



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: June 7, 2022

Subject: Amendment #24-794-6(13) with BHC Heritage Oaks Hospital, Inc.

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Contract Amendment Agreement #24-794-6(13) with BHC Heritage Oaks Hospital, Inc., a non-profit corporation, effective February 1, 2022, to amend Novation Contract #24-794-6(12) to increase the payment limit by \$125,000 from \$150,000 to a new payment limit of \$275,000, with no change in the term of July 1, 2021 through June 30, 2022, and to increase the automatic extension payment limit by \$62,500 from \$75,000 to a new payment limit of \$137,500 through December 31, 2022.

**FISCAL IMPACT:**

Approval of this amendment will result in additional expenditures of up to \$125,000 and will be funded 100% by Mental Health Realignment funds. (No rate increase)

**BACKGROUND:**

The Behavioral Health Services Department has been contracting with BHC Heritage Oaks Hospital, Inc. since November 2006. This contract meets the social needs of the County's population by providing inpatient psychiatric hospital services to County-referred adults and adolescents.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY  
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **06/07/2022** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: John Gioia, District I Supervisor  
Candace Andersen, District II Supervisor  
Diane Burgis, District III Supervisor  
Karen Mitchoff, District IV Supervisor  
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: June 7, 2022

Monica Nino, County Administrator and Clerk of the Board of Supervisors

Contact: Suzanne Tavano, Ph.D.,  
925-957-5212

By: Antonia Welty, Deputy

In March 2021, the County Administrator approved and the Purchasing Services Manager executed Novation Contract #24-794-6(12) with BHC Heritage Oaks Hospital, Inc., in an amount not to exceed \$150,000 for the provision of inpatient residential treatment services for the period from July 1, 2021 through June 30, 2022 including an automatic extension in an amount not to exceed \$75,000 through December 31, 2022.

At the time of negotiations, the payment limit was based on target levels of utilization. However, the utilization and service units during the term of the contract were higher than originally anticipated.

Approval of Amendment Agreement #24-794-6(13) will compensate the contractor for the additional services rendered in good faith since February 1, 2022, as well as allow the contractor to provide additional inpatient psychiatric services through June

BACKGROUND: (CONT'D)

30, 2022.

CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved, the County's mental health clients will not benefit from the inpatient psychiatric services provided at this contractor's facility, and will result in decreased availability of inpatient psychiatric care for patients experiencing severe and persistent mental illness.

CHILDREN'S IMPACT STATEMENT:

This program supports the following Board of Supervisors' community outcome: "Communities that are Safe and Provide a High Quality of Life for Children and Families". Expected program outcomes include a decrease in the need for inpatient care and placement at a lower level of care.