



## **County of Santa Cruz Board of Supervisors**

### **Agenda Item Submittal**

**From:** Health Services Agency

**Subject:** New Expenditure Agreement with Los Gatos Therapy Center

**Meeting Date:** January 14, 2025

**Formal Title:** Approve agreement with Los Gatos Therapy Center in the amount of \$700,000, for psychological evaluations, and residential and specialized outpatient treatment of mental health and eating disorders, adding a facility as a subcontractor with additional services and rates, and take related actions

### **Recommended Actions**

Approve a new expenditure rate agreement with Los Gatos Therapy Center, Los Gatos Treatment Center Group (LGTC Group), Contract No. 25H0367, for provision of psychological evaluations, therapy, and residential and specialized outpatient treatment of mental health and eating disorders, adding a facility, Coastal Turning Point, as subcontractor with additional services and rates, to supersede existing agreements with LGTC Group, Contract No. 25H0292, and Coastal Turning Point, Contracts Nos. 25H0313 and 25H0315, and authorize the Health Services Agency Director or designee to sign.

### **Executive Summary**

The Health Services Agency (HSA) requests Board approval of a new expenditure rate agreement with LGTC Group, which adds a facility, Coastal Turning Point, as subcontractor, with additional services and rates, for the provision of specialized Eating Disorder Residential Treatment Center (RTC), Partial Hospitalization Program (PHP), and Intensive Outpatient Program (IOP), intensive Mental Health PHP and IOP treatment, and Psychological Evaluation and Neuropsychological Testing services to be delivered to youth and adult clients requiring this level of intervention and assessment. The proposed agreement will supersede existing agreements with LGTC Group and Coastal Turning Point.

### **Discussion**

HSA Behavioral Health Division (BHD) maintains agreements with LGTC Group and Coastal Turning Point for specialized, intensive mental health services for youth and adults. BHD was notified that Coastal Turning Point has entered into an agreement with LGTC Group for management of its services and accounts receivables. The proposed new agreement with LGTC Group will continue its current services, and also expand services to include those provided by Coastal Turning Point, as its subcontractor. LGTC Group will manage services rendered by Coastal Turning Point and all its invoice and billing services. This new agreement will supersede the existing agreements with both parties that currently exist, Contract Nos. 25H0292, 25H0313, and 25H0315. All services listed on these agreements will now be a part of the proposed new agreement with LGTC Group, Contract No. 25H0367.

This new agreement includes new rates to accommodate both facilities and is set to take effect on July 1, 2024. With Board approval, any services rendered from July 1, 2024 to present will be reimbursed to accommodate the new rates.

Establishing the existing agreements was part of programmatic efforts to expand the number of contractors available to provide specialized, intensive mental health services

for youth and adults. Treatment programs will include assessment, treatment and discharge planning, individual and group therapy based on evidence-based psychological practices, medication management, and for Eating Disorder Treatment programs, nutritional counseling and support. Psychological evaluation and neuropsychological testing will use comprehensive assessment batteries to address the referral question and will generate an assessment report with treatment recommendations.

With the expansion of available contractors, clients in need will be able to access services in a timely fashion and have more treatment options available. For example, HSA has contracted with one local Eating Disorder Treatment provider for PHP and IOP services. In recent years, the number of clients requiring this level of care has increased. This has resulted in some clients waiting to be seen for initial assessments, thereby extending the time between identification of the need and access to care. The new expenditure agreement with LGTC Group will allow the County to continue services with both facilities and maintain the original goal to expand capacity within BHD's system of care and create more options for timely access to care.

Additionally, the request is part of an effort to fill gaps in the current service delivery system to decrease utilization of, and provide alternatives to, Crisis Services. For example, adding Eating Disorder PHP and IOP services available for youth with escalating needs can act as a diversion to out-of-county services, resulting in decreased costs and the provision of care locally and with family involvement.

The expansion of the County Behavioral Health network of Behavioral Health specialty care providers allows for more timely access to the appropriate level-of-care for beneficiaries.

### **Financial Impact**

This expenditure rate agreement with LGTC Group, Contract No. 25H0367, is budgeted under accounts 363149/62367/H48008, 363140/62367, and 363301/62367 with spending projected to be in the amount of \$700,000 in Fiscal Year (FY) 2024-25. Sufficient appropriations exist in HSA BHD's FY 2024-25 Approved Budget. The agreement is funded by Mental Health Services Act - Community Services and Supports funds. No County General Funds are needed nor requested.

### **Strategic Initiatives**

Operational Plan - Comprehensive Health & Safety

**Submitted By:**  
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**Recommended By:**  
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**Artificial Intelligence Acknowledgment:**  
Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.