



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Health System



**Date:** January 26, 2017  
**Board Meeting Date:** March 28, 2017  
**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:** Amendments to the Agreements with Telecare Corporation for Full Service Partnership Services and Telecare Corporation for Psychiatric Treatment Services and Long-Term Care

**RECOMMENDATION:**

**Measure K:** Adopt a resolution authorizing amendments to the agreements with:

- A) Telecare Corporation for Full Service Partnership housing support services and improvements at the Industrial Hotel, for the term July 1, 2014 through June 30, 2017, increasing the maximum amount by \$189,343 to \$16,752,034, with no change to the term of the agreement; and
- B) Telecare Corporation for Psychiatric Treatment Services and Long-Term Care, reducing the maximum amount by \$103,505 to \$33,975,545, with no change to the term of the agreement.

**BACKGROUND:**

On January 13, 2015, your Board approved an agreement with Telecare Corporation (Telecare) to provide FSP mental health services to our highest risk consumers with serious mental illness, including consumers at the Industrial Hotel in South San Francisco, for the term July 1, 2014 through June 30, 2017, in the amount of \$16,112,691.

On June 16, 2015, your Board approved an amendment to the agreement to provide services funded by **Measure K** for FY 2015-16 and FY 2016-17, increasing the maximum amount by \$425,000 to \$16,537,691, with no change to the term of the agreement.

On January 25, 2016, the Chief of the Health System approved an amendment to the agreement to provide special circumstance housing placement, increasing the maximum amount by \$25,000 to \$16,562,691, with no change to the term of the agreement.

In June 2015, Telecare purchased a home in East Palo Alto, Illinois House, to focus on developing a permanent living arrangement for medically frail/elderly individuals or FSP enrollees in need of on-site supervision. This home will help Behavioral Health and Recovery Services (BHRS) meet the ongoing demand for housing among our FSP clients.

With respect to the Telecare agreement for psychiatric treatment services and long-term care: on December 15, 2015, your Board approved an agreement with Telecare to provide psychiatric treatment services and long-term care for the term July 1, 2015 through June 30, 2019, in an amount not to exceed \$33,754,860.

On October 18, 2016, your Board approved an amendment to the agreement to add services at: (1) the Morton Bakar Center for psychiatric treatment and skilled nursing care serving individuals 65 and older; and (2) the Villa Fairmont for intense supervision and a “step down” program for high-need individuals, including those being released from the State hospital, increasing the contract amount by \$324,190 to an amount not to exceed \$34,079,050, with no change to the term of the agreement.

#### **DISCUSSION:**

Telecare provides FSP and housing support services for enrollees, including non-violent felons who were released from the State prison to County supervision under the Criminal Justice Realignment Act. Telecare’s housing support services assist enrollees in achieving independence, stability, and overall emotional and physical wellness. Services are available 24 hours per day, 7 days per week.

Through a separate agreement, Telecare operates the County’s Cordilleras facility as a Mental Health Rehabilitation Center and provides psychiatric treatment services in a locked setting to seriously mentally ill residents, as well as residential treatment beds to County residents who can be served in an unlocked licensed residential care setting. Under this same agreement, Telecare also serves County clients at Garfield Neurobehavioral Center, the Morton Bakar Center, and Villa Fairmont as described above.

It is now necessary to amend these two agreements to reflect the following: (1) purchase 6 beds at the Illinois House; (2) add new **Measure K** funding for necessary improvements at the Industrial Hotel; and (3) re-allocate \$103,505 in FY 2015-16 unspent funds from the Telecare – Cordilleras agreement to the Telecare FSP FY 2015-16 agreement for housing support services.

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

Approval of the amendments contribute to the Shared Vision 2025 outcome of a Healthy Community by providing mental health services to adults and older adults. FSP services for adults and older adults is one established level of care. It is anticipated that annual hospitalization days for clients who receive FSP services will be reduced by 60%.

**PERFORMANCE MEASURE(S):**

Measure	FY 2015-16 Actual	FY 2016-17 Projected
Annual reduction in total days of hospitalization for FSP enrollees	60% 196 clients	60% 196 clients

**FISCAL IMPACT:**

The amount of the revised agreements is not to exceed \$50,727,579 in aggregate with each agreement having its own not to exceed amount.

The term of the Telecare FSP agreement is July 1, 2014 through June 30, 2017, for an amount not to exceed \$16,752,034. This amendment increases the contract amount by \$189,343. Of the increase, \$103,505 is included in the BHRS FY 2015-16 Adopted Budget and is 100% funded by 1991 Realignment. For FY 2016-17, the increase is \$85,838 and of that amount, \$36,000 is funded by the Mental Health Services Act and \$49,838 is funded by **Measure K**. There is no increase in the Net County Cost.

The term of the Telecare Corporation for Psychiatric Treatment Services (Cordilleras) and Long-Term Care agreement is July 1, 2015 through June 30, 2019, for an amount not to exceed \$33,975,545. The amendment reduces the contract amount for FY 2015-16 by \$103,505, which is included in the BHRS 2015-16 Adopted Budget. There is no change to the Net County Cost.