

CHIEF ADMINISTRATIVE OFFICE
Procurement and Contracts Division

Date Received

NON-COMPETITIVE BID PURCHASE JUSTIFICATION

Required for all sole source acquisitions in excess of \$5,000.00.

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: Health and Human Services Agency (HHSA)	Index Code: 5420, 5310
Contact Name: Jennifer Byrne; Nicole Ebrahimi-Nuyken	Subobject: _____ User Code: _____
Telephone: x6374; x6545	Fax: _____

Required Supplier / Vendor Information

Vendor / Supplier Name: Amergis Healthcare Staffing, Inc. (Maxim)	Vendor / Supplier Address: (Local Address) 2241 Harvard St, Suite 300 Sacramento, CA 95815
Contact Name: Thomas Huse	Vendor / Supplier Email Address: thhuse@amergis.com
Estimated Purchase Price: 600000	Fax: _____
Telephone: 2794993730	

Provide a brief description of the acquisition, including all goods and/or services the vendor/supplier will provide:

*Note: This is a sole source request for Amendment I of Agreement 7954. The original agreement was approved by the Board on December 5, 2023, through a sole source request (Legistar file 23-1757) to provide Public Health staffing services. Amendment I expands the scope to include Behavioral Health staffing services and increases the contract's not-to-exceed (NTE) amount by \$400,000, bringing the total NTE to \$600,000. The vendor will now provide staffing for both Public Health and Behavioral Health positions. Public Health staffing includes nursing and non-nursing roles, while Behavioral Health staffing covers specialty mental health services and crisis intervention. This expansion is in response to staffing shortages caused by the COVID-19 pandemic and the ongoing recovery efforts.

Department Head: 
Olivia Byron-Cooper (Sep 12, 2024 14:53 PDT)
Signature
Purchasing Agent: 
Michele Weimer (Sep 12, 2024 16:31 PDT)
Signature

Board of Supervisors:	Buyer Assignment:
Date: <u>09/24/24</u>	Assigned To: _____
Item: <u>24-1324</u>	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 bid. Explain if this is an emergency purchase or how the supplier is the only source for the acquisition.)

The acquisition is restricted to this vendor because they have a unique capability to provide both Public Health and Behavioral Health staffing services in response to the critical staffing shortages brought on by the COVID-19 pandemic. The vendor is already contracted for Public Health staffing under Agreement 7954, and their performance and familiarity with the agency's specific needs make them uniquely qualified to expand services to include Behavioral Health. Given the urgency of addressing the staffing shortfalls in critical healthcare sectors and the ongoing recovery efforts, a competitive bidding process would delay the necessary services, making this a sole source request.

This is not classified as an emergency purchase but is necessitated by the vendor's proven track record and immediate availability to provide essential staffing in both specialized health and crisis intervention services.

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

On December 5, 2023, the Board authorized the Chair to execute Agreement 7954 with Maxim Healthcare Staffing Services, now known as Amergis, for the period from December 5, 2023, to December 31, 2025, with a maximum obligation of \$200,000. This agreement was established to address the critical nursing staffing needs of the HHSA Public Health Division (PHD) (Legistar file 23-1757).

After the execution of this agreement, the HHSA Behavioral Health Division (BHD) learned that Amergis also offers behavioral health staffing services. Consequently, BHD staff engaged in discussions with Amergis to explore the possibility of expanding the current agreement to include qualified Behavioral Health staffing services to address ongoing critical staffing shortages.

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

The uniqueness of this acquisition lies in Amergis's dual capability to provide both Public and Behavioral Health staffing services. Initially chosen for their expertise in addressing critical nursing needs, Amergis was later identified as uniquely qualified to expand their scope due to their proven performance and specialized staffing services in Behavioral Health. Their existing contract and established relationship with the agency make them the ideal choice for this expanded role, ensuring continuity and efficiency in meeting urgent staffing needs.

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

If the contract with Amergis is not expanded, HHSA would continue to face severe staffing shortages in Behavioral Health services, leading to disruptions in essential care, delayed service delivery, operational inefficiencies and the possibility of state financial sanctions due to unmet service requirements. This could worsen existing challenges, hinder the response to health crises, and potentially result in higher costs and prolonged recruitment efforts compared to utilizing a proven and established vendor.

5. What market research was conducted to substantiate no competition, including evaluation of other items consider? (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.)

In early 2024, Behavioral Health began exploring staffing solutions with CalMHSA's Temporary Clinical Staffing/Permanent Staff Recruitment (TCS/PSR) Program in response to the nationwide clinical staffing shortage, to provide temporary and permanent clinical staffing services both in-person and remotely. However, due to conflicts between El Dorado County processes and the CalMHSA temporary-to-hire requirements, HHSA, in agreement with HR, decided to terminate the development of this agreement. Further market research revealed that Amergis due to their existing relationship with El Dorado County, was uniquely qualified to address critical staffing shortages across both Public and Behavioral Health. Other vendors for similar services may be considered in the future as the County continues to engage in a multifaceted approaches to addressing staffing needs. This research confirmed that Amergis was the most suitable provider, substantiating the decision not to pursue additional competition.

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 price offered by Amergis was deemed fair and reasonable by comparing it to previously negotiated rates under Agreement 7954 and reviewing market rates from similar staffing agencies. The cost efficiency of expanding Amergis's services, without needing separate contracts, and their proven track record further supported the determination that the pricing was competitive and appropriate for the services provided.

2. Describe any cost savings or avoidance realized (1 time or on-going) by acquiring the goods/services from this supplier.

Acquiring services from Amergis led to cost savings by expanding an existing contract, avoiding the costs and delays of negotiating with a new vendor. Amergis's ability to provide both Public and Behavioral Health staffing under one contract reduces the need for multiple vendors, streamlining operations and minimizing overhead. Their familiarity with the agency also results in quicker placements and ongoing cost efficiencies, ensuring continuity of care while saving time and money.