



HEALTH SERVICES AGENCY  
ADMINISTRATION

# COUNTY OF SANTA CRUZ<sup>0145</sup>

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## HEALTH SERVICES AGENCY

P.O. BOX 962, 1080 EMELINE AVENUE  
SANTA CRUZ, CA 95061

(408) 454-4066 FAX: (408) 454-4770  
TDD: (408) 454-4123

November 6, 2000

AGENDA: November 21, 2000

### BOARD OF SUPERVISORS

County of Santa Cruz  
701 Ocean Street  
Santa Cruz, CA. 95060

SUBJECT: Approval of Mental Health Contract Amendment with Palomares, Inc.

Dear Members of the Board:

In August of 1999, your Board approved a contract with Palomares, Inc. to provide a 12-bed Mental Health/Substance Abuse Dual Diagnosis Day Treatment program for probation wards. Since that time, this program has been operating, and is reimbursed by Medi-Cal, as a Rehabilitative Day Treatment program. It has been successful in providing increased treatment services to Santa Cruz County probation wards with both mental health and substance abuse diagnoses.

The interagency group monitoring the Palomares program (which includes representatives from Mental Health and Substance Abuse, Probation, and the County Office of Education) has identified the need for increased intensity in treatment services to this population. Ideally, this would include additional staff resources to provide one to one staff/client monitoring, crisis intervention services, increased social/recreational outings and more effective links to local work experience.

Palomares has determined that it can now provide required matching funds to draw down additional EPSDT Medi-Cal dollars needed to expand services, enrich the program and enable it to change from a Rehabilitative Day Treatment program to an Intensive Day Treatment program which has a significantly higher reimbursement rate. In order to make this change in program, it is necessary to increase the current agreement by \$153,149 for a new contract maximum of \$434,249. This increase will be entirely funded by increased Medi-Cal revenues and Contractor matching funds.

Sufficient funds exist within the 2000/01 Mental Health budget to fund this contract increase and no additional County funds are needed nor requested.

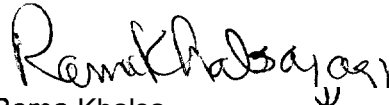
Additionally, Palomares, Inc. is now doing business as the legal entity Unity Care, Inc. The attached contract amendment also reflects this change.

It is, therefore, RECOMMENDED that your Board:

0146

1. Approve the attached amendment to the 2000-01 agreement with Palomares, Inc., County Contract No. 1898-01 (Budget Index 363113, Subobject 3665), effective October 1, 2000 changing its name to Unity Care, Inc. and increasing the contract by \$153,149 for a new maximum of \$434,249 in order to change from a Rehabilitative to an Intensive Day Treatment program, and authorize the Health Services Agency Administrator to sign.

Respectfully submitted,



Rama Khalsa  
Health Services Agency Administrator

RK:ap  
Attachments

RECOMMENDED



Susan Mauriello  
County Administrative Officer

cc: County Administrative Office  
Auditor-Controller  
County Counsel  
HSA Administration  
Mental Health & Substance Abuse Services

COUNTY OF SANTA CRUZ  
REQUEST FOR APPROVAL OF AGREEMENT

0147

TO: Board of Supervisors  
County Administrative Officer  
County Counsel  
Auditor-Controller

FROM: HEALTH SERVICES (Mental Health) (Dept.)  
Ramakrishna (Signature) 11/07/00 (Date)

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of the same.

1. Said agreement is between the County of Santa Cruz (Community Mental Health) (Agency)  
and, Unity Care Inc., 6116 Camino Verde, Suite 12, San Jose, CA 95119 (Name & Address)
2. The agreement will provide a Dual Diagnosis Day Treatment program for adolescents with dual diagnosis or emotional disturbances and substance abuse problems.
3. The agreement is needed to amend the existing agreement.
4. Period of the agreement is from July 1, 2000 to june 30, 2001
5. Anticipated cost is \$ 434,249 through June 30, 2001 (Fixed amount; Monthly rate, Not to exceed)
6. Remarks: Auditor: Encumber an additional \$153,149 for #1898-01 for a new total contract maximum of \$434,249.
7. Appropriations are budgeted in 363113 (Index#) 3665 (Subobject)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACH COMPLETED FORM AUD-74

Appropriations are available and have been encumbered. Contract No. C001898-01 Date 11/9/00  
This change exceed 10%, s/b Sec. III By Gary A. Knutson Deputy.  
GARY A. KNUTSON, Auditor - Controller

Proposal reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize the Health Services Administration to execute the same on behalf of the

HEALTH SERVICES

(Agency).

