



# Board Agenda Item 19

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DATE: January 6, 2026

TO: Board of Supervisors

SUBMITTED BY: John Zaroni, Sheriff-Coroner-Public Administrator

SUBJECT: Retroactive Revenue Agreement with California Health and Recovery Solutions, P.C.

RECOMMENDED ACTION(S):

**Approve and authorize the Chairman to execute a Retroactive Revenue Agreement with the California Health and Recovery Solutions, P.C. for administering Early Access and Stabilization Services, effective July 1, 2022, through June 30, 2026, total not to exceed \$1,636,000.**

There is no additional Net County Cost associated with the recommended action. The Agreement, if approved, will allow the County to invoice California Health and Recovery Solutions (CHRS) for the costs of services provided by correctional officers utilized by CHRS in the West Annex Jail (WAJ) for the purposes of administering Early Access and Stabilizations Services (EASS), for people found by the courts to be Incompetent to Stand Trial (IST) under Penal Code section 1370. The services in this agreement will allow for immediate psychiatric stabilization and assessment program designed to reduce wait times for intensive restoration treatment to competency treatment services. This item is countywide.

ALTERNATIVE ACTION(S):

There is no alternative action. If your Board does not approve the recommended action, the County will not be able to invoice CHRS for services already provided by the Sheriff's Office, and CHRS will not be able to continue to provide early access and stabilization services to felony IST patient incarcerated persons participating in EASS.

RETROACTIVE AGREEMENT:

The recommended revenue Agreement is retroactive to July 1, 2022, so the Sheriff's Office will be able to invoice CHRS for all services rendered and not previously invoiced. The Sheriff's Office has been tracking labor costs, using the Sheriff's Office Master Schedule of Fees, when the services began in September 2022, totaling approximately \$376,000 dollars. EASS needed to be in place immediately with a subsequent MOU between CHRS and the Sheriff's Office to be executed for the provision of these services. In 2024, the Sheriff's Office started working with CHRS on the MOU, and due to changes in staff and assignments, the resulting internal planning and necessary negotiations caused an unintended extension to the original completion timeline. The MOU was not finalized and signed until this Board date. The recommended retroactive revenue agreement was brought to your Board on the earliest possible date considering the designated processing timelines.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action for FY 2025-26. Sufficient appropriations and estimated revenues are included in the Department's FY 2025-26 Adopted Budget for Org 3111 and will be included in future budget requests. The proposed revenue agreement ensures full cost recovery to the Sheriff's Office for these services with reimbursement for prior-period expenditures will be deposited in General Fund Org 0415 Countywide Revenues. Current year revenues will be deposited in Org 31114000 to offset current year expenditures.

DISCUSSION:

In 2018, California Assembly Bill (AB) 1810 and Senate Bill 215 amended Penal Code (PC) Section 1001.35 and 1001.36 to create a pathway for courts to authorize pre-trial diversion for individuals with serious mental disorders who committed certain felony or misdemeanor crimes. AB 1810 establishes Welfare and Institutions Code (WIC) 4361 to allow DSH the funding opportunity to contract with counties to provide services and support to specific target population of individuals who have been or have the potential to be deemed as incompetent to stand trial (IST) on their felony charges.

Effective January 1, 2025, amendments to California Penal Code (PC) Section 1370 reflect a statewide shift toward expanding community-based alternatives for individuals deemed incompetent to stand trial (IST). These changes align California's broader commitment to reducing reliance on state hospital placements by enhancing diversion pathways and increasing flexibility in treatment options for justice-involved individuals with serious mental illness. The revisions to PC 1370 establish new timelines and responsibilities for courts, including requirements to consider eligibility for diversion, assisted outpatient treatment, conservatorship, or other community-based services prior to issuing confinement orders for IST defendants. In addition, courts must now hold hearings to determine diversion eligibility within 30 days of incompetency finding, ensuring timely access to appropriate services.

The EASS program provided by CHRS is a specialized initiative to provide timely psychiatric stabilization and competency restoration services. Its primary purpose is to address the crisis and prolonged wait times for incarcerated individuals who have been found IST, often providing this care in a jail-based setting. By beginning treatment early, EASS manages a critical aspect of the transition of care, minimizing treatment delays to reduce referrals to DSH and reintegrate individuals into the judicial process.

The Growth Cap is a state-mandated fiscal mechanism that incentivizes counties to reduce commitments of felony IST individuals to DSH. Fresno County's current baseline is 136 and exceeding this number incurs an annual penalty of \$113,000 per excess felony IST individual. The Fresno County Department of Behavioral Health (DBH) pays the penalty often using 1991 Realignment funds into the state's Mental Health Diversion Fund, 100% of the funds may be returned and must be reinvested locally into services for individuals who are likely to be found incompetent to stand trial, with the aim of preventing future felony IST commitments. While DBH does not control the court-driven IST determination process, its primary strategy involves expanding local diversion programs, placing a clinician in the courtroom to promote alternatives to DSH, and using grants to develop local housing infrastructure with co-located services for diverted individuals.

CHRS entered into an Agreement with DSH on June 29, 2022, giving CHRS the authority, as DSH's designee, to provide EASS to patients deemed incompetent to stand trial (PC 1370). The EASS program uses a hybrid model of providing multidisciplinary restoration services to patients not yet admitted into a Jail Based Competency Treatment (JBCT) or DSH program. Specifically, EASS offers a combination of medication management, individual and group-based restoration services before they are admitted into a JBCT or DSH bed. All competency treatment services will comply with state and federal regulatory requirements applicable to the EASS program, including any DSH policies and procedures related to treatment provided prior to administration to a formal program, Title 15, and NCCHC correctional community standards for mental health.

Assigned staff members have expanded their duties to include direct support for EASS treatment. This

increase in officer support encompasses, but is not limited to, facilitating the security and logistics for patient movement during psychotropic medication administration, supporting EASS clinical interventions, and ensuring the secure attendance of individuals at psychological assessments and competency services.

The contract between CHRS and DSH allows for the utilization of this funding by the Sheriff's Office through the appointment of dedicated officers assigned to support the EASS program or by the combination of fractional part-time officers supporting the EASS program, at the Sheriff's Office discretion, so long as the EASS services are performed as outlined in the Contractor's subcontract with the County. The funding is not to exceed \$418,000 annually for FY 2025-2026 and is funded through a subcontract with the County and CHRS through monthly invoices submitted to CHRS. The County has not been able to invoice EASS for previously provided correctional services, as there was not previously an agreement in place for these services. The County will submit invoices for all services rendered and not previously invoiced.

CHRS utilizes approximately 100 square feet of space at the West Annex Jail at no cost to provide these services.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with California Health and Recovery Solutions, P.C.

CAO ANALYST:

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