



Board Agenda Item 38

DATE: June 10, 2025

TO: Board of Supervisors

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

SUBJECT: Master Agreement for Youth Placement

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, and that the best interests of the County would be served by entering into the Master Agreement given the non-competitive nature of Master Agreements; and**
- 2. Approve and authorize the Chairman to execute a Master Agreement with licensed youth residential facilities for Youth Placement, effective July 1, 2025, not to exceed five consecutive years, which includes a three-year base contract and two optional one-year extensions, total not to exceed \$1,500,000.**

There is no additional Net County Cost associated with the recommended actions, which will allow the Department to contract with licensed residential facilities certified to provide Youth Placement services. These facilities are licensed to provide specialized residential services sufficient to support needs for seriously emotionally disturbed (SED) youth. The need for these services has been increasing annually and it is necessary for the Department to expand its network to meet these needs. This item is countywide.

ALTERNATIVE ACTION(S):

Should the recommended actions not be approved, the Department will be unable to place persons at licensed facilities certified to provide placement and specialized residential services for SED youth with severe and persistent mental health conditions. Existing individuals served by the expiring contract will experience a gap in services and the Department will be left without a contracted provider to provide these services and can lead to inappropriate placement and care for Fresno County youth at either higher or lower levels of care than they require.

SUSPENSION OF COMPETITION 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 due to the non-competitive nature of master agreements as well as the catered utilization of this agreement for only SED youth with severe and persistent mental health conditions. 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 for the term would be \$1,500,000 (\$300,000 allocated annually) and will be funded with Mental Health Realignment. Sufficient appropriations and estimated revenues are included in the Department's Org 5630 FY 2025-2026 Recommended Budget and will be included in future budget requests. Actual costs will be determined by actual services provided.

DISCUSSION:

On August 20, 2019, the Board approved Master Agreement No. 19-406 with licensed and credentialed facilities to provide specialized residential mental health services for County persons youth, as mandated by the WIC and CCR Title 22.

On June 20, 2023, the Board approved Superseding Master Agreement No. A-23-283 with licensed residential facilities to provide a variety of residential mental health services. This master agreement allowed Fresno County to contract with various mental health treatment providers and made necessary changes required by the implementation of California Advancing and Innovating Medi-Cal (CalAIM), including a new billing structure for Medi-Cal services.

On August 22, 2023, the Board retroactively approved Amendment I (No. 23-415) to the Master Agreement to revise the rates for Star View Behavioral Health, Inc.

On March 5, 2024, the Board approved Amendment II (No. 24-100) to the Master Agreement, adding provider BHC Alhambra Hospital, Inc. d.b.a. BHC Alhambra Hospital.

On August 20, 2024, the Board approved Amendment III (No. 24-441), which added provider Central Star Behavioral Health, Inc and removed Crestwood Behavioral Health, Inc.

On May 6, 2025, your Board approved Amendment IV (No. 25-169), which modified the rate sheet for Psynergy Programs, Inc. To allow for the inclusion of a payment mechanism for basic services for non-benefited persons served.

As the aforementioned contract ends its term, it has been decided by the Department to split this agreement into multiple master agreements to focus on specific service lines.

Youth Placement includes specialized residential mental health services for SED youth with persistent mental health conditions. Youth placed at these facilities are typically conserved or foster youth. These facilities serve hard-to-place youth that have difficult to treat disorders and educational needs. Facilities being added to this master agreement can serve these needs; they undergo vetting process by the Recovery with Inspiration, Support, and Empowerment (RISE) Conservatorship and Community Conservatorship teams in order to ensure they are providing adequate and quality services.

Utilization Data

<u>Fiscal Year</u>	<u>Persons Served</u>	<u>Service Days</u>	<u>Expenditures</u>
2022-2023	3	164	\$86,894
2023-2024	1	207	\$37,339

Utilization data for this program remains limited to provide an appropriate prediction of growth. The current utilization above does not reflect what is the expected utilization nor is there sufficient history to have a robust, data informed estimation. The above data has the expenditures for both providers, but utilization is dependent on a case-by-case basis. Due to the data limitations, the maximum compensation for each fiscal year for this agreement was estimated utilizing the lowest complexity rate per person served with a slightly

higher population count of five (5) persons served to account for variations in the numbers of persons served and/or their service level. Additional funds were added to the annual compensation to account for persons served requiring higher levels of care than the lowest complexity. The total proposed maximum compensation additionally accounts for the potential need for the additional of additional provider(s) on this master agreement.

Approval of the first recommended action will suspend the competitive bidding process consistent with Administrative Policy No. 34, for delivery of Youth Placement services with licensed residential facilities. Approval of the second recommended action will authorize the Master Agreement with licensed residential facilities for the provision of Youth Placement, for a five-year term, total not to exceed \$1,500,000.

The modification and rate modification clauses of the agreement delegate the board's authority to the DBH Director to make certain changes to the agreement during the term of the agreement, as further described in the Article 15, Sections 1 and 2 of the agreement.

OTHER REVIEWING AGENCIES:

The Behavioral Health Board was notified of the recommended Agreement during the May 2025 meeting.

REFERENCE MATERIAL:

BAI #27 May 6, 2025
BAI #31 August 20, 2024
BAI #30 March 5, 2024
BAI #26 August 22, 2023
BAI #44 June 20, 2023
BAI #26 August 20, 2019

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition Acquisition Request Form
On file with Clerk - Master Agreement

CAO ANALYST:

Ronald Alexander Jr.