

CHIEF ADMINISTRATIVE OFFICE
Procurement and Contracts Division

Date Received

NON-COMPETITIVE PURCHASE REQUEST JUSTIFICATION

Required for all (non-emergency) sole source acquisitions in excess of \$5,000.00 and sole source service requests in excess of \$100,000.00.

This justification document consists of three (3) pages. All information must be provided and all questions must be answered. **Department Head approval is required.**

Requesting Department Information

Department:	Org Code:	
53-Behavioral Health	5320200	
Contact Name:	Subobject:	User Code:
Shaun O'Malley		
Telephone:	Fax:	
5306216146		

Required Supplier / Vendor Information

Vendor / Supplier Name:	Vendor / Supplier Address:
Muir Wood, LLC	201 1st Street, Suite 111 Petaluma, CA 94952
Contact Name:	
Stephen Swanson	
Estimated Purchase Price/Contract Amount:	Vendor / Supplier Email Address:
\$375,000	sswanson@muirwoodteen.com
Telephone:	Fax:
916-730-2398	

Provide a brief description of the request, including all goods and/or services the vendor/supplier will provide and supporting exemption reference from Board Policy C-17 - Procurement Policy:

El Dorado County (County) Drug Medi-Cal Organized Delivery System (DMC-ODS) is requesting the ability to sole source with a youth residential provider in Petaluma, CA. County has had multiple failed RFQs over the last 3 years for youth residential services. County DMC-ODS is required by contract to maintain an adequate network, including a 3.1 and/or 3.5 youth residential provider. This provider, Muir Wood, LLC (Muir Wood), provides youth residential services as a American Society of Addiction Medicine (ASAM) Level 3.5 and provides ASAM Level 3.2 Withdrawal Management Services in addition. These services can benefit youth needing detoxification/withdrawal management services prior to entering residential treatment. This agreement is exempt from competitive bidding under C-17 3.4(3), as "competitive bidding would produce no economic benefit to the County" due to lack of providers.

Department Head:

Signature

Olivia Byron-Cooper
Olivia Byron-Cooper (Sep 10, 2025 16:36:19 PDT)

Purchasing Agent:

Signature

Michele Weiner
Michele Weiner (Sep 18, 2025 10:32:56 PDT)

Board of Supervisors:

Date:

Item:

25-0897

P&C Assignment:

Assigned To:

Date:

A. The good/service requested is restricted to one supplier for the reason stated below:

1. Why is the acquisition restricted to this goods/services supplier? (Explain why the acquisition cannot be competitively sourced. Explain how the supplier is the only source for the acquisition.)

County DMC-ODS has posted multiple RFQs in an effort to acquire a youth residential treatment provider. All of the RFQs for Level 3.5, residential treatment services for youth (12-17 years old) have failed. County DMC-ODS has made an effort to identify providers in California that are licensed to provide youth residential. After looking for providers, the only one that DMC-ODS identified that is a Department of Health Care Services (DHCS) licensed youth provider in Northern California is Muir Wood. Muir Wood, is also a ASAM Level 3.2 Withdrawal Management provider, which is secondary to their 3.5 Level of Care (LOC). The ability to place a youth needing withdrawal management services and then residential treatment at the same facility is a valuable provider to add to County DMC-ODS network, and will bring the county back into compliance with Network Adequacy requirements.

2. Provide the background of events leading to this acquisition.

In 2022, HHSA did two different back-to-back issued RFQs for Recovery Residences-Substance Use Residential Treatment Services (no specified LOC) which are applicable to this agreement since it is Substance Use Disorder (SUD) residential services. Failure of first RFQ (#22-952-032) closed 4/25/22 and was failed due to no bid responses. Failure of second RFQ (#22-952-058) for same services issued a second time under RFQ #22-952-058, posted for 90 days on 5/2/22 through 8/3/22. The duplicate second RFQ also failed due to no responses. In addition a third failed RFQ (#24-0060) for Level 3.5 services failed due to no bid results for youth residential treatment services. No youth service response was received for 3.5 LOC thus resulted in a failed bid, however, there was no bid for 3.2 withdrawal management services.

3. Describe the uniqueness of the acquisition. (Why was the goods/services supplier chosen?)

No other youth providers for substance use disorder services appear to be in operation and licensed to provide residential services in the northern California area. Muir Wood, located in Petaluma, California, was identified as the closest and most cost effective provider to El Dorado County, with most others being in Southern California.

4. What are the consequences of not purchasing the goods/services or contracting with the proposed supplier?

Per the DHCS contract, the DMC-ODS is required to demonstrate it has the capacity to serve the expected enrollment in its service area in accordance with network adequacy standards developed by DHCS as required by departmental guidance and regulations (Intergovernmental Agreement (IA), Exhibit A, Attachment 1, section II.E.2.i; 42 Code of Federal Regulations, §438.207, subd. (a); Welfare & Institutions Code (WIC) §14197.1.1).

County was placed into a corrective action process (CAP) in December of 2024 for not having any youth residential providers within its network. On 05/20/25 County received a report from DHCS stating that DMC-ODS' provider network composition and capacity remains unresolved for youth residential. The letter stated that DHCS has the authority, in accordance with WIC §14197.7, to sanction DMC-ODS Plans that remain out-of-compliance, leaving the county open to monetary sanctions for lack of youth residential treatment.

5. What market research was conducted to substantiate no competition, including the evaluation of other items or service providers? (Provide a narrative of your efforts to identify other similar or appropriate goods/services, including a summary of how the department concluded that such alternatives are either inappropriate or unavailable. The name and addresses of suppliers contacted and the reasons for not considering them must be included OR an explanation of why the survey or effort to identify other goods/services was not performed.)

County DMC-ODS spoke with representatives of other counties, as well as made phone calls to a list of providers in the State. No other youth providers for substance use disorder services appear to be in operation and licensed to provide residential services in the northern California area. Muir Wood was identified as the closest DHCS licensed youth provider to El Dorado County, with most others being in Southern California.

B. Price Analysis:

1. How was the price offered determined to be fair and reasonable? (Explain what basis was used for comparison and include cost analysis as applicable.)

The only other provider found in Northern California is a program licensed by Department of Social Services and is mental health primary with substance use secondary. The provider is not DHCS licensed to provide youth residential substance use disorder services. In addition, a daily rate was compared. Muir Wood daily rate of \$1200 a day is significantly less than the other provider's daily rate of \$2200.

2. Describe any cost savings or avoidance realized (one-time or ongoing) by acquiring the goods/services from this supplier.

By entering into this contract, County DMC-ODS will be in-compliance with network adequacy requirements and will no longer be at-risk for daily monetary sanctions.