



# Board Agenda Item 33

---

DATE: July 8, 2025

TO: Board of Supervisors

SUBMITTED BY: Susan Holt, Director, Department of Behavioral Health

SUBJECT: Agreement with Regents of the University of California on Behalf of the University of California, San Francisco - Fresno, Medical Education Program for Psychiatric Resident Services

RECOMMENDED ACTION(S):

- 1. Under Administrative Policy No. 34 for competitive bids or requests for proposals (AP 34), determine that an exception to the competitive bidding requirement under AP 34 is satisfied and a suspension of competition is warranted due to unusual or extraordinary circumstances as the Regents of the University of California on behalf of the University of California, San Francisco - Fresno, Medical Education Program as it is the only accredited University in Fresno County eligible to provide psychiatric residents; and**
- 2. Approve and authorize the Chairman to execute an Agreement with the Regents of the University of California on behalf of the University of California, San Francisco - Fresno, Medical Education Program for a psychiatry residency program provided at the Department of Behavioral Health facilities effective upon execution, not to exceed five consecutive years, which includes a one-year base contract and four optional one-year extensions, total not to exceed \$1,637,502.**

Approval of the recommended actions will allow for continued assignment of psychiatric residents from the University of California San Francisco - Fresno (UCSF - Fresno) to participate in a residency program at Department of Behavioral Health (DBH) specialty mental health programs, providing psychiatric services as part of their training, with no increase in Net County Cost. This item is countywide.

ALTERNATIVE ACTION(S):

There are no viable alternative actions. If the recommended actions are not approved, there will be detrimental impact to the availability and accessibility of psychiatric services for Department persons served due to not having psychiatric residents associated with this agreement available to provide services to Fresno County persons served. California counties contracted with the Department of Health Care Services (DHCS) for the provision of specialty mental health services are required, pursuant to Title 42 of the Code of Federal Regulations Section 438.68, to ensure that services are available and accessible to all persons receiving Medi-Cal insurance benefits and meet medical necessity criteria for those services. Counties must also ensure that services are delivered in a timely manner and within set distance standards from their residence. Counties are required to develop and enforce network adequacy standards and are required to have an adequate network of service providers to provide services based on DHCS established and anticipated Medi-Cal enrollment and expected utilization of services. Counties report this information to the State monthly and must complete a Corrective Action Plan if the network adequacy falls below State anticipated enrollment and utilization.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

It is requested that the County find under AP 34 that an exception to the competitive bidding requirement is satisfied, and a suspension of competition is warranted due to unusual or extraordinary circumstances as UCSF is the only accredited University in Fresno County that is eligible to provide psychiatric residents to the Department. The General Services Department - Purchasing concurs with the Department's assessment that this satisfies the exception to the competitive bidding process required by AP 34.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The maximum compensation (\$1,637,502) will be offset with Mental Health Services Act - Workforce Education and Training (WET) allocations and Medi-Cal Federal Financial Participation (FFP) funds. Actual program costs will be based upon the documented psychiatric residents' timecards reviewed and approved by the Department using an eight (8) hour daily rate compensation limit per resident. Sufficient appropriations and estimated revenues are included in the Department's Org 5630 FY 2025-26 Recommended Budget and will be included in future budget requests for the term of the Agreement.

DISCUSSION:

On August 18, 2020, the Board approved County Agreement No. 20-304 for psychiatric residents from UCSF - Fresno to participate in a residency program at Department specialty mental health programs, to provide psychiatric services as part of their training. The agreement was amended twice during the term of the agreement.

Psychiatric residents provide direct patient care and maintain caseloads as part of the residency program; their residencies allow for the County to have sufficient levels of psychiatric services for persons served, especially during this time with a shortage of County psychiatrists. The UCSF - Fresno Psychiatry Residency Program currently has six (6) resident positions per year and all six (6) residents provide services to DBH persons served as part of their training. Each month, the six (6) residents provide 200-300 hours of services in-person at the DBH Metro Clinic. Prior to rendering services, all psychiatric residents are credentialed through the Department's Plan Administration Division and required to participate in the Department's Compliance and Documentation & Billing trainings. Services provided by the residents are reviewed by a supervising physician and billed to third-party payers by the County, with the corresponding revenues retained by the County. In addition to securing psychiatric services, the goal of the Department is to retain these psychiatric residents for services within Fresno County through contracted services.

The recommended agreement provides funding for a psychiatric residency program for residents, mainly on a two (2) days per week training rotation, although the number of residents may vary during the school year due to an increase/decrease in the number of students in the residency program, attrition within the resident classes, changes in the accreditation requirements, and/or other curricula changes. Residency schedules are the responsibility of UCSF - Fresno in consultation with the Department. The maximum daily payment to UCSF - Fresno for each resident is based on actual hours on training duty in a 24-hour period with a maximum compensation based on eight (8) hours of training duty activities.

The recommended agreement includes a modification clause authorizing DBH Director to approve changes to the rate not exceeding 5% of the approved rate and the maximum compensation amount factors in the potential 5% rate increase over each fiscal year through June 30, 2030. The rate was calculated by calculating the expenses for one Full-Time (FTE) resident to participate in the UCSF Psychiatry Residency Program. This includes salary, benefits, general, automobile, and employment liability insurance, network, information technology service, malpractice insurance, education stipends, and 24% of overhead expenses (support of Graduate Education Department Coordinators and Central Services Staff). The annual FTE rate is divided over 223 days (255 open clinic days minus 20 vacation days and 12 sick days per FTE).

Additionally, the recommended agreement deviates from the County's standard language thereby including an arbitration clause. This clause is non-binding, which means that County can still seek relief in a court of law after arbitration, if needed. The recommended agreement also deviates from the County's standard indemnification language thereby including mutual indemnity in connection with the performance of the agreement.

OTHER REVIEWING AGENCIES:

The Behavioral Health Board will be notified of this agreement at the July 2025 meeting.

REFERENCE MATERIAL:

BAI #47, November 7, 2023

BAI #23, March 8, 2022

BAI #27, August 18, 2020

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition Acquisition Request Form

On file with Clerk - Agreement with Regents of the University of California

CAO ANALYST:

Ronald Alexander