April 22, 2014

Board of Supervisors
3501 Civic Center Drive
San Rafael, CA 94903

SUBJECT: Department of Health and Human Services, Division of Mental Health and Substance Use Services proposes Amendment to the FY 2013-14 Master Fee for Service contract that governs residential placements of Marin County mental health clients. (Amendment)

Dear Supervisors:

RECOMMENDATION: Approve the Amendment to the FY 2013-14 Master Contract increasing the maximum contract amount by $2,000,000 for a new maximum of $4,800,000 to apply to fee for service contracts between the Department’s Division of Mental Health and Substance Use Services and the various facilities that provide adult residential services to Marin County mental health clients.

SUMMARY: Your Board, with its approval of the Master Contract, authorizes the Director of Health and Human Services to sign identical contracts with individual providers on the attached list, and additional providers whose services might become necessary in the future.

Currently there are 20 facilities that provide residential services to approximately 114 Mental Health and Substance Use Services clients. The level of care varies from home-like settings to locked facilities with the goal of eventually achieving reintegration into the community and avoiding hospitalization.

The total amount of the FY 2013-14 Master Contract is $4,800,000. The increase in cost is due to: the increase in the number of clients served and number of bed days; placements at facilities with higher levels of care; and increases in rates. The sum of the individual requisitions in SAP will at no time be greater than the amended Master Contract amount. Also note that the Master Contract does not allow for a waiver of the County’s insurance requirements; if a contractor seeks such a waiver, the Department will need to get the specific approval of the Risk Manager and the signature of the CAO (for contracts under $25,000 each) or of the Board (for contracts greater than $25,000).

COMMUNITY IMPACT: Approval of the Master Contract amendment will allow Mental Health and Substance Use Services to continue to provide mental health services in a manner that can best be adapted to changing patient needs.

FISCAL IMPACT: The funds for this proposed amendment are budgeted in Funds Center 1000042000. The increase in cost is funded by additional mental
health revenues held in reserve which were appropriated by your Board on March 25, 2014. A purchase requisition for each contract provider on the attached list has been entered in SAP. The amount of each requisition will be adjusted as needed throughout the fiscal year based on actual utilization of services. The total amount of all requisitions does not exceed $4,800,000 for FY 2013-14. The contracts allow for cancellation, with thirty days' notice, should the County not be able to continue to fund. There is no increase in net county cost.

REVIEWED BY:

☑ County Administrator ☐ N/A
☐ Department of Finance ☑ N/A
☐ County Counsel ☑ N/A
☐ Human Resources ☑ N/A

Sincerely,

Larry Meredith, PhD
Director

SAP Document No.: see attached list