Remarks:

GA (Analyst)

County Administrative Officer  
By Gh S Date 11/09/00

Agreement approved as to form. Date \_\_\_\_\_

Distribution:

Bd. of Supv. - White  
Auditor-Controller - Blue  
County Counsel - Green \*  
Co. Admin. Officer - Canary  
Auditor-Controller - Pink  
Originating Dept. - Goldenrod

\*To Orig. Dept. if rejected.

ADM - 29 (6/95)

State of California )  
County of Santa Cruz ) ss

I \_\_\_\_\_ ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz,  
State of California, do hereby certify that the foregoing request for approval of agreement was approved by  
said Board of Supervisors as recommended by the County Administrative Officer by an order duly entered  
in the minutes of said Board on \_\_\_\_\_

By \_\_\_\_\_ County Administrative Officer  
Deputy Clerk

24

Index No.: 363113  
 Subobject No.: 3665  
 Contract No. CO01898-01

### **Dual Diagnosis Day Treatment Program**

Palomares, Inc.  
 Amendment to 2000-01 Agreement

The parties hereto agree to amend that certain agreement dated July 1, 2000, County Contract No. 1898-01, by changes as follows:

#### **1. Cover Sheet**

Change Palomares, Inc. to Unity Care Inc., and increase contract by an additional \$153,149 for a new total contract maximum of \$434,249.

#### **2. Exhibit C, Scope of Service and Budget**

Delete existing Exhibit C and replace with new attached Exhibit C, Scope of Service and Budget.

All other provisions, excepting those mentioned above, shall remain the same.

Dated: October 5, 2000

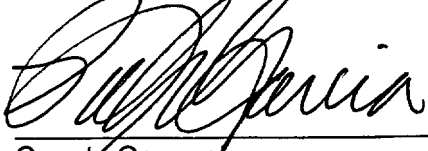
COUNTY OF SANTA CRUZ

CONTRACTOR

By \_\_\_\_\_  
 Rama Khalsa  
 Health Services Administrator

By \_\_\_\_\_  
 Andre Chapman  
 Executive Director  
 6116 Camino Verde, Suite 12  
 San Jose, CA 95119

APPROVED AS TO FORM

  
 \_\_\_\_\_  
 County Counsel

**Exhibit C - Scope of Service and Budget**

Unity Care, Inc.

Provider: Unity Care, Inc.  
Provider Nos.: **44BC**  
Provider Telephone: (831) 464-8161  
Programs: **Dual Diagnosis Day Treatment**  
Program Address: 810 Calabassas Rd. Watsonville CA 95076 (Program)  
Program Telephone: (831) 768-9040

**1.0 PROGRAM INTENT**

**1.1 Primary Task:** Unity Care Dual Diagnosis Intensive Day Treatment program is designed to address the treatment needs of adolescents with dual diagnosis of emotional disturbances and substance abuse problems. Unity Care coordinates with the County's Children's Mental Health Services, County Alcohol and Drug Program, schools, Probation, law enforcement, and families of these youths.

A system's goal for the dual diagnosis program, like the Children's System of Care mission, is preparing youth in intensive levels of care to be successfully re-united with their families. A primary purpose is to shorten placement stays in residential care when appropriate, working closely with families, Probation, the Alcohol and Drug Program, and Mental Health to facilitate family reunification in a timely manner. More specifically, the program's intent is to promote rehabilitation and recovery by providing an array of medically necessary services which are individually tailored to meet the needs of emotionally and behaviorally disturbed adolescents who also have substance abuse problems-and to serve them locally within Santa Cruz County.

