



Board Agenda Item 40

DATE: April 9, 2024

TO: Board of Supervisors

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

SUBJECT: Amendment III to Master Agreement No. 23-277 with Short-Term Residential Therapeutic Programs

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute Amendment III to Master Agreement to add Z.N.D. Residential, Inc. as a contracted provider with no change to the term of July 1, 2023 to June 30, 2024, or maximum compensation of \$30,000,000.

Approval of the recommended actions will allow the Department of Behavioral Health to expand the network of service providers to ensure appropriate and necessary specialty mental health services for County youth and non-minor dependents placed within Short-Term Residential Therapeutic Programs (STRTPs). This item is countywide.

ALTERNATIVE ACTION(S):

There is no viable alternative action. Should the Board not approve the recommended action, youth in the foster care/child welfare system may experience a gap and/or delay in essential specialty mental health services.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The total maximum compensation amount for the master agreement (\$30,000,000) will be fully offset with Medi-Cal Federal Financial Participation (FFP) and Mental Health Realignment. Sufficient appropriations and estimated revenues are available in the Department Org's 5630 FY 2023-24 Adopted Budget and will be included in future budget requests for the duration of the term.

DISCUSSION:

On October 11, 2015, Assembly Bill 403 was signed into law allowing the State of California to implement provisions of the Continuum of Care Reform (CCR). This reform included the creation of a new youth residential licensing category - the Short-Term Residential Therapeutic Program (STRTP) - that replaced the group home Rate Classification Level (RCL) structure and provided short-term, specialized, and intensive treatment, 24-hour care, and supervision to youth and non-minor dependents placed within their program.

On September 24, 2016, Assembly Bill 1997 adopted additional changes to further facilitate implementation of CCR including the requirements for STRTPs to provide specialty mental health services to youth and non-minor dependents placed in their care. This would allow for the timely provision of services and greater

care coordination for foster youth in the system. Once licensure from the California Department of Social Services (CDSS) is achieved, the STRTP has twelve months to obtain mental health program approval, including Medi-Cal site certification, by its local Mental Health Plan.

On August 7, 2018, your Board approved master agreement No. 18-418 for the provision of specialty mental health services to foster youth placed within the care of STRTPs located within California. After the addition of several STRTPs, as well as more robust data on the volume of services required for Fresno County youth receiving services within these programs, it became apparent that additional funding was needed and on July 7, 2020, your Board approved amendment I to the master agreement for an increase to the overall maximum compensation amounts for the remaining term of the master agreement.

On June 20, 2023, your Board approved a superseding master agreement No. 23-277 with various providers for STRTP specialty mental health services to child welfare youth, effective July 1, 2023. This master agreement allowed the Department to adhere to the new Department of Health Care Services (DHCS) Implemented California Advancing and Innovating Medi-Cal (CalAIM) regulations including Medi-Cal payment reform changes through the Behavioral Health System of Care. Ten STRTP programs were included in that master agreement and modification language required the Department to return to the Board to add additional STRTP vendors to the agreement.

On August 22, 2023, your Board approved amendment I (No. 23-417) to the agreement adding Elite Family Systems as an STRTP vendor and on October 24, 2023, your Board approved amendment II (No. 23-575) to the agreement adding Brighter Horizon Treatment Centers as an STRTP vendor.

In January 2024, Z.N.D. Residential, Inc. was identified as a STRTP vendor who met the requirements of becoming a fully operational STRTP and has provided all required materials to the Department for addition to master agreement No. 23-277. Approval of the recommended action would allow the Department to add this vendor to the master agreement and ensure that Fresno County youth placed within their care receive the specialty mental health services they require.

OTHER REVIEWING AGENCIES:

The Fresno County Behavioral Health Board will be informed of the recommended amendment at their April 2023 meeting.

REFERENCE MATERIAL:

BAI 35, October 24, 2023
BAI 29, August 22, 2023
BAI #44, June 20, 2023
BAI #30, July 7, 2020
BAI #39, August 7, 2018

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment III to Master Agreement No. 23-417

CAO ANALYST:

Ronald Alexander