



Board Agenda Item 40

DATE: June 21, 2022

TO: Board of Supervisors

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

SUBJECT: Amendment to Agreement with Exodus Recovery, Inc.

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute a retroactive Amendment III with Exodus Recovery, Inc., to fund increased services at the 24-7 adult and youth crisis stabilization centers, effective December 1, 2021, with no change in term of July 1, 2016 to June 30, 2022, and increasing the maximum compensation by \$8,104,291 to a total of \$74,007,483.

There is no Net County Cost associated with the recommended action, which will ensure that necessary behavioral health services continue uninterrupted through the COVID-19 public health emergency (COVID-19). Approval will allow Exodus Recovery, Inc. (Exodus) to continue providing services while navigating the issues of COVID-19 including the strain on staffing and ability to continue staffing appropriately to provide the services required under this contract. This item is countywide.

ALTERNATIVE ACTION(S):

There is no viable alternative action. Should your Board not approve the recommended action, services will be reduced for individuals with serious mental illness and the Department of Behavioral Health would be unable to provide necessary 24-7 adult and youth crisis stabilization center (CSC) services to county residents.

RETROACTIVE AGREEMENT:

The contract with Exodus reached its maximum amount payable for salaries and operational expenses in some categories by the end of December 2021 and therefore, the recommended amendment shall be retroactive to December 1, 2021, to ensure appropriate coverage for the remaining invoices. The recommended amendment was not brought at an earlier date due to ongoing contract negotiations with Exodus, staff transitions, and lengthy internal review processes.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum compensation in FY 2021-22 is \$20,380,485 (increased by \$8,104,291); \$74,007,483 for the six-year term. The recommended agreement is funded with Medi-Cal Federal Financial Participation and Behavioral Health Realignment funds. For FY 2021-22 we are projecting a need to increase the Adult CSC program budget by a total of \$5,755,983 and the Youth CSC program budget by a total of \$2,348,308 to continue providing CSC services. Sufficient appropriations and estimated revenues have been included in the Department's 5630 FY 2021-22 Adopted Budget. Total expenditures are based on actual services provided.

DISCUSSION:

Due to the continuing challenges presented by COVID-19, contracted providers have experienced unanticipated staff shortages and implementation of accommodations to meet new requirements and safety precautions. Furthermore, Exodus has experienced an increase in services required as they have either had an influx of individuals seeking services related to COVID-19 impacts, as other service providers have not been available, and/or have, based on community needs, pivoted to provide additional support in COVID-19 response related activities such as vaccinations.

On May 24, 2016, the Board approved Agreement No. 16-221 with Exodus for the operation of mandated 24-7 adult and youth CSCs to residents of the County.

On June 18, 2019, your Board approved the first amendment to retain and add both Exodus personnel and subcontracted positions.

On June 8, 2021, your Board approved the second amendment to increase maximum compensation and extend the agreement for one additional year.

The recommended amendment increases the maximum compensation of the contract since issues related to COVID-19 required additional services and bed capacity. Upon the request of the Department, Exodus expanded the capacity of the crisis stabilization centers to add 30 beds to a maximum capacity of 58 individuals total during FY 2021-22. The amendment includes an increase to the maximum compensation for FY 2021-22 as COVID-19 is ongoing and has carried on through the final year of the contract.

OTHER REVIEWING AGENCIES:

The Behavioral Health Board was notified of these recommended actions at the April 20, 2022 meeting.

REFERENCE MATERIAL:

BAI #29, June 8, 2021
BAI #38, June 18, 2019
BAI #38, May 24, 2016

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment III to Agreement 16-221 with Exodus Recovery, Inc.

CAO ANALYST:

Sonia M. De La Rosa