

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

January 27, 2026

**FROM**

**JOSHUA DUGAS, Acting Director, Department of Behavioral Health**

**SUBJECT**

Contract with Vista Behavioral Hospital, LLC DBA Pacific Grove Hospital for Fee-For-Service Psychiatric Inpatient Hospital Services

**RECOMMENDATION(S)**

Approve **Contract No. 26-67** with Vista Behavioral Hospital, LLC DBA Pacific Grove Hospital for the provision of Fee-For-Service Psychiatric Inpatient Hospital Services, incorporating this contract into the existing aggregate funding pool for Fee-For-Service Psychiatric Inpatient Hospital Services, with no change to the aggregate amount not to exceed \$60,869,390, for the contract period of July 1, 2025 through June 30, 2030.

(Presenter: Jennifer Alsina, Assistant 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 total aggregate contract amount not to exceed \$60,869,390 is funded by 1991 Realignment funds. Adequate appropriation and revenue have been included in the Department of Behavioral Health's (DBH) 2025-26 budget and will be included in future recommended budgets.

**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 California Department of Health Care Services 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 the Short-Doyle Medi-Cal (SD/MC) program and Fee-For-Service (FFS) contracts with MHPs and standardized the requirements for all MHPs that participate in the Medi-Cal Specialty Mental Health Service Consolidation Program. The SD/MC program is California's system for funding community mental health services for Medi-Cal beneficiaries. As a result of the contract with the State and pursuant to AB 757 and related regulations, DBH must contract with area hospitals, such as General Acute Care Hospitals and Acute Psychiatric

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Hospitals, to provide psychiatric inpatient hospital services to Medi-Cal eligible residents and uninsured persons.

FFS hospitals provide psychiatric inpatient hospital services and indigent care services to individuals with SMI at an appropriate level of care. County residents who are Medi-Cal members or indigent persons qualify for these services when they are a danger to themselves or to others or are gravely disabled because of a mental health condition necessitating psychiatric hospitalization.

The FFS hospital indicated in the recommendation has 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 will receive care under the County's Indigent Care Services Program and will be reimbursed by DBH. The hospitals participating in this aggregate contract pool are expected to fund a total of 11,067 bed days annually.

On June 18, 2025 (Item No. 30), the Board of Supervisors (Board) approved Contract No. 25-511 with Community Hospital of San Bernardino, Contract No. 25-512 with Aurora Charter Oak Hospital, and Contract No. 25-513 with Canyon Ridge Hospital, Inc. dba Canyon Ridge Hospital, in the aggregate amount not to exceed \$60,869,390 for FFS psychiatric inpatient hospital services, for the period of July 1, 2025 through June 30, 2030.

On November 4, 2025 (Item No. 12), the Board approved Contract No. 25-857 with Loma Linda University Medical Center for the period of July 1, 2025 through June 30, 2030, and Contract No. 25-858 with View Behavioral Health, LLC for the period of November 4, 2025 through June 30, 2030, in an aggregate amount not to exceed \$60,869,390 for all six FFS Hospital services.

DBH is requesting retroactive approval of this contract with Vista Behavioral Hospital, LLC DBA Pacific Grove Hospital (Vista) to add to the existing pool of FFS Hospital services providers, as DBH was unable to secure a timely signature by July 1, 2025, when the other FFS hospitals contracts began. Services continued without interruption from when the previous contract, Contract No. 20-1243, expired on June 30, 2025, to serve patients regardless of insurance status.

In 2024-25, hospitals under the FFS aggregate program:

- Provided over 11,000 bed days, including Vista's over 2,600 bed days
- Averaged a per bed day cost of \$1,100

Psychiatric inpatient hospital services reflect the highest level of care for individuals experiencing a behavioral health crisis. The cost per bed day includes, but is not limited to, room and board, 24-hour nursing services (may include one-on-one observation, if needed), medical and medication oversight, diagnostic services, therapeutic and rehabilitative services, and crisis and safety interventions. These services are reimbursed at a negotiated bed day rate with each hospital and respective host county. Rates primarily may fluctuate between providers due to varying locations.

This item is being presented as the first available date following the required operational, administrative, and legal reviews for presentation to the Board. Approval at this time will have no impact on DBH services.

**PROCUREMENT**

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The Purchasing Department supports the non-competitive procurement of psychiatric inpatient hospital services in accordance with State mandates. As the County's designated MHP, DBH is required by Title 9 of California Code of Regulations to contract with FFS hospitals meeting criteria specified therein.

**REVIEW BY OTHERS**

This item has been reviewed by Behavioral Health (Diana Barajas, Administrative Supervisor, 388-0862) on December 18, 2025; County Counsel (Dawn Martin, Deputy County Counsel, 387-5455) on December 23, 2025; Purchasing (Jessica Barajas, Supervising Buyer, 387-2065) on January 5, 2026; and County Finance and Administration (Paul Garcia, Administrative Analyst, 386-8392) on January 8, 2026.

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

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: January 27, 2026



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

MBA   02/2/2026