

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

**June 10, 2025**

**FROM**

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

**SUBJECT**

Amendment to Participation Agreement with the California Mental Health Services Authority for the State Hospital Program and Memorandum of Understanding with the California Department of State Hospitals and California Mental Health Services Authority for the Purchase of State Hospital Beds

**RECOMMENDATION(S)**

1. Approve **Amendment No. 1 to Participation Agreement No. 24-306** with the California Mental Health Services Authority (Agreement No. 4634-SHB-2023-SBR), for the State Hospital Program, increasing the total contract amount by \$40,658, from \$112,160 to \$152,818, and extending the term an additional year, for the total contract period of July 1, 2023, through June 30, 2026.
2. Approve **Memorandum of Understanding No. 25-365** with the California Department of State Hospitals and the California Mental Health Services Authority, including nonstandard terms, outlining the services, rates and responsibilities associated with the provision of the State Hospital beds by the California Department of State Hospitals effective July 1, 2025, through June 30, 2027.
3. Authorize the Director of the Department of Behavioral Health, as the County Mental Health Director, to electronically sign and submit Amendment No. 1 to Participation Agreement No. 24-306 and the Memorandum of Understanding, including any subsequent non-substantive amendments to the Memorandum of Understanding, as required by the California Mental Health Services Authority and California Department of State Hospitals, on behalf of the County, subject to review by County Counsel.
4. Direct the Director of the Department of Behavioral Health to transmit Amendment No. 1 to Participation Agreement No. 24-306, the Memorandum of Understanding, and subsequent non-substantive amendments to the Memorandum of Understanding to the Clerk of the Board of Supervisors within 30 days of execution.

(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**

Approval of this item does not impact Discretionary General Funding (Net County Cost). The increase in the California Mental Health Services Authority (CalMHSA) participation agreement of \$40,658 is funded by 1991 Realignment. Adequate appropriation and revenue have been

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included in the Department of Behavioral Health's (DBH) 2024-25 budget and will be included in the 2025-26 recommended Budget.

**BACKGROUND INFORMATION**

DBH is responsible for providing mental health and substance use disorder (SUD) treatment services to county residents who are experiencing severe mental illness and/or SUD. CalMHSA is a Joint Powers Authority (JPA) comprised of California Mental Health Plans that provide administrative and fiscal services for member counties to maximize resources related to coordination of statewide or multi-county projects, such as the statewide Suicide Prevention and Stigma and Discrimination Reduction campaigns. The CalMHSA JPA brings together 50 member counties to act jointly for the development and implementation of behavioral health programs. DBH has been a member of the CalMHSA JPA since November 2008 and has jointly developed and funded mental health services and education programs as determined on a regional and statewide basis.

On April 9, 2024 (Item No.16), the Board of Supervisors approved Participation Agreement No. 24-306 with CalMHSA (Agreement No. 4634-SHB-2023-SBR) (Participation Agreement), for the State Hospital Program and Memorandum of Understanding No. 24-307 with the California Department of State Hospitals (DSH) for the purchase of State Hospital Beds, including nonstandard terms, in the amount of \$112,160, effective July 1, 2023, through June 30, 2025.

Approval of Amendment No. 1 to the Participation Agreement will extend the term by one additional year allowing CalMHSA to continue assisting DBH with locating alternative facilities for psychiatric bed utilization and streamline administration and contracting for the State Hospital Bed Program. CalMHSA will function as the main point of contact and the lead in negotiations of a Memorandum of Understanding (MOU) for terms and rates for psychiatric bed utilization at the State hospitals.

The recommended MOU identifies the services and responsibilities to be shared between DBH and DSH for the procurement of twenty-nine allocated State Hospital beds in order to provide county residents with access to necessary beds across the state.

The MOU specifies the number of and negotiated rates – noted below – for State allocated beds, effective July 1, 2025. The negotiated rates will increase for 2025-26 and for 2026-27; however, there is no financial impact associated with this MOU as its purpose is to establish the services provided and negotiated rates. DBH pays for services only when a DBH client occupies a bed.

<b>Bed Type</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>
Intermediate Care Facility (ICF)	\$765	\$792
Acute Psychiatric Hospital (APH)	\$790	\$818
Skilled Nursing Facility (SNF)	\$847	\$876

The MOU with DSH includes terms that differ from the standard County contract. These non-standard terms include the following:

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1. The County may not terminate the MOU for convenience.
  - County Policy 11-05 requires that the County have the right to terminate the contract, for any reason, with a 30-day written notice of termination without any obligation other than to pay amounts for services rendered and expenses reasonably incurred prior to the effective date of termination.
  - Potential Impact: The County cannot terminate the MOU and there are no provisions regarding any potential breach of the MOU and, therefore, the County may be obligated to the terms of the MOU without any recourse.
2. There is a mutual indemnification whereby each party is required to defend, indemnify, and hold the other party harmless from and against any and all liability, loss, expense, attorneys' fees, or claims for injury or damages arising out of the performance of the MOU but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of the other party.
  - The County standard contract does not include any indemnification or defense by the County of a contractor.
  - Potential Impact: By agreeing to indemnify CalMHSA, the County could be contractually waiving the protection of sovereign immunity.
3. There is no stated venue in the MOU.
  - County Policy 11-05 requires venue for disputes in Superior Court of California, County of San Bernardino, San Bernardino District.
  - Potential Impact: Having no express venue in the Agreement means that venue in any other County within California could be applied to disputes arising under this Agreement, which may result in additional expenses that exceed the amount of the MOU.
4. The MOU does not require DSH and/or CalMHSA to meet the County's insurance standards as required pursuant to County Policy 11-07.
  - The County Policy requires contractors to carry appropriate insurance at limits and under conditions determined by the County's Risk Management Department and set forth in the County standard contract.
  - Potential Impact: The MOU does not include County standard insurance requirements. This means that the County has no assurance that DSH and/or CalMHSA will be financially responsible for claims that may arise under the MOU, which could result in expenses to the County that exceed the amount of the MOU.

DBH recommends approval of the MOU and Amendment No. 1 to the Participation Agreement, including the non-standard terms, as it will allow DBH to continue providing access to services for State Hospital beds as well as CalMHSA to represent DBH in the MOU negotiations.

**PROCUREMENT**

N/A

**REVIEW BY OTHERS**

This item has been reviewed by Behavioral Health Contracts (Lisa Rivas-Ordaz, Contracts Supervisor, 383-3940) on April 10, 2025; County Counsel (Dawn Martin, Deputy County

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Counsel, 387-5455) on May 14, 2025; Risk Management (Greg Ustaszewski, Staff Analyst II, 386-9008) on May 16, 2025; Finance (Paul Garcia, Administrative Analyst, 386-8392) on May 22, 2025; and County Finance and Administration (Cheryl Adams, Deputy Executive Officer, 388-0332) on May 22, 2025.

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Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

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

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: June 10, 2025



cc: DBH - McPheeters w/agree for sign  
Contractor - DBH w/agree  
File - w/agree  
MBA 06/17/2025