The Unity Care program provides an intensive day treatment program with a dual diagnosis focus, with specific and specialized emphasis on addressing the cultural needs of **Latino** youth and families through the provision of culturally competent programming and **staffing**. Services include assessment, collateral, individual, group, crisis, psycho-educational and therapeutic recreation services packaged in a single intensive day treatment rate. Additional mental health rehabilitation services may be provided and billed before and after day treatment program hours where appropriate to meet the needs of these high risk youth and their families. The program also will work with clients to ensure involvement in 12-step, self-help recovery meetings.

Youth enrolled in the program have access to other services including the educational program operated by the County Office of Education. In addition; support services from Mental Health will be accessed when appropriate (medication management, crisis/hospital evaluation, intensive family support). This comprehensive treatment approach helps to ensure the ongoing success of each client in achieving treatment goals and objectives. Treatment plans are personalized according to the particular needs of individual clients and are reflective of culture, gender, age, and level of risk.

## 1.2 Description of Services:

a. Day Treatment: Unity Care provides a Full-Day Intensive Day Treatment program under the Rehabilitation Option to mental health and dual diagnosis clients. Specialized, focused substance abuse treatment and education is provided in a culturally competent manner.

Coordinators: County Mental Health Children's staff and/or County Alcohol and Drug Program staff will serve as Coordinators for System of Care court wards placed at Unity Care (similar to the role played by Redwoods Aftercare staff for the Redwoods Day Treatment Program). The Coordinators role will be to open clients to Coordinated Care (if not already open) and ensure that all applicable documentation is completed. Unity Care staff will operate as Service Providers working with the Coordinator to ensure that Service Plans and other documentation as required are completed in a timely manner.

Referrals to Unity Care will come from the inter-agency Probation Placement Screening Committee staffed by Probation, the Alcohol and Drug Program, and Mental Health. On rare occasions, with Probation's consent, an ~~adolescent~~ court dependent may be placed at Unity Care if clinically appropriate. Unity Care will coordinate closely with this committee at entry to, and exit from, their program with particular attention being paid to fostering smooth transitions between placement in other out-of-county group homes, Redwoods, the GROW and PARK family preservation programs. When a Unity Care client is hospitalized or incarcerated, the Coordinator or Unity Care clinical representative will visit the individual or participate in the staffing the next working day, if appropriate. If the client continues to be hospitalized or incarcerated, the Coordinator or Unity Care staff will participate in staffings to insure good discharge planning.

Unity Care will work closely with Probation, the Alcohol and Drug Program, and Mental Health to ensure that all clients will have placement Medi-Cal in place before entry into the Intensive Day Treatment program. An allowance will be made for no more than one Day Treatment slot at a time for the following occurrences:

- 1) Placement of an "undocumented" client who is ineligible for Medi-Cal; or
- 2) Placement of a non-Santa Cruz County child after all efforts have been made to identify an appropriate Santa Cruz County court ward (to be negotiated case by case, within a 10% annual vacancy rate). In such instances, every effort shall be made by Unity Care, Probation, and Mental Health to secure from the other county's Mental Health Plan permission to bill Medi-Cal for Intensive Day Treatment services. In addition, Unity Care shall work closely with the other county's Probation department to transition the non-Santa Cruz County ward home again when clinically ~~appropriate~~—to avoid any unnecessary longer lengths of stay by non-Santa Cruz County clients.
- 3) If there are not enough Santa Cruz County wards for Unity Care placement, and **if** another county's Mental Health Plan agrees to full Medi-Cal authorization, by mutual consent between Probation, the Alcohol and Drug Program, Mental Health and Unity Care more than one ~~non-~~ Santa Cruz County ward may be placed. Priority will be given to geographically adjacent counties.

