



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: June 7, 2013
Board Meeting Date: July 9, 2013
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Jean S. Fraser, Chief, Health System
Stephen Kaplan, Director, Behavioral Health & Recovery Services

Subject: Amendment to the agreement with Pyramid Alternatives, Inc.

RECOMMENDATION:

Adopt a Resolution waiving the Request for Proposals process and authorizing an amendment to the agreement with Pyramid Alternatives, Inc. for the provision of alcohol and other drug prevention, treatment and recovery services, criminal justice realignment services, and Mental Health Plan services, increasing the amount by \$759,466 to an amount not to exceed \$4,093,436, and extending the term through December 31, 2013.

BACKGROUND:

On September 27, 2011, your Board approved an agreement with Pyramid Alternatives, Inc. for the term July 1, 2011 through June 30, 2012, to provide alcohol and drug treatment and recovery services for San Mateo County residents. On February 14, 2012, your Board approved a first amendment to the agreement adding Criminal Justice Realignment services, providing supervision to formerly incarcerated adults, and increasing the maximum obligation by \$240,000 to a new maximum of \$1,714,108. On April 16, 2012, the Chief of the Health System approved a second amendment to the agreement allowing Pyramid Alternatives, Inc. Executive Director to serve as the Co-Chair of the Chinese Initiative, and increasing the maximum obligation by \$10,000 to a new maximum of \$1,724,108. On June 19, 2012, your Board approved a third amendment to the agreement, increasing the maximum obligation by \$1,599,862 to a new maximum of \$3,323,970, and extending the term of the agreement through June 30, 2013. On July 10, 2012, the Health System Chief approved a fourth amendment to the agreement, increasing the maximum obligation by \$10,000 to a new maximum of \$3,333,970, and no change to the agreement term.

DISCUSSION:

Behavioral Health and Recovery Services (BHRS) is analyzing how behavioral health services can best be delivered in the County to meet the demands of health care reform

as well as guidelines published by the Substance Abuse and Mental Health Administration (SAMHSA) in 2011 for behavioral health systems.

Currently, BHRS is in the development phase of how to meet the new guidelines which focus on integrating primary care and behavioral health care system and service coordination, health promotion, prevention, screening and early intervention, treatment, resilience and recovery support, promoting social integration, employment, housing and educational services, and supporting optimal health and productivity. A full range of high quality services is necessary to meet the range of age, gender, cultural and other needs of County residents, and to promote healthy behavior and lifestyles, a primary driver of health outcomes. BHRS is actively working to clarify the roles and responsibilities associated with the change in structure, financing and operation of the redesign.

Therefore, BHRS believes that it is in the best interest of the County to continue collaborating with existing providers in the delivery of Alcohol and Other Drug (AOD) prevention and treatment services in San Mateo County while working out the details of the redesign. BHRS recommends a waiver of the Request for Proposal (RFP) process for Pyramid Alternatives, Inc. providing alcohol and other drug prevention, treatment and recovery services for an additional six months, by extending the term of the agreement through December 31, 2013, and increasing the contract maximum by \$759,466. BHRS is in the process of preparing an RFP for AOD Treatment Services beginning January 1, 2014. There are 16 AOD Prevention and/or Treatment contracts that will be amended and submitted separately for your Board's consideration.

The amendment and Resolution have been reviewed and approved by County Counsel as to form.

The Contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits.

The Amendment contributes to the Shared Vision 2025 outcome of a Healthy Community by providing individuals and families in San Mateo County with prevention and treatment services to support recovery, which in turn contributes to the health and safety of communities throughout San Mateo County. It is anticipated that 65% of participants will successfully complete all steps of the alcohol and other drug treatment program while maintaining sobriety.

PERFORMANCE MEASURE(S):

Measure	FY 2012-13 Estimate	FY 2013-14 Projected
Percentage of clients who successfully complete all steps of the alcohol and drug treatment program while maintaining sobriety	65% *	65%

* *This percentage is an aggregate. Individual data results will be available in FY 2013-14.

FISCAL IMPACT:

The term of the amended agreement is July 1, 2011 through December 31, 2013. The agreement maximum is being increased by \$759,466 to a new maximum of \$4,093,436. The funding is provided through the following sources:

Services and Funding Sources	FY 2011-12	FY 2012-13	FY 2013-14
Reentry Grant- Achieve 180*	7,500	10,000	5,000
Cal EMA Grant	414,440	207,220	
Drug Court Partnership (DCP) – State Drug Court *	70,762		
Comprehensive Drug Court Implementation (CDCI) *	233,906		
Realignment Funding: Drug Court and Mental Health Plan	65,250	372,168	186,084
Adult Drug Court Discretionary Grant*			76,978
Ryan White Care Act*	83,070	53,500	26,750
AB 109 – Criminal Justice Funding*	144,000	167,333	83,666
CalWORKs allocation	21,139	21,139	10,569
FFP – MCE and Mental Health Plan	188,917	201,711	100,856
Medicare	14,500	15,000	7,500
Mental Health Services Act	47,185	47,185	23,593
Negotiated Net Agreement (NNA)	304,183	325,016	162,508
Net County Cost	166,923	151,923	75,962
Total Funding	1,761,775	1,572,195	759,466

* Aggregate funding sources.

The amounts are included in the FY 2011-12 and FY 2012-13 Adopted Budgets and \$759,466 will be included in the BHRS FY 2013-14 Recommended Budget. The Net County Cost for FY 2013-14 is \$75,962. Through the increase, payment provisions will remain the same and allow the provider to serve the existing number of clients for an additional six months without interruption of services.