



# Board Agenda Item 48

DATE: June 20, 2017

TO: Board of Supervisors

SUBMITTED BY: Dawan Utecht, Director, Department of Behavioral Health

SUBJECT: Retroactive Amendment I to Master Agreement with Licensed Residential Facilities for Adult Transitional Social Rehabilitation Program Services

## RECOMMENDED ACTION(S):

**Approve and authorize the Chairman to execute retroactive Amendment I to Master Agreement No. 15-316 with licensed residential facilities for Adult Transitional Social Rehabilitation Program services for persistent and severely mentally ill adult clients, effective April 1, 2017, with no change in term through June 30, 2020 and increasing the maximum compensation by \$1,576,480 for a total of \$7,826,480.**

Approval of the recommended action will allow the Department of Behavioral Health to continue to provide a less restrictive level of care to clients utilizing licensed residential Transitional Social Rehabilitation Program (TSRP) service facilities. The services are designed to minimize the risk of client hospitalizations and assist clients with the development of independent living skills with the goal of advancing to a less structured setting. To maintain the services, the proposed amendment will increase the maximum compensation to \$1,644,120 annually from FY 2016-17 through FY 2019-20. The additional funds are necessary to maintain client services and avoid running out of funds. Actual costs are determined by usage. Based on the recent utilization of funds for this contract it is necessary that the Department increase maximum compensation. The services will be funded with Mental Health Realignment, with no increase in Net County Cost.

## ALTERNATIVE ACTION(S):

Should the recommended actions not be approved the Department would be unable to place clients at certified transitional social rehabilitation service facilities, as needed. The Department would have to place adult clients in a higher level of care, at a higher cost, through Master Agreement No. 16-294, which consists of Skilled Nursing Facilities (SNF), Geropsychiatric Nursing Care Facilities (GNCF), Institutions of Mental Disease (IMD), and Mental Health Rehabilitation Centers (MHRC), all of which are secured facilities. Alternatively, without the recommended agreement, clients would be placed in a lower level of care such as a Transitional Residential Services Program facility, which will not be an appropriate level of care. The clients may not be ready for such a care reduction and/or transitional residential care facilities may not have the capacity or licensing exemptions to accept clients requiring a higher level of care.

## RETROACTIVE AGREEMENT:

The proposed Amendment is retroactive to April 1, 2017, to ensure all expenses for clients who have been referred to and served by the providers on this contract are compensated timely.

## FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The recommended

amendment will increase the annual maximum compensation amount from \$1,250,000 to \$1,644,120, 31.5% (\$394,120) for FY 2016-17 through FY 2019-20; the term maximum will increase from \$6,250,000 to \$7,826,480, or 25% (\$1,576,480). Total expenditures will be based on the actual length of stay in a licensed residential facility. The recommended amendment will be financed with Mental Health Realignment funds. Sufficient appropriations and estimated revenues were included in the Department's Org 5630 FY 2016-17 Adopted Budget and will be included in subsequent budget requests for the duration of the term.

DISCUSSION:

On July 14, 2015, your Board approved Master Agreement No. 15-316 with licensed residential facilities for adult TRSP services, providing a higher level of care to clients with persistently severe mental illness and minimizing the risk of hospitalization. The services provided enhanced independent living skills development, promoting the client's movement toward a less structured setting.

The recommended amendment will add funding for additional TSRP service placements. TSRP facility rates vary from \$145 to \$185 per day and are provided to select clients placed by the Department's clinical staff. As of January 30, 2017, 35 clients were placed within TSRP facilities. Approval of the recommended amendment will allow the Department to increase the annual contract maximum for FY 2016-17 from \$1,250,000 to \$1,644,120 based on current usage, based on forecasting and considering current utilization of funds.

With your Board's approval, qualified, licensed, and interested vendors will be added to the Master Agreement, as necessary, to meet the department's placement needs as assessed by clinical staff. All other agreement terms and conditions remain unchanged.

OTHER REVIEWING AGENCIES:

The Fresno County Behavioral Health Board was informed of the recommended amendment at their May 17, 2017 meeting.

REFERENCE MATERIAL:

BAI #34, July 14, 2015 - Master Agreement No. 15-316

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment to Agreement No. 15-316 with licensed residential facilities

CAO ANALYST:

Sonia De La Rosa