A range of services are provided to assist the adolescent client to gain the social and functional skills necessary for appropriate development and social integration-again, with an emphasis on substance abuse issues and culturally competent staffing, activities and strategies. Interventions are intended to promote recovery from alcohol and drug abuse, prevent hospitalization, longer term

residential care, locked care, and out-of-state placement. A key component of these services is close contact and coordination with families. In addition, Therapeutic Behavioral Services (TBS) may be provided per State Department of Mental Health protocol, with prior approval by County Mental Health.

b. Program design includes the following:

- 1) Length of stay: Average 9 months, range 6-15 months.
- 2) Youth Served: 12 Santa Cruz County male youth at a time; estimate 12-18 annually.

c. Unity Care management will meet monthly with the Children's Mental Health, and Alcohol and Drug Program management teams to insure coordination and evaluation of services with the Children's System of Care and evaluation requirements. Additional meetings shall include participation on Quality Assurance committees, Inter-Agency meetings involving Probation, the County Alcohol and Drug Program, the Alcohol and Drug Abuse Commission, and other concerned parties in the community as needed. The "systems intent" is to integrate Unity Care into the larger Inter-Agency System of Care for high risk youth.

**d. In addition to the services described above, CONTRACTOR service provision shall include, but not be limited to, some or all of the following Medi-Cal Administrative Activities related to indirect patient care (as referenced in the COUNTY'S Mental Health MAA Plan: intake/Benefit Assistance (715), Medi-Cal Outreach (717), Referral in Crisis Situations (713), Case Management of Non-Open Cases (718), General Administration (721), Day Program Support (741), Residential Support (751), Clinical Availability (761), Medi-Cal contract Administration (724), MAA Related Training (719), General Mental Health Outreach (716) and Paid Time Off (731).**

1.3 Description of Client Population: Unity Care serves adolescent males 13 to 17 years old with serious emotional disturbances and substance abuse problems. Individuals are screened for their readiness to manage the responsibilities inherent in the dual diagnosis program-admission decisions are made conjointly with County Mental Health and Alcohol and Drug Programs, and Probation.

1.4 Staffing:

Hiring decisions shall be made cooperatively with Mental Health, Alcohol and Drugs, and Probation to ensure collaboration, a quality Dual Diagnosis program, and culturally competent staff.

Unity Care Residential Program staff comprise a separate and distinct staffing ratio, but also focus on dual diagnosis expertise and culturally competent experience.

1.5 Performance Measures:

1. Unity Care staff will provide assistance to clients in successful transition to community living and other services including educational and vocational opportunities, complying with juvenile justice requirements, and obtaining referrals to outpatient health, mental health, and chemical dependency services.
2. Unity Care System of Care court wards participate in the Children's Mental Health Performance Outcome Evaluation package of instruments, as well as the Inter-agency KIDS Data Base. Unity

Care will work closely with the Evaluator at Children's Mental Health to review and report relevant outcome reports.

3. The Unity Care Program will comply with the **Latino** Affairs Commission Standards of Accessibility for **Latino** services.

## **2.0 SYSTEM INTENT**

2.1 Geographic Area Serviced: Santa Cruz County.

2.2 Quality Assurance Program: Unity Care will participate in the CMH Quality Improvement process.

2.3 Organizational Structure: See enclosed chart.

2.4 Internal System Affiliations: Unity Care will have substantial coordination with CMH Administration, Quality Assurance, the County Alcohol and Drug Program, and Children's Mental Health Services.

2.5 External System Affiliations: Unity Care will coordinate with all other Inter-agency System of Care providers in conjunction with CMH Children's Mental Health Services, particularly the Juvenile Justice System and the local educational system.

2.6 Special System Intent: Given Santa Cruz County's high-profile interest in providing culturally competent services to dual diagnosed youth, special coordination efforts shall be brought to bear as needed in interfacing with community special interest groups and task force reviews.

2.7 Fair Hearing Practice: Complaints and/or grievances brought by clients or families participating in Unity Care services may go through several levels of review. If the complaint cannot be satisfactorily resolved at one level, the grievance proceeds to subsequent levels. These are: (1) Clinical Director; (2) Administrator; (3) Executive Director; (4) external systems; e.g. legal.

