



Board Agenda Item 24

DATE: September 5, 2023
TO: Board of Supervisors
SUBMITTED BY: Susan Holt, Director, Department of Behavioral Health
SUBJECT: Amendment I to Recovery Residence Master Agreement

RECOMMENDED ACTION(S):

Approve and authorize the chairman to execute Amendment I to the Recovery Residence Master Agreement to remove a contractor, Turning Point of Central California, and to add perinatal recovery residence services by contractor Mental Health Systems, Inc., effective upon execution with no change to the term of July 1, 2020, through June 30, 2025, and increasing the maximum compensation by \$950,149 to a total of \$5,950,149.

Approval of the recommended action will remove Turning Point of Central California (TP) from the Recovery Residence (RR) Master Agreement and add perinatal beds to the RR Master Agreement under Mental Health System (MHS), Inc. dba Turn Behavioral Health Services, for the remaining term of the agreement. There is no increase in Net County Cost associated with the recommended action. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended action is not approved, the Department will not be able to provide perinatal Recovery Residences to clients engaged in Substance Use Disorder (SUD) treatment. There are no other programs in the community offering this type of service.

FISCAL IMPACT:

The recommended action will not result in an increase in Net County Cost. However, it entails an adjustment to the maximum compensation amount in the agreement, which is being increased from \$5,000,000 to a total of \$5,950,149 for the entire contract term, extending until June 30, 2025.

Cost is based upon actual usage of the Recovery Residence services at a daily rate established by each contractor. There is no additional cost for adding perinatal beds for the agreement's remaining term. The recommended agreement is financed with Behavioral Health Realignment funds. Sufficient appropriations and estimated revenues are included in the FY 2023-24 Recommended Budget for Org 5630 and will be included in future budget requests.

DISCUSSION:

On February 14, 2020, the Department, through the Internal Services Department - Purchasing Division (ISD - Purchasing), issued a Request for Proposal (RFP) #20-042 for Recovery Residences, which closed on March 11, 2020. The Department received two proposals which were accepted by ISD - Purchasing. The accepted proposals were from Turning Point and Westcare.

On June 9, 2020, your Board approved Master Agreement No. 20-217 with various contractors to deliver adult outpatient SUD treatment and SUD recovery services. Recovery Residences offer a supportive housing service, free of alcohol and drugs, for individuals who are currently seeking substance use disorder treatment or in a period of recovery immediately following successful completion of a substance use disorder treatment program. Recovery Residences provide a sober, safe, and healthy living environment that fosters sustained recovery from alcohol and drug use by promoting autonomy and self-improvement as well as providing connections to peer and community resources. Recovery Residences services are offered to men and women by three contractors: Turning Point of Central California, Inc., Westcare California, Inc., and Mental Health Systems, Inc.

With your Board's approval, the amendment will remove the contractor Turning Point (TP) of Central California from the RR Master Agreement. In February 2023, the Department and TP mutually agreed upon nonrenewal of TP beyond the agreement's three-year term of July 1, 2020, to June 30, 2023.

The amendment will also add eight perinatal RR beds under MHS. An External Quality Reviewer Organization (EQRO) recommendation, Perinatal RR will offer a supportive housing service, free of alcohol and drugs, for pregnant women, men and/or women with children who are currently seeking substance use disorder treatment or in a period of recovery immediately following successful completion of a substance use disorder treatment program. Perinatal RR will provide a sober, safe, and healthy living environment that fosters sustained recovery from alcohol and drug use by promoting autonomy and self-improvement as well as providing connections to peer and community resources.

The amendment will also increase the maximum compensation. The decision to increase the maximum compensation was based on careful consideration of the contractors' annual compensations listed in Revised Exhibit G. To align with their anticipated service costs, the maximum compensation for FY 2023-2024 has been set at \$1,457,795, while for FY 2024-2025, it is now \$1,492,354. These adjustments ensure that the compensation amount remains fair and in line with the contractors' scope of work and financial expectations, providing stability and clarity throughout the contract term.

REFERENCE MATERIAL:

BAI #, June 9, 2020
BAI #34, December 11, 2018

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment I

CAO ANALYST:

Ron Alexander