

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 3.41**  
(ID # 29005)

**MEETING DATE:**  
Tuesday, December 09, 2025

**FROM :** RUHS-BEHAVIORAL HEALTH

**SUBJECT:** RIVERSIDE UNIVERSITY HEALTH SYSTEM - BEHAVIORAL HEALTH: Authorize Riverside University Health System – Behavioral Health to Adjust Insurance Coverage Minimums for Foster Family Agencies, Short-Term Residential Treatment Programs and any similarly impacted providers effective July 1, 2025, All Districts. [Total Cost \$0; Annual Cost \$0; up to \$0 in additional compensation]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Authorize the Director of the Department of Behavioral Health, or designee, working in conjunction with Human Resources Risk Management and County Counsel, to exercise discretion in setting insurance coverage minimums for Foster Family Agencies (FFAs), Short-Term Residential Therapeutic Programs (STRTPs), and any similarly impacted providers.

**ACTION:Policy**

  
Matthew Chang, Director 10/31/2025

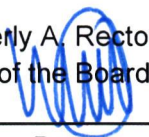
---

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Medina, seconded by Supervisor Gutierrez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Medina, Spiegel, Washington, Perez, and Gutierrez  
Nays: None  
Absent: None  
Date: December 9, 2025  
xc: RUHS-BH

Kimberly A. Rector  
Clerk of the Board

By:   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$0	\$0	\$0	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS: N/A</b>			<b>Budget Adjustment: No</b>	
			<b>For Fiscal Year: N/A</b>	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

Riverside University Health System – Behavioral Health (RUHS-BH) contracts with Foster Family Agencies (FFAs) and Short-Term Residential Therapeutic Programs (STRTPs), and similar programs, to provide safe, supportive, and therapeutic care for youth with complex needs. Similar to the Department of Public Social Services (DPSS), which received prior Board authorization to adjust FFA insurance requirements, RUHS-BH providers are now facing unsustainable insurance costs and barriers to meeting current County standards. RUHS-BH is responsible for payment of specialty mental health services (SMHS) for Riverside County youth receiving treatment from these providers. The County insurance requirements, in conjunction with state legislation, has caused insurance providers to leave the market, and/or significantly increase policy costs. This melee of issues has created a barrier to contracting and extended the payment process for services rendered. RUHS-BH's ability to pay for SMHS with these providers impacts the ability of DPSS and Riverside County Probation to place youth at these facilities.

To ensure youth placement stability and sustain contracting capacity, RUHS-BH seeks Board authorization for discretion to adjust insurance coverage minimums for FFAs, STRTPs, and any similarly impacted providers in consultation with Risk Management and County Counsel. This authority will:

- Reduce barriers to contracting while maintaining Risk Management oversight.
- Align RUHS-BH practices with DPSS to ensure consistency across departments for shared providers.
- Provide flexibility to respond to market instability and legislative requirements.
- Preserving provider capacity is critical for serving high-need youth.

**Legislative Context:**

Assembly Bill (AB) 2496 has further increased insurance and liability requirements for child welfare providers statewide. As a result, many FFAs and STRTPs cannot meet the County's current insurance thresholds of \$2M per occurrence / \$4M aggregate, creating contracting barriers and threatening placement availability.

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

Market Conditions:

The withdrawal of the Nonprofits Insurance Alliance of California (NIAC), which previously insured 90% of FFAs and STRTPs, has left providers struggling to secure coverage. Premiums have risen 300–400% annually, with average costs ranging from \$35,000 to \$75,000 per agency.

Risk Management County Counsel and DPSS Insights:

- DPSS successfully obtained Board authorization to exercise discretion in lowering FFA insurance minimums on a case-by-case basis. To date, 86% of provider requests reviewed by Risk have been approved. County Counsel, Risk Management and DPSS have dedicated significant resources to review insurance policies, certificates of insurance, contracts, and related insurance records to determine whether to adjust minimum insurance requirements.
- Risk Management is exploring whether the County could purchase a supplemental or umbrella policy to cover multiple providers; however, this option remains conceptual and potentially cost-prohibitive.

Regional Comparison:

Neighboring counties such as Los Angeles, San Bernardino, and Orange generally require lower policy limits, this difference places local providers and the County at a disadvantage for contracting and securing essential beds for at risk youth.

Impact on Citizens and Businesses

These services are a component of Behavioral Health's system of care aimed at improving the health and safety of consumers and the community. Board action will ensure continued placement for Riverside County youth throughout the State.

Contract History and Price Reasonableness

On February 25, 2025, Agenda Item Number 3.51 the Board of Supervisors approved a motion by DPSS to exercise discretion in setting insurance coverages minimums for FFAs effective February 25, 2025. RUHS-BH now seeks to obtain similar authority for FFA's, STRTPs, and any similarly impacted providers providing SMHS to Riverside County youth. RUHS-BH intends to notify providers that the modifications to the insurance provisions are for an individual year only and will be reviewed, analyzed and re-authorized on an annual basis.

  
Jacqueline Ruiz, Principal Analyst 12/3/2025

  
Gregg Gu, Chief of Deputy County Counsel 11/14/2025