



County of Santa Cruz Board of Supervisors

Agenda Item Submittal

From: Health Services Agency

Subject: Amendment to Expenditure Agreement with Montecito Manor

Meeting Date: January 14, 2025

Formal Title: Approve amendment to agreement with Montecito Manor to include additional rates to provide needed care for clients of the Santa Cruz County Behavioral Health system, and take related actions

Recommended Actions

Approve Amendment No. 3 to an expenditure rate agreement with Montecito Manor, Contract No. 25H0175, to include additional rates to provide needed care for clients of the Santa Cruz County Behavioral Health system and authorize the Health Services Agency Director or designee to sign.

Executive Summary

The Health Services Agency (HSA) currently contracts for 40 beds at Montecito Manor (Montecito) for residential care for elderly clients. As these clients can have complex medical needs associated with aging, this amendment allows for two patch rates to be added to the agreement ensuring that client needs can be met while in the care of Montecito, including special diet and transfer assistance services.

Discussion

Montecito is a long-time, local Santa Cruz County provider who serves clients of Adult Behavioral Health Services with complex psychiatric and medical conditions, whose care needs are beyond the regular Board and Care facilities in the community. On April 14, 2020, the Board approved a new dedicated agreement with Montecito for elderly residential care with an end date of June 30, 2022. On November 16, 2021, the Board approved Amendment No. 1 to the original agreement, which introduced an additional rate for clients who require enhanced incontinence care and extended the term of the original agreement through June 30, 2024. On September 19, 2023, the Board approved Amendment No. 2 to the agreement, which increased the Board and Care rate and extended the term of the original agreement through June 30, 2025.

Amendment No. 3 introduces two additional services along with their corresponding rates which will enable Montecito to accommodate elderly clients with increasingly complex needs. The first is for the facility to accommodate Special Dietary needs. The second is to allow for a second facility staff member to be present, ensuring safety, to assist in moving clients from one place to another, such as moving from bed to the restroom for showering.

These new rates are only allowed to be charged if approved by HSA Behavioral Health Division (BHD) Managers in writing.

The proposed amendment of the agreement with Montecito Manor allows for continued oversight and comprehensive residential board and care of the community's aging population with complex psychiatric and medical conditions and ensures such vital services are available in the network.

Financial Impact

Amendment No. 3 to Contract No. 25H0175 with Montecito Manor adds new rates which, at the current rate of usage, project a monthly cost increase of \$1,100. Sufficient appropriations are included in HSA BHD's FY 2024-25 Approved Budget under account 363149/74065. The funding for this agreement includes Federal Medi-Cal and 1991 Realignment funds. No new County General Funds are needed nor requested.

Strategic Initiatives

Operational Plan - Comprehensive Health & Safety

Submitted By:

Monica Morales

Recommended By:

Carlos J. Palacios, County Administrative Officer

Artificial Intelligence Acknowledgment:

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.