



County of Monterey

Item No.

Board Report

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

Legistar File Number: A 26-192

June 09, 2026

Introduced: 5/18/2026

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Approve and authorize the Director of Health Services or designee to execute a Mental Health Service Agreement with Community Hospital of the Monterey Peninsula for acute inpatient psychiatric Medi-Cal services and acute Crisis Stabilization Unit (CSU) services, for a total agreement amount of \$3,136,477 for the term of July 1, 2026 through June 30, 2027; and
- b. Approve and authorize the Director of Health Services or designee to execute up to three future amendments that do not exceed 10% (\$313,647) of the original agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over \$3,450,124.

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 Mental Health Service Agreement with Community Hospital of the Monterey Peninsula for acute inpatient psychiatric Medi-Cal services and acute Crisis Stabilization Unit (CSU) services, for a total agreement amount of \$3,136,477 for the term of July 1, 2026 through June 30, 2027; and
- b. Approve and authorize the Director of Health Services or designee to execute up to three future amendments that do not exceed 10% (\$313,647) of the original agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over \$3,450,124.

SUMMARY:

The County of Monterey Health Department, Behavioral Health Bureau, requests approval of an Agreement with Community Hospital of the Monterey Peninsula for acute inpatient Medi-Cal and acute Crisis Stabilization Unit services.

DISCUSSION:

Community Hospital of the Monterey Peninsula provides inpatient and day treatment psychiatric services and Crisis Stabilization Unit (CSU) services to clients reimbursed under Medi-Cal. The goal of the inpatient unit is to treat and stabilize patients who meet Medical Necessity Criteria for specialty inpatient mental health services to enable all clients to function at an optimum level within the community. The goal of the CSU is to treat and stabilize patients seen at the Emergency Department, who are likely to reconstitute and be appropriate for discharge within 24 hours, in a more therapeutic location to support medication adjustments and psychiatric support services outside of the Emergency Department.

This Agreement provides \$1,351.58 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; \$486.58 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 \$262.65 per client per hour for the CSU services.

This Agreement contains the County’s standard 30-day “no cause” provision (Section IV, B) and an additional defunding provision (Section IV, 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): 2. Provide Exceptional Person-Centered Care through Accessible, Community-Focused 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 legal form and fiscal provisions, respectively.

FINANCING:

This Agreement is funded by 1991 Realignment funding and Medi-Cal. The funds for this Agreement are included in the Health Department’s Behavioral Health (Fund 1310, Department 400005) Fiscal Year 2026-27 Requested Budget.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:

This agreement will ensure access to culturally and linguistically appropriate, customer-friendly, quality health services, will link people to needed personal health services, and will assure the provision of healthcare when otherwise unavailable. This agreement aligns with the Board of Supervisors Strategic Plan Goal of well-being and quality of life.

Mark a check next to the related Board of Supervisors Strategic Plan Goals:

- Well-Being and Quality of Life
- Sustainable Infrastructure for the Present and Future
- Safe and Resilient Communities
- Diverse and Thriving Economy
- Dynamic Organization and Employer of Choice

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

Attachments:

Board Report

Agreement