



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: October 6, 2014
Board Meeting Date: January 6, 2015
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 7th Avenue Center, LLC

RECOMMENDATION:

Adopt a Resolution authorizing an amendment to the agreement with 7th Avenue Center, LLC, for locked psychiatric care services increasing the amount by \$27,222 to an amount not to exceed \$1,702,550.

BACKGROUND:

Behavioral Health & Recovery Services (BHRS) has contracted with 7th Avenue Center, LLC. since 2001 for locked psychiatric services. Efforts over the last several years to decrease the length of stay at Napa State Hospital and at Cordilleras have resulted in an increased use of community placements like 7th Avenue. For severely mentally ill clients, 7th Avenue is a less expensive alternative placement than Napa State Hospital. 7th Avenue has been willing to work with clients with very difficult behavioral problems who typically would otherwise be placed in the State Hospital.

On May 13, 2011, your Board approved an agreement with 7th Avenue Center, LLC for the term July 1, 2011 through June 30, 2014, for the provision of locked psychiatric care for adults with serious and persistent mental illness, in an amount not to exceed \$1,457,680.

On March 11, 2014, 7th Avenue Center, LLC, agreement was increased by \$217,648 to meet higher demand. There was no change to the agreement term.

DISCUSSION:

In August, 2014, BHRS received late invoices for services rendered in June 2014. The costs for services exceed the contract maximum and necessitate an amendment, increasing the maximum obligation by \$27,222 to a new maximum not to exceed \$1,702,550. This amendment to the agreement will allow BHRS to pay for the additional

bed days used in June 2014. There is no change to the term of the agreement. This amendment is late due to delayed submission of invoices by provider. The County continues to contract with this provider.

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

The agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing locked psychiatric care for San Mateo County adults with serious and persistent mental illness. It is anticipated that 68% of clients who receive locked psychiatric care will be maintained at the current level of care or discharged to a lower level of care.

PERFORMANCE MEASURE(S):

Measure	FY 2012-13 Actual	FY 2013-14 Actual
Percentage of clients maintained at a current or lower level of care	53% 14 clients	64% 26 clients

FISCAL IMPACT:

The term of the amended agreement remains unchanged: July 1, 2011 through June 30, 2014. The amount is being increased by \$27,222 to a new not to exceed amount of \$1,702,555. The increase is funded by 1991 Realignment Funds of \$24,500; the remaining \$2,722 is Net County Cost. The amended amount is included in the BHRS FY 2014-15 Adopted Budget.