

**CHIEF ADMINISTRATIVE OFFICE**  
**Procurement and Contracts Division**

Date Received
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**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: 53-Behavioral Health	Org Code: 5320	
Contact Name: Christianne Kernes	Subobject: 	User Code: 
Telephone: 530-573-7956	Fax: 530-543-6873	

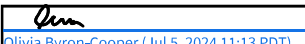

**Required Supplier / Vendor Information**

Vendor / Supplier Name: Grace Home II	Vendor / Supplier Address: 9260 Loma Lane Orangevale, CA 95662
Contact Name: Katherine Jacinto	
Estimated Purchase Price/Contract Amount: \$600,000.00	Vendor / Supplier Email Address: gracehome2nelson@gmail.com
Telephone: (916) 396-6489	Fax: 

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:

Grace Home II will provide Adult Residential Care Facilities for the Elderly (RCFE), a regulatory requirement of the county as the Medi-Cal Mental Health Plan. RCFE provide services in alignment with the Mental Health Services Act (MHSA) Full Service Partnership Project for adults with severe mental illness.

Exemption is Policy C-17 3.4.2 (f) "the procurement is for goods where the continuity of providers will provide efficiency or critical knowledge, and other providers of the goods cannot provide similar efficiencies or critical knowledge." These services are currently being provided by Grace Home II under agreement 5621. As such, clients are currently engaged in services and disruption of continuity of care can have a detrimental impact on client care and recovery.

Department Head:	 Olivia Byron-Cooper (Jul 5, 2024 11:13 PDT)
	Signature
Purchasing Agent:	 Michele Werners
	Signature

Board of Supervisors:	
Date:	
Item:	

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.)

The Health and Human Services Agency (HHS), Behavioral Health (BH) division currently contracts with all vendors qualified to provide Residential Care Facilities for the Elderly (RCFE) in El Dorado County. Additional out of County contracts are necessary to meet the needs of eligible open clients receiving services through the Full Service Partnership project. HHS, BH seeks to maintain these contracts due to client/clinician continuity of care. In accordance with County Ordinance 3.13.030 and the Welfare and Institutions Code Division 5, Part 2, Chapter 1 The Bronza-McCorquodale Act, 5600.3 (b).

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

HHS, BH is the designated Medi-Cal Mental Health Plan with the regulatory requirement to serve Medi-Cal adult beneficiaries with severe mental illness (SMI). RCFE provide necessary services for adults meeting SMI criteria in an inpatient residential environment. Grace Home II has provided the HHS out of county RCFE via Agreement 5621 approved by the Board on September 21, 2021 (File ID# 21-0552). Previously Agreement 3132 was approved by the Board on August 14, 2018 (File ID# 18-0939), an Amendment approved on October 9, 2018 (File ID# 18-1398) and second Amendment on December 8, 2020 (File ID# 20-1440).

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

Grace Home II is licensed by the state of California to provide RCFE for adults with severe mental illness and was identified as an appropriate, reasonably local vendor. By contracting with Grace Home II, the County will have access to additional facilities in the state, located in Sacramento County. The County does not have the staff or facilities to provide RCFE for BH clients.

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

Should the Board decline to approve this recommendation, HHS would continue to provide services through contracts with other vendors. HHS would, however, be limited in its capacity to provide RCFE services, and clients currently receiving services from Grace Home II will experience a disruption in the continuity of care. This would likely result in placement to a higher level of care, up to and including a Mental Health Rehabilitation Center/Institution for Mental Disease.

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.)

Maintaining a RCFE in as close a proximity as possible to the Behavioral Health office and other locations specific to EDC client services minimizes the need for additional travel expenditures as clients are often transported for psychiatric services.

**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.)

CalAIM Payment Reform required drastic changes in the previous payment methodology. Cost analysis from all current vendors were required utilizing CalAIM provided templates. Provider costs were then evaluated by HHSA Fiscal as a percentage of the EDC Medi-Cal billing rates to ensure rates appropriately support the full provision of services for both the provider and the County.

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

Rate analysis have allowed the county to ensure services are provided at market rates.