



# County of Monterey

Item No.10

## Board Report

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

Legistar File Number: A 25-316

August 12, 2025

Introduced: 7/21/2025

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 Mental Health Services Agreement between the County of Monterey and the Community Hospital of the Monterey Peninsula for acute inpatient psychiatric Medi-Cal services and acute crisis stabilization unit (CSU) services, for a maximum County obligation of \$3,045,124 for the FY 2025-26, with a retroactive term of July 1, 2025 through June 30, 2026; and
- b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% (\$304,512) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over \$3,349,636.

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Director of Health Services or designee to execute a Mental Health Services Agreement between the County of Monterey and the Community Hospital of the Monterey Peninsula for acute inpatient psychiatric Medi-Cal services and acute crisis stabilization unit (CSU) services, for a maximum County obligation of \$3,045,124 for the FY 2025-26, with a retroactive term of July 1, 2025 through June 30, 2026; and
- b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% (\$304,512) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over \$3,349,636.

### SUMMARY/DISCUSSION

The County contracted with the Community Hospital of the Monterey Peninsula for acute inpatient Medi-Cal services for the periods of FY 2006-2025 and for the CSU services for periods of FY 2023-2025.

This Agreement with the Community Hospital of the Monterey Peninsula is for one (1) fiscal year term from July 1, 2025 to June 30, 2026, which renews and updates Agreement A-16991 ending June 30, 2025. This Agreement renews inpatient and day treatment psychiatric services and crisis stabilization unit (CSU) services on the Monterey Peninsula by contracting the Community Hospital of the Monterey Peninsula to provide services to clients reimbursed under Medi-Cal for the next fiscal year.

This Agreement provides \$1,312.22 per day per client based on a negotiated rate in consideration of the Medi-Cal Hospital Services Regional Average Negotiated Rates for Acute Inpatient-Psychiatric Services; \$472.40 per day per client for Hospital Inpatient Administrative

Day Services based on the most recent County Interim Rate set by the State until the County maximum reimbursement rate schedule is established; and \$255 per client per hour for the CSU services.

Due to late and ongoing contract negotiations, with 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 the Board.

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 and Medi-Cal. The funds for this Agreement for FY 2025-26 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, 279-4740

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

Attachment:

Board Report

Agreement