



Legislation Details (With Text)

File #: 19-1397 **Version:** 1

Type: Agenda Item **Status:** Approved

File created: 9/11/2019 **In control:** Board of Supervisors

On agenda: 12/17/2019 **Final action:** 12/17/2019

Title: Health and Human Services Agency recommending the Board:
 1) Approve and authorize the Chair to sign Agreement for Services 4330 with Telecare Corporation, Inc., to operate the Psychiatric Health Facility (PHF) for the County, for the term of five years from January 1, 2020 through December 31, 2025, with a maximum obligation of \$30,149,966;
 2) Approve and authorize the Chair to sign non-financial Facility Use Agreement 4332 with Telecare Corporation, Inc., to use the County PHF Facility during the term of the PHF operations agreement;
 3) Make findings in accordance with County Ordinance 3.13.030 that it is more economical and feasible to contract with Telecare Corporation, Inc. for services provided under this Agreement 4330 because the County does not have the staff to perform said services; and
 4) Authorize the Purchasing Agent, or designee, to execute further documents relating to Agreement for Services 4330, or Facility Use Agreement 4332, including amendments, which do not increase the maximum dollar amount or term of the Agreements, and contingent upon approval by County Counsel and Risk Management.

FUNDING: State, Federal, and Other Funding: 41% Federal; 2% State; 8% Other Government funding; and 49% Behavioral Health Realignment.

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - Approved CRS, Telecare Operational 4330, 2. B - Telecare Operational Agreement, 4330, 3. C - Approved CRS, Telecare FUA, 4332, 4. D- Telecare Facility Use Agreement, 4332, 5. Executed Agreement #4332, 6. Executed Agreement #4330

Date	Ver.	Action By	Action	Result
12/17/2019	1	Board of Supervisors	Approved	Pass

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DISCUSSION / BACKGROUND:

The County of El Dorado's (County) 16-Bed Psychiatric Health Facility (PHF) is designed to provide 24-hour stabilization and treatment services for those persons who meet criteria under Welfare and Institutions Code Section 5150, which is defined as imminent danger to self or others, or gravely disabled as a result of a mental disorder.

In 2013, a financial analysis of the then County operated PHF determined that privatization would ensure ongoing PHF services with a higher level of staffing at a cost substantially lower than a County operated PHF. Therefore, in 2014, the County privatized the provision of services at the PHF through a Request For Proposals (RFP) process (RFP # 14-918-072), from which Telecare Corporation, Inc. (Telecare) was selected.

The results of that process were an Operational Agreement and a Facility Use Agreement (426 and 541, respectively: File ID 14-0517, Version 3). The Facility Use Agreement (FUA) specifies the roles and responsibilities of Telecare in using the County's building. The Operational Agreement specified that the County would again release an RFP after five years; therefore on June 7, 2019, the County's Procurement and Contracts Division released RFP # 19-918-083 for the operation and management of the County's PHF.

Written proposals to RFP #19-918-083 were due on July 12, 2019. However, only a single proposal was received, which was submitted by the incumbent service provider, Telecare. Subsequently, on August 13, 2019, the Board awarded Telecare RFP #19-918-083 (erroneously identified as #19-918-025 in the corresponding File ID: 19-1156, Agenda Title, and correctly identified here as #19-918-083) for the continued operation of the PHF.

Both Agreement 4330 and 4332 terminate the existing Operational and Facility Use Agreements referenced above, respectively, on January 1, 2020.

ALTERNATIVES:

Should the Board decline to approve the Agreements 4330 and 4332, the County would be without a vendor operating and managing the Psychiatric Health Facility when the agreement currently in place with Telecare Corporation expires on January 19, 2020.

PRIOR BOARD ACTION:

- 1) 08/13/19, 19-1156, HSA Psychiatric Health Facility RFP Award to Telecare
- 2) 11/04/14, 14-0517, Version 2, Psychiatric Health Facility Agreement with Telecare
- 3) 08/26/14, 14-0517, Version 3, HSA Psychiatric Health Facility RFP Award to Telecare

OTHER DEPARTMENT / AGENCY INVOLVEMENT:

Approved by County Counsel, Procurement and Contracts, Human Resources, and Risk Management.

CAO RECOMMENDATION:

It is recommended that the Board approve this item.

FINANCIAL IMPACT:

There is no County General Fund Impact as a result of the Agreements. The proposed Operational Agreement 4330 with the Telecare Corporation provides a base compensation in the amount of \$4,735,928 (Fiscal Year 2019 - 2020) with a budgeted annual increase of 2%, a decrease from active

Agreement's (#426) annual increase of 3%. Based on historic averages, the base compensation would be split 41% (\$1,941,730) in Medi-Cal Federal Financial Participation funding being generated through County billing, 49% (\$2,320,605) in Behavioral Health Realignment, with the remaining 10% being comprised of State and Other Government funding in the form of fee-for-service for out-of-county residents. Sufficient appropriations were included in the fiscal year 2019-2020 budget, and will be included in future budgets for the term of the Agreement.

In addition, the proposed agreement also provides for an annual Cost Report to rectify any discrepancy in budgeted funds and actual operating costs; most recently the Cost Report has resulted in Telecare Corporation repaying some of the budgeted funding.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) Clerk of the Board to obtain signature of Chair on two (2) original Operational Agreements for Services 4330 and on two (2) Facility Use Agreements 4332.
- 2) Clerk of the Board to return two (2) fully executed Agreements (one (1) Operational and one (1) FUA) to HSA Contracts Unit at 3057 Briw Road.

STRATEGIC PLAN COMPONENT:

County Strategic Goal: "Healthy Communities - Improved health, well-being and self-sufficiency of El Dorado County communities, residents, and visitors."

CONTACT

Don Semon, Director