



## Legislation Text

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**File #:** 23-0685, **Version:** 1

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Health and Human Services Agency (HHS) recommending the Board:

- 1) Make findings that the provision of adult residential treatment services provided by Contractor are in the public's best interest and that there are specialty skills, qualifications, and equipment not expressly identified in County classifications involved in the performance of the work in accordance with El Dorado County Ordinance Code, Chapter 3.13.030(B), El Dorado County Charter, Section 210(b)(6);
- 2) Approve and authorize the Chair to sign Amendment IV Agreement for Services 4738 with Psynergy Programs, Inc., increasing the not-to-exceed amount of \$950,000 by \$1,090,000, for a new not-to-exceed amount of \$2,040,000, revising the contract standard articles and scope of work, and extending the term by one (1) year, effective upon execution through June 30, 2024; and
- 3) Authorize the Purchasing Agent to execute further documents relating to Agreement 4738, contingent upon approval by County Counsel and Risk Management, including amendments which do not increase the maximum dollar amount or term of the Agreement.

**FUNDING:** Federal and State Funding: 50% Federal Medi Cal; 50% State Mental Health Realignment.

### **DISCUSSION / BACKGROUND:**

Within El Dorado County, the HHS Behavioral Health Division serves as the County's Medi-Cal Mental Health Plan (MHP) and operates under rules set by the State of California (State) and the federal government. The State Department of Health Care Services (DHCS) contracts with the County to provide Specialty Mental Health Services (SMHS) to Medi-Cal beneficiaries who meet the eligibility criteria for these services. HHS has the obligation to provide Medi-Cal eligible County residents with mental health services, including adult residential facility and SMHS services in accordance with California Welfare and Institutions Code Sections 5600, 5775, 14000, and 17000.

Adult Residential Facilities (ARFs), like those operated by Psynergy Programs, Inc. (Psynergy), facilitate the movement of mental health clients from restricted living environments to less restricted independent living in the community. To meet the demand for client ARF placements, the County contracts with ARFs both in El Dorado County and out of county; however, bed availability is limited, which may result in long wait times for client admissions. By contracting with Psynergy, the County has access to seven (7) additional facilities in the State, four (4) of which are located in Sacramento County.

Agreement 4738 with Psynergy was approved by the Board on June 23, 2020 (File ID 20-0347) with a maximum obligation of \$450,000 and a term effective July 1, 2020, through June 30, 2023. Amendment I to that Agreement, approved by the Purchasing Agent on June 16, 2021, updated language primarily related to the scope of work. Amendment II to that Agreement, approved by the Board on April 5, 2022 (File ID 22-0346), increased the maximum obligation from \$450,000 to \$950,000, as necessary for continued and additional client placements, with no change to the term of July 1, 2020, through June 30, 2023. Amendment III to that Agreement, fully executed on June 8,

2022, by the HHS Director, updated language primarily related to the scope of work, and updated the daily rates, which is usually done on an annual basis.

This Amendment IV to Agreement 4738 updates language in the scope of work, updates standard articles, adds an additional \$1,090,000, for a new not-to-exceed amount of \$2,040,000, and extends the term of the Agreement by one (1) year, effective upon execution through June 30, 2024. The increase in funds for Fiscal Year (FY) 2023-24 is needed because El Dorado County Silver Ridge ARF facility unexpectedly closed in 2021. As a result, (six) 6 conserved clients were left in need of ARF placement. Psynergy was the only available option as they had the beds and staffing available. The additional placements raised the average monthly invoice from \$12,500 to \$46,000. Approval of Amendment IV to Agreement 4738 will allow HHS to meet the increased demand of ARF placements and the term extension will allow an additional year of services, while a new agreement with Psynergy is being developed.

In accordance with Board of Supervisors Procurement Policy C-17, Section 7.11 which was in place when this contract was executed, the contractor selection process for service contracts in excess of \$100,000 must include a review of the scope of services and contractor's professional qualifications by a group of individuals (including at least one representative from outside the department requesting the services) qualified to judge the contractor's ability to perform the services. HHS has documentation on file that such a review was performed for Agreement 4738 with Psynergy.

**ALTERNATIVES:**

Should the Board decline to approve this recommendation, HHS will continue to provide services through existing contracts, but would be limited in its ability to provide services to clients through existing contracts and would have to identify new ARF locations for existing clients, which may result in displaced mental health clients.

**PRIOR BOARD ACTION:**

- 1) 04/05/22, 22-0346, HHS Psynergy Programs, Amendment II to 4738
- 2) 06/23/20, 20-0347, HHS Psynergy Programs, Agreement 4738

**OTHER DEPARTMENT / AGENCY INVOLVEMENT:**

Approved by County Counsel, Human Resources, Information Technologies, and Risk Management. The Auditor-Controller has been notified per Board Policy B 12.

**CAO RECOMMENDATION:**

Approve as recommended.

**FINANCIAL IMPACT:**

There is no Net County Cost associated with this Agenda item. Appropriations are included in the Fiscal Year 2023-24 Recommended Budget request.

**CLERK OF THE BOARD FOLLOW UP ACTIONS**

- 1) Clerk of the Board to obtain signature of Chair on one (1) original Amendment IV to Agreement for Services 4738; and
- 2) Clerk of the Board to return one (1) fully executed Agreement to HHS Contracts Unit via email to [hhsa-contracts@edcgov.us](mailto:hhsa-contracts@edcgov.us).

**STRATEGIC PLAN COMPONENT:**

Healthy Communities

**CONTACT**

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