



Board Agenda Item 45

DATE: June 24, 2025

TO: Board of Supervisors

SUBMITTED BY: Susan L. Holt, Director, Department of Behavioral Health
Raymond T. Hunter, Director, General Services Department

SUBJECT: Agreements with Central California Faculty Medical Group, Inc. for Psychiatric Services

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 as Central California Faculty Medical Group, Inc. is affiliated with the University of California San Francisco and is poised to recruit and hire adequate levels of licensed psychiatrists to provide in-person psychiatric services in Fresno County;**
- 2. Approve and authorize the Chairman to execute an Agreement with Central California Faculty Medical Group, Inc. for psychiatric services by licensed psychiatrists and psychiatric nurse practitioners serving individuals living in Fresno County, effective July 1, 2025, through June 30, 2027, total not to exceed \$20,899,611; and**
- 3. Approve and authorize the Chairman to execute a License Agreement with Central California Faculty Medical Group, Inc., to provide psychiatric services at various County-owned facilities, effective July 1, 2025, through June 30, 2027 (\$0).**

There is no additional Net County Cost associated with the recommended actions, which will allow Central California Faculty Medical Group, Inc. to provide essential in-person psychiatric services in County-owned facilities to children and adults living in Fresno County. The service agreement will be funded with Mental Health Realignment. There is no cost associated with the License Agreement. This item is countywide.

ALTERNATIVE ACTION(S):

If the Board does not approve recommended actions, there would be considerable impact to individuals currently receiving psychiatric services through Fresno County. Persons served will experience delays and lapses in services and obtaining needed medication. Furthermore, the Department would be noncompliant with federally mandated psychiatric services access requirements. The Department would need to fully rely on costly locum tenens psychiatrists and psychiatric nurse practitioners until permanent psychiatry staff can be recruited and hired.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

It is requested that the County find under Administrative Policy No. 34 that an exception to the competitive bidding requirement is satisfied, and a suspension of competition is warranted due to unusual or

extraordinary circumstances, as Central California Faculty Medical Group, Inc. (CCFMG) has the experience and resources to meet the ongoing need for continued and essential direct psychiatric services in Fresno County. These services are provided in person to individuals living in Fresno County experiencing mental health conditions by licensed psychiatrists and psychiatric nurse practitioners. CCFMG's affiliation with the University of California, San Francisco (UCSF)-Fresno Campus presents opportunities for their medical students and psychiatry residents to work within clinics serving individuals living in the County, and to continue serving Fresno County residents after commencement of their respective educational programs. CCFMG provides the ability to effectively recruit and hire qualified licensed psychiatrists and psychiatric nurse practitioners to serve County populations at adequate levels. 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 of the psychiatry service agreement (\$20,899,611) will be fully offset with Mental Health Realignment. Sufficient appropriations and estimated revenues will be included in the Department's Org 5630 FY 2025-26 Recommended Budget and will be included in future budget requests. There is no cost associated with the License Agreement.

DISCUSSION:

The County has experienced a significant shortage of psychiatrists. The Department has experienced the ongoing struggle of recruiting, hiring, and retaining psychiatry professionals, most noticeably due to a highly competitive market, overall high need of licensed psychiatrists, and Fresno County's geographic location relative to larger and more metropolitan areas in the state and country. Over the last seven years, the Department has partnered with CCFMG to secure qualified licensed psychiatrists and psychiatric nurse practitioners to serve vulnerable populations in Fresno County. Currently, there are twelve psychiatrists and two psychiatric nurse practitioners hired by CCFMG to treat adults and children with severe mental illness living in Fresno County.

On May 1, 2018, the Board executed Service Agreement No. A-18-234 and License Agreement No. A-18-235 with CCFMG.

On January 18, 2022, the Board executed Amendment I, Agreement No A-22-023, to revise the psychiatric services and budget and to remove Psychiatric Mental Health Nurse Practitioner and Nurse Partitioner positions from the Departments Org 5630 due to recruitment challenges.

On June 20, 2023, the Board executed Amendment II, Agreement No. 23-298, to modify the term of the Agreement to allow the Department to adhere to new DHCS implemented California Advancing and Innovation Medi-Cal (CalAIM) regulations.

The recommended agreement will continue the partnership with CCFMG and leverage their affiliation with UCSF-Fresno Campus to mentor, recruit, hire, and retain qualified providers to deliver psychiatric services in Fresno County. The County currently holds a contract with the UCSF-Fresno Medical Education Program for Psychiatric Resident Services which has consistently enabled annual cohorts of psychiatry residents to be attended by CCFMG staff psychiatrists working in the Department's mental health systems of care. To date, CCFMG has hired seven psychiatrists through the residency program; two of whom are currently attending residents from the current cohort. Additionally, the County maintains a contract with the UCSF-Fresno Longitudinal Integrated Fresno Experience (LIFE) Clinical Program which enables medical students to gain clinical learning experiences as interns at various clinics throughout Fresno County. Although the Department has not hired any providers through the LIFE program, the contract is an avenue that can be utilized to draw quality providers to the County.

The recommended agreement proposes a two-year term with no extensions. CCFMG is currently reimbursed based on cost of service delivery; however, the Department has moved away from a cost reimbursement model to a fee for service model for direct service providers. Over the next two years, the Department will work with CCFMG to revise their billing structure and return to your Board at a later date to propose a standard five-year term agreement with CCFMG for psychiatric services under a fee for service model.

The recommended License Agreement is a facility use agreement to allow CCFMG staff use of County-owned facilities to provide psychiatric treatment under the terms of the recommended service Agreement. Approval of the recommended License Agreement will allow CCFMG to continue delivering psychiatric services to adults and children at County-operated clinics within County facilities.

OTHER REVIEWING AGENCIES:

The Behavioral Health Board was notified of this item in their June 2025 meeting.

REFERENCE MATERIAL:

BAI #46, June 20, 2023
BAI #17, January 18, 2022
BAI #13, May 1, 2018

ATTACHMENTS INCLUDED AND/OR ON FILE:

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

CAO ANALYST:

Ronald Alexander