



Board Agenda Item 32

DATE: April 17, 2018

TO: Board of Supervisors

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

SUBJECT: Retroactive First Amended and Restated Agreement with Maxim Healthcare Services, Inc. for Temporary Staffing Recruitment Services.

RECOMMENDED ACTION:

1. **Make a finding that it is in the best interest of the County to waive the competitive bidding process consistent with Administrative Policy Number 34 under the “unusual or extraordinary circumstances” exception in recruitment of temporary mental health, and medical staff to fill critical staffing vacancies.**
2. **Approve and authorize the Chairman to execute retroactive First Amended and Restated Agreement to Purchasing Agreement P-17-126-L with Maxim Healthcare Services, Inc., for Temporary Staffing Recruitment Services, effective November 1, 2017 through October 31, 2018, total not to exceed \$2,600,000.**

Approval of the recommended action will increase the term and maximum compensation for Temporary Staffing Recruitment, with Maxim Healthcare Services, Inc., for the Department of Behavioral Health (DBH). The original purchasing agreement was for a six-month term ending October 31, 2017 with a maximum compensation not to exceed \$95,000. In January 2018, an amendment I to the purchasing agreement was executed, extending the term an additional seven months through May 31, 2018 with a maximum compensation not to exceed \$99,999. The proposed amended and restated agreement will allow Mental Health Realignment funds to fully fund costs incurred by Maxim Healthcare Services, Inc. for purposes of recruiting appropriate staff to fill critical medical and clinical staff vacancies within the Adult and Children's Mental Health Divisions.

ALTERNATIVE ACTION:

There is no viable alternative action. Should your Board not approve the recommended actions, clients will be subject to the negative consequences of inadequate staffing. Optimal staffing is critical for DBH operations. Given the current vacancies, it is crucial that appropriate staffing levels are maintained. The requested classifications in need of recruitment are essential in the operation of DBH. These classifications provide services to seriously mentally ill clients, which helps deter decompensation of consumers and also aids in preventing costly hospitalization. Periods of inadequate staffing pose a danger to staff and clients due to the nature of the population served. Additionally, State of California mandated staffing ratios must be maintained at all times. An inability to admit clients due to inadequate staffing could negatively impact the safety of the general public.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

The Department's request to waive the competitive bidding process consistent with Administrative Policy No. 34 is based on the County's current critical and severe need for mental health and medical staff. The

requested classifications are essential in the operation of the DBH. These classifications provide services to seriously mentally ill clients, which helps deter decompensation of consumers and also aids in preventing costly hospitalization. Maxim Healthcare Services, Inc. has confirmed their capacity to provide staff within the requested classifications. The Internal Services Department - Purchasing concurs with the Department's request to waive the competitive bidding process.

RETROACTIVE AGREEMENT:

The recommended agreement is retroactive to November 1, 2017. Meetings to discuss a long-term plan for temporarily filling staffing vacancies though the use of temporary staffing services resulted in this item being held back longer than expected.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum cost of the recommended amended and restated agreement is \$2,600,000. The costs will be fully funded by Medi-Cal Federal Financial Participation, Mental Health Realignment funds, and funds available due to salary savings from the vacant positions, which would be filled by this agreement. Sufficient appropriations and estimated revenues are available in the Department's Org 5630 FY 2017-18 Adopted Budget and will be included in the FY 2018-19 Requested Budget.

DISCUSSION:

In early 2017, DBH solicited the services of recruiting firms specializing in the recruitment of Licensed Marriage and Family Therapist (LMFT), Licensed Clinical Social Worker (LCSW), Licensed Professional Clinical Counselor (LPCC), Licensed Vocational Nurse (LVN), Registered Nurse (RN), and Nurse Practitioner (NP) to provide services for the mentally ill population of the County of Fresno. These firms were to identify and recruit qualified candidates who satisfy the criteria as established by the Department of Behavioral Health pertaining to each respective staff classification.

On April 10, 2017, DBH established a procurement agreement with Maxim Healthcare Services, Inc. The original purchasing agreement was for a six-month term ending October 31, 2017 with a maximum compensation not to exceed \$95,000. In January 2018, an amendment I to the purchasing agreement was executed, extending the term an additional seven months through May 31, 2018 with a maximum compensation not to exceed \$99,999. The proposed amended and restated agreement will allow Mental Health Realignment funds to fully fund costs incurred by Maxim Healthcare Services

Upon your Board's approval, the proposed agreement would be retroactive to November 1, 2017. Additionally, Maxim Healthcare Services, Inc. will provide worker's compensation, general and professional liability insurance coverage for all temporary staff. The recommended agreement allows the County, Maxim Healthcare Services, Inc. or DBH Director, or designee, to provide written notice of non-renewal no later than 60 days prior to the close of the one-year contract and for termination without cause upon 30-days advance written notice of the intention to terminate.

OTHER REVIEWING AGENCIES:

The Behavioral Health Board was informed of the recommended agreement at its February 21, 2018 meeting.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with Maxim Healthcare Services, Inc.
Suspension of Competition Form E-PD-048

CAO ANALYST:

Ronald W. Alexander, Jr.