



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: October 19, 2015
Board Meeting Date: December 8, 2015
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise Rogers, Chief, Health System
Stephen Kaplan, Director, Behavioral Health and Recovery Services

Subject: Amendment to the Agreement with Freda B. Navat dba Three M Care Home for board and care services.

RECOMMENDATION:

Adopt a resolution authorizing an amendment to the agreement with Freda B. Navat dba Three M Care Home, for board and care services, increasing the amount by \$30,036 to an amount not to exceed \$124,554.

BACKGROUND:

On June 13, 2013, the Chief of the Health System approved an agreement with Freda B. Navat dba Three M Care Home, for residential board and care for mentally ill clients, for the term of July 1, 2013 through June 30, 2016, for a total obligation of \$91,275.

On October 2, 2014, the Chief of the Health System approved a first amendment to the agreement adding a cost of living adjustment increasing the maximum obligation by \$2,299 to an amount not to exceed \$93,574, with no change to the term of the agreement.

On September 8, 2015, through an Executive Letter, the agreement was amended for the second time adding a second cost of living adjustment increasing the maximum obligation by \$944 to a new maximum of \$94,518, with no change to the term of the agreement.

DISCUSSION:

Freda B. Navat dba Three M Care Home operates a 6-bed board and care facility for difficult to place clients, and provides augmented services for seriously mentally ill clients who require a higher level of supervision and services. The services include more intensive mental health services, social skills training, and assistance with daily living activities.

The contractor is facing rising costs on multiple fronts. Upcoming changes in the labor laws will increase the minimum wage and require mandatory payment of sick leave. Other operating expenses such as utilities, insurance, and licensing costs are also increasing. These increased costs make it difficult to stay in business and place the operators of these types of facilities in danger of closing. To prevent closures and loss of already scarce beds, Behavioral Health and Recovery Services (BHRS) proposes to increase the daily bed rate through this amendment.

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

The amendment contributes to the Shared Vision 2025 outcome of a Healthy Community by providing residential board and care services to mentally ill clients. BHRS provides a range of services to promote wellness and recovery and to support consumers so that they will remain in the lowest possible level of care. The provision of residential board and care services is one established level of care. It is anticipated that 100% of board and care clients will be retained in this level of care.

PERFORMANCE MEASURE(S):

Measure	FY 2014-15 Actual	FY 2015-16 Estimated
Percent of board and care clients retained in this level of care	100%	100%

FISCAL IMPACT:

The term of the amended agreement is July 1, 2013 through June 30, 2016. The amount of the agreement is not to exceed \$124,554. This amendment increases the contract by \$30,036. Funds in the amount of \$62,383 are included in the BHRS FY 2015-16 Adopted Budget. Of this amount, it is anticipated that \$56,145 will be funded by sales tax through Realignment, with the remaining \$6,238 to be net county cost.