, 2023 (Item No. 22), the Board approved Amendment No. 1 to the ACOH Contract and PGH Contract, Amendment No. 2 to the CRH Contract, CHSB Contract, and LLUBMC Contract, to update the standard contract language and negotiated bed day rates, increasing the combined aggregate contract amount by \$6,721,908 from \$20,891,667 to \$27,613,575, with no change to the contract period of December 15, 2020, through June 30, 2025.

Approval of this item will increase the aggregate contract amounts in order to continue providing services to existing clients. Analysis of current funding trends has indicated that the existing allocation will not be sufficient to sustain the duration of the contract period. DBH Fiscal estimates the current funding was fully expended by November 2024. This is due to a decrease of denials of requested claims, which increase DBH's costs, as these requests are now being approved to pay. Previously, DBH would deny 15-20% of requested claims due to insufficient information or inappropriate claims. However, as the claims process transitioned to a contracted partner through the state, only 1% of claims are denied, which means the claims are approved to be paid.

**PROCUREMENT**

N/A

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**REVIEW BY OTHERS**

This item has been reviewed by Behavioral Health Contracts (Lisa Rivas-Ordaz, Contracts Supervisor, 383-3940) on December 3, 2024; County Counsel (Dawn Martin, Deputy County Counsel, 387-5455) on December 4, 2024; Finance (Paul Garcia, Administrative Analyst, 386-8392) on December 11, 2024; and County Finance and Administration (Cheryl Adams, Deputy Executive Officer, 388-0238) on December 11, 2024.

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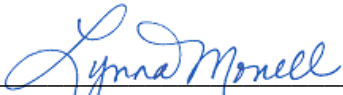
Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

Moved: Curt Hagman Seconded: Joe Baca, Jr.

Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: December 17, 2024



cc: DBH - Barajas w/agrees  
Contractor - c/o DBH w/agree  
File - w/agree

CCM 12/23/2024