

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: 53-Behavioral Health	Org Code: 	
Contact Name: Brian Michaelson	Subobject: 	User Code:
Telephone: x 6922	Fax: 	

Required Supplier / Vendor Information

Vendor / Supplier Name: Compassion Pathways	Vendor / Supplier Address: 6109 Garfield Ave., Sacramento, CA 95841
Contact Name: Ifeanyi Ezeani	
Estimated Purchase Price/Contract Amount: 6,000,000	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 Pathways will provide Social Rehabilitation Treatment Services (SRTS) for adults, a regulatory requirement of the county as the Medi-Cal Mental Health Plan. SRTS provides services in alignment with the Mental Health Services Act (MHSA) Full Service Partnership Project for adults with severe mental illness.

Exemption is Policy C-173.4.2(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 Compassion Pathways under Agreement 6370. As such clients are currently engaged in services with licensed clinicians. Disruption of continuity of care with established client/clinician partnerships can have a detrimental impact on client care and recovery.

Department Head:	<u>Olivia Byron-Cooper</u> <small>Olivia Byron-Cooper (Sep 15, 2023 10:30 PDT)</small>
	Signature
Purchasing Agent:	<u>Michele Werni</u>
	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 Service (HHSA), Behavioral Health (BH) currently contracts with all vendors qualified to provide SRTS in El Dorado County. Vendor has previously completed competitive processes prior to initial contracts. HHSA, BH seeks to maintain contracts due to the client/clinician continuity of care.

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

HHSA, BH is the designated Medi-Cal Mental Health Plan with the regulatory requirement to serve Medi-Cal adult beneficiaries with severe mental illness (SMI). SRTS provide necessary services for adults meeting SMI criteria in an inpatient residential environment. Summitview Child & Family Services (SVCFS) had provided the Health and Human Services Agency (HHSA) in-county adult residential facility services via Agreement 862 (456-S1411), which was first approved by the Board on May 13, 2014. The Board approved Amendments 1 and 2, which extended the original contract end date through June 30, 2020 and June 30, 2021, respectively. The Board also approved Amendment 3, which extended the term date one last time to June 30, 2022, with the understanding that SVCFS would close its doors and would no longer operate its facility past that date.

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

Compassion Pathways was the sole respondent to a previous Request for Proposal No. 21-952-04 on May 21, 2021 and was awarded the contract for SRTS by the Board of Supervisors on April 12, 2022 (File ID: 22-0263).

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

California Advancing and Innovating Medi-Cal (CalAIM) has broadly adapted criteria for eligible services leading to a dramatic increase of clients open for services, pushing the current capacity of our system. Not contracting with this provider will severely limit the capacity of the county to provide these required services and will lead to the county being out of compliance with Medi-Cal requirement.

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.)

HHSA, BH staff have explored and exhausted all current options for SRTS provider qualified to provide services in El Dorado County. Maintaining a SRTS provider in close proximity to Behavioral Health office and other location specific EDC client services minimizes the need for additional travel expenditures as clients are often transported for psychiatric services, medication support, and other case management services provide by HHSA, BH staff as part of the Full Service Partnership scope of services.

To this point limited Out of County providers interested in contracting with HHSA, BH have been contracted to provide SRTS services in locations outside of EDC. However, due to the nature of client services outside of the facility, utilizing the sole in county provide has cost saving ramifications.

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 provider and 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.