



Board Agenda Item 26

DATE: May 12, 2026

TO: Board of Supervisors

SUBMITTED BY: Susan L. Holt, Director, Department of Behavioral Health

SUBJECT: Amendment No. 2 to Participation Agreement with California Mental Health Service Authority

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute Amendment No. 2 to Agreement A-23-629 with California Mental Health Service Authority to continue to contract for the provision of state hospital beds and services, extending the term by one year from July 1, 2026 to June 30, 2027, and increasing the maximum compensation by \$15,422 to a total of \$23,834.

There is no additional Net County Cost associated with the recommended action. The amendment will allow the Department to continue its agreement with California Mental Health Services Authority (CalMHSA) to contract on behalf of the County for state hospital beds and increase the compensation to align with the FY 2026-27 Lanterman-Petris-Short (LPS) Bed Allocation Plan. Continuing this agreement will provide mandated beds and state services for LPS conservatees deemed gravely disabled. This item is countywide.

ALTERNATIVE ACTION(S):

There is no viable alternative action. If the recommended action is not approved, Fresno County's contract with CalMHSA will expire and the Department will no longer be authorized to utilize state psychiatric hospital placement and services via the Participation Agreement with CalMHSA.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum compensation for the agreement would be increased by an additional \$15,422 in funds for the one-year extension, increasing the total compensation from \$8,412 to \$23,834. This agreement will be funded with Mental Health Realignment Funds. Sufficient appropriations and estimated revenues will be included in the Department's Org 5630 FY 2026-2027 Recommended Budget.

DISCUSSION:

Pursuant to California Welfare and Institutions Code (WIC), sections 5000 through 5550, the Lanterman-Petris-Short Act, and WIC section 5600, counties are mandated to provide an array of treatment options for adults with severe mental illness, including 24-hour treatment services at locked inpatient psychiatric hospitals for LPS conservatees who are gravely disabled, as ordered by the court. W&IC, sections 4330-4335 establish the process by which counties contract with the California Department of State Hospitals (DSH) for a specified number of hospital beds, services, and the reimbursement method.

On September 14, 2010, the Board approved Agreement No. A-10-489 with CalMHSA, authorizing the

Department to join the CalMHSA Joint Powers Agreement (JPA), to develop, implement, administer, and provide fiscal oversight of Mental Health Services Act - Prevention and Early Intervention statewide projects. The County has received membership benefits including cost reductions and the related efficiencies of sharing resources and knowledge.

On June 18, 2013, the Board approved Amendment No. 1 (No. 10-489-1) to the Agreement which broadened the scope including the authority to jointly contract with other counties for state hospital beds and services. The amendment was a product of the Department's JPA membership and delineated that CalMHSA is an administrative agent for the County.

On November 28, 2023, the Board approved retroactive Memorandum of Understanding No. A-23-630 with DSH and CalMHSA for the provision of state hospital placement and services for adults with severe mental health illness that requires a level of care within a locked facility, and Participation Agreement No. A-23-629 with CalMHSA which authorized CalMHSA to contract with DSH for state hospital bed utilization on behalf of the County as part of the State Hospital Program and provide a payment mechanism for the administrative charges associated with the procurement of state hospital beds.

On June 10, 2025, your Board approved Amendment No. 1 (No. 25-228) with CalMHSA to extend the existing contract by one year to the new term date of June 30, 2026 and increased the total compensation by \$2,804 for the modified program term, to a total compensation of \$8,412.

On December 9, 2025, your Board approved retroactive Memorandum of Understanding No. A-25-617 with DSH and CalMHSA for the provision of state hospital placement and services for adults with severe mental health illness that require a level of care within a locked facility and increased the state hospital LPS Bed Allocation from two (2) to eleven (11) beds for Fresno County for FY 2026-27.

The Department has notified and received approval from Main Human Resources of execution of the recommended amendment to comply with AB339.

Approval of the recommended amendment would modify the program term and increase the program funding to account for the increased bed allocation. The proposed amendment would extend the program end date from June 30, 2026 to June 30, 2027 and increase program funding by \$15,422 for the modified program term, to be invoiced by CalMHSA on July 1, 2026, and due within 30 days of receipt of the invoice. All other terms or provisions in the Agreement shall remain in full force and effect.

OTHER REVIEWING AGENCIES:

The Behavioral Health Board will be notified of the recommended amendment during the May 2026 meeting.

REFERENCE MATERIAL:

BAI #50, December 9, 2025
BAI #39, June 10, 2025
BAI #54, November 28, 2023
BAI #50, November 28, 2023
BAI #57, June 18, 2013
BAI #39, September 14, 2010

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment No. 2 to Participation Agreement with CalMHSA

CAO ANALYST:

Ronald Alexander Jr.