

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

November 4, 2025

FROM

GEORGINA YOSHIOKA, Director, Department of Behavioral Health

SUBJECT

Participation Agreement with the California Mental Health Services Authority for Psychiatric Inpatient Concurrent Review

RECOMMENDATION(S)

1. Approve Participation **Agreement No. 25-856** with the California Mental Health Services Authority (Agreement No. 12730-SBR-PICR-25_26), including non-standard terms, for Psychiatric Inpatient Concurrent Review, in an amount not to exceed \$2,401,392 for the contract period of July 1, 2025, through June 30, 2026.
2. Authorize the Director of the Department of Behavioral Health to sign and submit the Participation Agreement, including any subsequent non-substantive amendments, as required by the California Mental Health Services Authority, on behalf of the County, subject to review by County Counsel.
3. Direct the Director of the Department of Behavioral Health to transmit the Participation Agreement, including any subsequent non-substantive amendments, 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

Operate in a Fiscally-Responsible and Business-Like Manner.

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

FINANCIAL IMPACT

This item does not impact Discretionary General Funding (Net County Cost). The Participation Agreement (PA) will be funded by 1991 and 2011 Realignment, and Federal Financial Participation Medi-Cal funds. Adequate appropriation and revenue have been included in the Department of Behavioral Health's (DBH) 2025-26 budget.

BACKGROUND INFORMATION

DBH is responsible for providing mental health and substance use disorder (SUD) services to San Bernardino County (County) residents experiencing severe mental illness and/or SUD. The California Mental Health Services Authority (CalMHSA) is a Joint Powers Authority (JPA), comprised of the City of San Bernardino and County mental health plans, that provides administrative and fiscal services for member cities and counties to maximize resources for the most efficient use of purchasing products, develop requests for proposals, and coordinate implementation of statewide or multicounty projects. DBH has been a member of the JPA since November 2008.

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CalMHSA offers member counties the ability to enter into a PA for a technology assisted Inpatient Concurrent Review (ICR) process, a web-enabled review platform to carry out psychiatric ICR and authorization services. ICR allows hospitals to receive timely feedback and update subsequent documentation to meet Medi-Cal standards while patients are receiving inpatient care. This increases the likelihood of approval for services reimbursed to contractors. Additionally, inpatient authorization regulations allow hospitals to be retroactively reimbursed for bed days provided in prior budget years in circumstances including hospitalizations that cross budget years, appealed bed days, and resubmitted documentation to correct administrative errors.

DBH is required to manage authorizations for inpatient acute psychiatric hospital services. Following the previous ICR services CalMHSA provided in partnership with DBH, CalMHSA entered into a service contract with Acentra Health (Acentra) to provide a technology assisted ICR process and clinical services that allow for a consistent and efficient review process across participating counties. The PA with CalMHSA for the continued utilization of Acentra will allow DBH to meet ICR timeframes for completing initial and additional authorization requests for extended hospital stays within 24 hours. The ICR approach supports mental health plan compliance with the California Department of Health Care Services (DHCS) Behavioral Health Information Notice (BHIN) 19-026, or any subsequent BHIN, and the Parity in Mental Health and Substance Use Disorder Services Final Rule (Title 42 CFR, part 438.910) and BHIN 22-017, Concurrent Review Standards for Psychiatric Inpatient Hospital and Psychiatric Health Facility Services.

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

1. The County must provide a six months' notice to terminate the PA 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 can terminate the PA but may still be obligated to the terms of the PA 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 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 PA means that venue in any other County within California could be applied to disputes arising under this PA, which may result in additional expenses that exceed the amount of the MOU.

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4. The PA 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 PA 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 PA.

This item is being presented at this time, as this is the first Board date available following completion of the necessary program, fiscal, administrative, and legal reviews of the PA provided by CalMHSA. CalMHSA recognizes that the PA is typically sent late in the budget year, making it difficult, especially for larger counties, to obtain Board approval before the end of June. As a result, CalMHSA continues to provide concurrent review services through Acentra, understanding that DBH expects the PA to be executed before the end of the calendar year. While retroactive approval will not impact departmental operations, timely approval of the agreement is necessary to avoid interruptions in service delivery, maintain compliance with state and federal regulations, and ensure the continued provision of timely and equitable behavioral health services for county residents.

DBH will also implement mechanisms to regularly review 1) the concurrent review platform used to authorize inpatient acute psychiatric hospitalizations, including site visits and annual monitoring, ensuring performance and compliance standards of the PA are met; 2) documentation pertaining to approval/denial of psychiatric inpatient hospital services are transmitted to the appropriate entities for authorization and reimbursement; 3) provider invoices administratively and programmatically to ensure accuracy prior to payment processing.

DBH recommends the approval of the PA, including non-standard terms, to continue to utilize the ICR process for quality control measures, ensuring psychiatric inpatient client stays meet the DHCS requirements of a 24-hour turnaround. The ICR process is essential for authorizing the necessity of the services provided to increase the likelihood of the reimbursement of services rendered.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by Behavioral Health (Marianna Martinez, Administrative Supervisor II, 383-3940) on October 14, 2025; County Counsel (Dawn Martin, Deputy County Counsel, 387-5455) on October 9, 2025; Risk Management (Stephanie Pacheco, Staff Analyst II, 386-9039) on October 17, 2025; and County Finance and Administration (Paul Garcia, Administrative Analyst, 386-8392) on October 20, 2025.

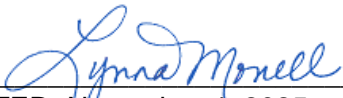
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Record of Action of the Board of Supervisors
San Bernardino County

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: November 4, 2025



cc: DBH - Hibbard-Miller w/agree for sign
Contractor - c/o DBH w/agree
File - w/agree
MBA 11/5/2025