



County of Monterey

Item No.38

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: A 25-362

September 16, 2025

Introduced: 8/18/2025

Current Status: Health Department -
Consent

Version: 1

Matter Type: BoS Agreement

- a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Crestwood Behavioral Health, Inc. for the provision of mental health services adults with severe psychiatric disabilities for a maximum County obligation of \$2,365,565 for the term of July 1, 2025 through June 30, 2026; and
- b. Approve the Director of Health Services recommendation to accept non-standard contract indemnification and insurance provisions within the agreement; and
- c. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% (\$236,556) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over \$2,602,121.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:

- a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and Crestwood Behavioral Health, Inc. for the provision of mental health services adults with severe psychiatric disabilities for a maximum County obligation of \$2,365,565 for the term of July 1, 2025 through June 30, 2026; and
- b. Approve the Director of Health Services recommendation to accept non-standard contract indemnification and insurance provisions within the agreement; and
- c. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% (\$236,556) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over \$2,602,121.

SUMMARY/DISCUSSION

Crestwood Behavioral Health, Inc. has provided mental health services for approximately 18 years and for 30 years prior under the previous corporate umbrella of Crestwood Hospitals. Crestwood has eighteen (18) facilities ranging in size from twelve (12) to nearly 200 beds, three (3) of which are covered under the terms of this agreement. Crestwood's programs provide recovery oriented psychiatric services to adults, older adults, and transition-aged youth with severe and persistent mental health illness, and their treatment services are individualized to meet the specific needs of each client to assist clients to live independently and develop new skills.

The County has contracted with Crestwood Behavioral Health, Inc. for mental health services to Monterey County adult residents with severe psychiatric disabilities in these varying facilities for the

periods of Fiscal Years (FY) 2012-2025. This Agreement with Crestwood Behavioral Health, Inc. is for one (1) fiscal year term from July 1, 2025 to June 30, 2026, which renews and updates Agreement A-16993 ending in June 30, 2025. This agreement renews the same contract provisions but with an increase in the number of beds contracted for, from twenty (20) to twenty-seven (27) based on historical usage.

Due to late and ongoing contract negotiations, with the direction for an effective date of July 1, 2025, the agreement took additional time to review and agendize, which by necessity makes the agreement retroactive when presented to your board.

Approval of this Agreement will provide the necessary resources and bed placements available for clients to live in the least restrictive community setting as possible. The Agreement also complies with the requirements of the Welfare and Institutions Code Section 5600 (Bronzan-McCorquodale Act). This Agreement contains the County's standard 30-day "no cause" provision (Section V, B) and an additional defunding provision (Section V, D), which provides the County the ability to amend or terminate the Agreement in the event of a reduction and/or termination of funding.

This work supports the following County of Monterey Health Department 2025-2028 Strategic Plan Goal(s): 3) Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports one of the ten essential public health services, specifically: 7) Link people to needed personal health services and assure the provisions of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to form and fiscal provisions, respectively.

FINANCING:

This Agreement is funded by 1991 Realignment funding. The funds for this Agreement are included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year 2025-26 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:

- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:

- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst II, 279-4740

Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:

Board Report

Agreement