

Date Received

CHIEF ADMINISTRATIVE OFFICE
Procurement and Contracts Division

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: 5310150
Contact Name: Caitlin Stahl	Subobject: User Code:
Telephone: 530-621-6347	Fax:


Required Supplier / Vendor Information

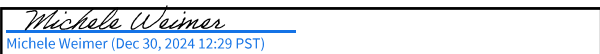
Vendor / Supplier Name: Compassion Pathway Behavioral Health LLC	Vendor / Supplier Address: 5410 White Lotus Way, Elk Grove, California, 95757
Contact Name: Ifeanyi Ezeani	
Estimated Purchase Price/Contract Amount: \$3,910,000	Vendor / Supplier Email Address: iezeani@cpbh.net
Telephone: 530-888-5000	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:

Compassion Pathway Behavioral Health LLC (Compassion Pathway) will provide, on an as-requested basis, Adult Residential Facility services for the El Dorado County Health and Human Services (HHSA) Behavioral Health Division (BHD) and Public Guardian Office (PG) clients who are between the ages of eighteen (18) and fifty-nine (59) years old, and whose severe mental illness (SMI) requires continuous supervision.

Exemption is Policy C-173.4.2(f) "the procurement is for services where the continuity of providers will provide efficiency or critical knowledge, and other providers of the services cannot provide similar efficiencies or critical knowledge."

Department Head: 
Signature

Purchasing Agent: 
Signature

Board of Supervisors:	P&C Assignment:
Date: 03/25/25	Assigned To:
Item: 25-0008	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.)

HHSA BHD contracts with as many qualified vendors as possible to provide the highest level of residential psychiatric care to Medi-Cal beneficiaries residing in El Dorado County (County). This includes licensed Adult Residential Facilities (ARF) for adults with SMI. Because the need for these services far outweighs the availability of beds, qualified vendors are not anticipated to respond to any competitive solicitation released by BHD.

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

On behalf of the County, BHD contracts with the State as the Medi-Cal Mental Health Plan (MHP). As the MHP, per Welfare and Institutions Code (WIC) Section 5600 et seq., 14000 et seq., and 17000 et seq, BHD has an obligation to provide eligible County residents with mental health services, including long-term, adult residential facility placements when clinically appropriate. BHD has been contracting with Compassion Pathway for the provision of residential mental health services since April 2022 because specialty skills are not expressly identified in County classifications are required for the performance of this work, and the County does not have the staff or facilities to provide residential mental health services.

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

The fiscal year (FY) 2024-2025 MHSA Annual Update includes a provision for the operation of an ARF within El Dorado County (Legistar file 24-0832). The intention of this provision is to close a significant gap in the County's adult mental health system of care. The Carlson Springs ARF, licensed by the state of California to provide long-term, residential services to adults with SMI, will be the only contracted ARF located within the County.

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

If the County chooses not to contract with Compassion Pathway for this facility, BHD will not have access to an ARF located within county lines. As a result, up to ten (10) BHD clients currently placed in an out-of-county residential facility will be unable to return home, and future clients in need of ARF services will continue to be placed out-of-county. Importantly, without this contract, the County will continue to have diminished capacity to step eligible clients down from higher, more expensive levels of care. Frequently, BHD clients who are ready to transition to a lower level of care often find themselves either unable to transition from higher levels of care due to the absence of an appropriate facility, or return to the community before they are ready for independent living.

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.)

BHD seeks to contract with all qualified ARF providers to ensure it has the capacity to meet its obligations as the MHP.

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.)

Cost analysis was completed by the Behavioral Health Budget team. Importantly, because the Carlson Springs ARF is located so close to the BHD clinic, contracting with this facility will allow County staff to significantly increase the number of Medi-Cal billable services provided to clients placed at this facility, resulting in increased revenue.

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

Contracting with the Carlson Springs ARF will save costs by allowing BHD clients that have been unable to be discharged from higher, more expensive levels of care due to the lack of an appropriate facility, to step down. Additionally, each time a beneficiary with SMI returns to acute inpatient care, incarceration or homelessness, County costs rise. The Carlson Springs ARF will close a critical gap in County's adult mental health system of care and save costs by providing the supportive living environment BHD clients coming out of acute, inpatient settings require in order to successfully move towards community living.