



Board Agenda Item 39

DATE: April 21, 2026

TO: Board of Supervisors

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

SUBJECT: Participation Agreement with California Mental Health Services Authority for Psychiatric Inpatient Concurrent Review Program

RECOMMENDED ACTION(S):

- 1. Under Administrative Policy No. 34 for competitive bids or requests for proposals (AP 34), determine that an exception to the competitive bidding requirement under AP 34 is satisfied and a suspension of competition is warranted due to unusual or extraordinary circumstances as the California Mental Health Services Authority administers the Psychiatric Inpatient Concurrent Review Program; and**
- 2. Approve and authorize the Chairman to execute a Participation Agreement with the California Mental Health Services Authority for Psychiatric Inpatient Concurrent review, effective July 1, 2026 through June 30, 2028, total not to exceed \$2,349,984.**

There is no additional Net County Cost associated with the recommended action which will allow the Department of Behavioral Health to continue participation in the Psychiatric Inpatient Concurrent Review Program. This item is countywide.

ALTERNATIVE ACTION(S):

Should the Board not approve of the recommended action the Department would need to rely on internal personnel, which may redirect them from current responsibilities and significantly deplete resources. The Department would also need to develop a process for inpatient hospitalization review and educate the inpatient psychiatric hospitals on how to submit reviews, further straining resources for both the Department and the hospitals.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

It is requested that the County find under AP 34 that an exception to the competitive bidding requirement is satisfied, and a suspension of competition is warranted due to unusual or extraordinary circumstances as CalMHSA administers the Psychiatric Inpatient Concurrent Review Program. Per the Department of Health Care Services ("DHCS") Behavioral Health Information Notice ("BHIN") 19-026 and BHIN 22-017, MHPs are required to conduct concurrent review and authorization for all psychiatric inpatient hospital services and psychiatric health facility services. The General Services Department - Purchasing concurs with the Department's assessment that this satisfies the exception to the competitive bidding process required by AP 34.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum amount of the agreement (\$2,349,984.00) will be fully offset with Realignment funds. Sufficient appropriations and estimated revenues are included in the Department of Behavioral Health's Org 56302019 FY 2026-27 Recommended Budget and will be included within subsequent budget requests.

DISCUSSION:

MHPs are required to conduct concurrent review and authorization for all psychiatric inpatient hospital services and psychiatric health facility services. By utilizing a technology-assisted concurrent review process, a consistent and efficient review process will support MHP compliance with Behavioral Health Information Notices and the Parity in Mental Health and Substance Use Disorder Services Final Rule.

On May 17, 2022, the Board approved Agreement A-22-204 with CalMHSA allowing the Department to participate in Psychiatric Inpatient Concurrent Review program with a total budget of \$918,223. The Agreement allowed Acentra Health, under the oversight of CalMHSA to conduct concurrent review and authorization of inpatient psychiatric services on behalf of the Department.

On December 3, 2024, the Board Approved Amendment No. 1 to Agreement A-22-204 extending the agreement to June 30, 2025, and increasing the maximum budget by \$446,777 for a total of \$1,365,000.

On June 24, 2025, the Board approved Agreement A-25-266 with CalMHSA allowing the Department to participate in Psychiatric Inpatient Concurrent Review program with a total budget of \$1,223,880. The Agreement allowed Acentra Health, under the oversight of CalMHSA to conduct concurrent review and authorization of inpatient psychiatric services on behalf of the Department.

The recommended agreement continues the Psychiatric Inpatient Concurrent Review Program administered by CalMHSA for two years. CalMHSA has an agreement with Acentra Health to provide the County a web-enabled utilization review platform and clinical services to carry out psychiatric inpatient concurrent review and authorization services on behalf of multiple California county MHPs.

The agreement varies from the standard county template as it was drafted by CalMHSA and is utilized by CalMHSA to execute Participation Agreements with different counties and is consistent statewide. The agreement includes a mutual indemnity clause. The Department has determined the benefits of this agreement as written outweigh any potential risks and recommends approval of the Agreement.

REFERENCE MATERIAL:

BAI #43, June 24, 2025
BAI #42, December 3, 2024
BAI #37, May 17, 2022

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition Acquisition Request
On file with Clerk - Participation Agreement with CalMHSA

CAO ANALYST:

Ronald Alexander