



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: May 23, 2012
Board Meeting Date: June 19, 2012
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: Third Amendment to the Agreement with Pyramid Alternatives, Inc.

RECOMMENDATION:

Adopt a Resolution waiving the Request for Proposals process and authorizing the President of the Board to execute a Third 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 maximum obligation by \$1,599,862 to a new maximum of \$3,323,970, and extending the term of the Agreement to July 1, 2011 through June 30, 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. These services are essential to supporting individuals in long term recovery as they progress through all phases of wellness/recovery, including periods of relapse.

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.

DISCUSSION:

The Department of Alcohol and Drug Programs (ADP) has the sole authority to license adult treatment and recovery facilities for alcohol and other drug abuse throughout California. Behavioral Health and Recovery Services (BHRS) communicates with ADP to determine if there are any current or pending requests for licensure. Currently, there are no pending requests for licensing or certification of new facilities/providers in San Mateo County, and BHRS contracts with all licensed/certified providers of Alcohol and Other Drug (AOD) treatment services that are willing to accept our rates.

BHRS believes that it is in the best interest of the County to focus efforts on collaborating with existing providers regarding strategies needed to improve and enhance the delivery of AOD treatment services in San Mateo County. Therefore, BHRS recommends waiver of the Request for Proposals (RFP) process for Pyramid Alternatives, Inc. providing alcohol and other drug treatment and recovery services, extending the term of the Agreement through June 30, 2013, and increasing the contract maximum by \$1,599,862. BHRS plans to run an RFP in FY 2012-13 for services beginning July 1, 2013.

The Amendment and Resolution have been reviewed and approved by County Counsel.

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 alcohol and other drug treatment services.

PERFORMANCE MEASURE(S):

| Measure | FY 2011-12 Estimate | FY 2012-13 Projected |
|---|----------------------------|-----------------------------|
| Percentage of clients who successfully complete alcohol and drug treatment services | 65% | 65% |

FISCAL IMPACT:

The term of the amended Agreement is July 1, 2011 through June 30, 2013. The Agreement maximum is being increased by \$1,599,862 to a new maximum of \$3,323,970. The funding is provided through the following sources:

| Services and Funding Sources | FY 2011-12 | FY 2012-13 |
|--|-------------------|-------------------|
| Reentry Grant- Achieve 180* | 7,500 | 10,000 |
| 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 |

| | | |
|------------------------------------|-----------|-----------|
| Ryan White Care Act* | 83,070 | 53,500 |
| AB 109 – Criminal Justice Funding* | 144,000 | 167,333 |
| CalWORKs allocation | 21,139 | 21,139 |
| FFP – MCE and Mental Health Plan | 188,917 | 201,711 |
| Medicare | 14,500 | 15,000 |
| Mental Health Services Act | 47,185 | 37,185 |
| Negotiated Net Agreement (NNA) | 304,183 | 325,016 |
| Net County Cost/Out Patient | 166,923 | 151,923 |
| Total Funding | 1,761,775 | 1,562,195 |

* Aggregate funding sources.

\$1,761,776 has been included in the FY 2011-12 Adopted Budget and \$1,562,192 has been included in the FY 2012-13 Recommended Budget. The Net County Cost is \$151,923 for FY 2012-13.