2.8 Fee Schedule: All Unity Care clients will have placement Medi-Cal.

## **3.0 METHOD OF PAYMENT**

a. CONTRACTOR assures COUNTY that an advance payment is necessary in order to maintain program integrity. CONTRACTOR will not use advances to provide working capital for non-County programs. When possible, advances will be deposited in interest-bearing accounts, with said interest being used to reduce program costs.

b. For the new fiscal year, COUNTY agrees to provide CONTRACTOR with monthly advances for July and August equal to 1/12<sup>th</sup> per month of the prior year contract amount or 1/12<sup>th</sup> of the new year amount, whichever is less. For the month of September, COUNTY agrees to provide CONTRACTOR with an advance equal to 1/12<sup>th</sup> of the new year amount plus, if appropriate, an adjustment for the months of July and August.

For the remainder of the fiscal year, COUNTY agrees to provide CONTRACTOR with a monthly advance equal to 1/12<sup>th</sup> of the new year contract amount.



c. At the end of each quarter, CONTRACTOR shall submit a statement of actual expenses incurred. If CONTRACTOR has provided 90% or more of the quarterly costs budgeted in Exhibit C, COUNTY will make full payment on the next 1/12<sup>th</sup> claim submitted by CONTRACTOR; if CONTRACTOR does not show 90% of budgeted costs, COUNTY will reduce CONTRACTOR'S next claim by that amount.

If, in subsequent quarters of the fiscal year, CONTRACTOR shows total year-to-date costs in excess of 90% of year-to-date budgeted costs, COUNTY will restore previously subtracted amounts on the next claim.

1898-01 Scope (Unity Care 2000-2001).doc  
10.13.00

LEGAL ENTITY: Unity Care, inc.  
 PROGRAM NAME: Adolescent Dual Diagnosis  
 INDEX NUMBER: 363113

FISCAL YEAR: 2000/2001  
 CONTRACT #: COO1 898-01  
 DATE: 9/6/00

SANTA CRUZ COUNTY  
 COMMUNITY MENTAL HEALTH  
 SERVICE AGREEMENT BUDGET  
 EXHIBIT C

	CONTRACT TOTAL							
PROGRAM COMPONENT		Day Tx	Day Tx					
PROVIDER #		44BC	44BC					
MODE		10	10					
SERVICE FUNCTION		85	95					
CONTRACTORS COSTS	463,226	395,715	67,511					
REVENUES								
GRANTS								
PATIENT FEES								
PATIENT INSURANCE								
OTHER	28,977	28,977						
TOTAL REVENUES	28,977	28,977						
NET CONTRACT AMOUNT	434,249	366,738	67,511					
FUNDING SOURCES								
MEDI-CAL (FFP only)	213,158	180,019	33,139					
MAC (FFP & MATCH)								
MEDICARE								
REALIGNMENT/COUNTY	199,379	168,382	30,997					
OTHER	21,712	18,337	3,375					
TOTAL FUNDING SOURCES	434,249	366,738	67,511					
UNIT COST CALCULATION								
CONTRACTORS COSTS	463,226	395,715	67,511					
COUNTY'S DIRECT COSTS	81,667	69,765	11,902					
TOTAL DIRECT COSTS	544,893	465,480	79,413					
UNITS OF SERVICE	3,384	2,538	846					
COST PER UNIT - TOTAL	9.27	183.40	93.87					
CONTRACT COST PER UNIT		155.92	79.80					
COUNTY COST PER UNIT		27.49	14.07					
MAXIMUM COST PER UNIT		144.44	91.38					

The COUNTY agrees to reimburse CONTRACTOR actual costs up to the maximum shown in Net Contract Amount by type of service, further limited to the maximum amount calculated by multiplying the units of services of each type provided by the Maximum Cost per Unit of each type of service listed above. In no event shall the amount paid CONTRACTOR exceed the maximum contract amount.

CONTRACT UNITS	2,538	846					
CONTRACT MEDI-CAL UNITS	2,538	846					
CONTRACT INDIGENT UNITS							
CONTRACT OTHER UNITS							