



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: November 5, 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 Psynergy Programs, Inc.

RECOMMENDATION:

Adopt a Resolution authorizing an amendment to the agreement with Psynergy Programs, Inc. for residential mental health services, increasing the amount by \$280,412, to an amount not to exceed \$775,412.

BACKGROUND:

Psynergy Programs Inc. provides a full range of mental health residential services, which include: rehabilitative mental health services, psychiatric services, medication support, individual and group therapy, therapeutic programs with enhanced medical support for specific issues (e.g., diabetes), and Modified Therapeutic Community. The programs emphasize independent living skills, nutrition and exercise. Psynergy has three California facilities located in Morgan Hill and Greenfield, California.

On February 26, 2013, your Board approved an agreement with Psynergy Programs, Inc. for the term of March 1, 2013 through June 30, 2015, for the provision of residential mental health services, in an amount not to exceed \$495,000.

Under the B-1 Administrative Memorandum, the selections of provider housing services and related supports for mental health clients are exempt from the requirement for a Request for Proposals (RFP) process. Behavioral Health & Recovery Services (BHRS) manages the placements in this and other residential service facilities within the total budgeted amount for mental health residential services.

DISCUSSION:

Psynergy is a vital resource for difficult to place clients, such as those who unnecessarily remain in locked facilities because they are unable to manage their health issues independently. With this option, clients can be moved to a more appropriate

lower level of care, which will be a cost savings for the County. This amendment to the agreement will authorize BHRS to purchase additional bed days due to an increased need for this level of care.

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 residential services to mentally ill clients. It is anticipated that no more than 10% of all admissions will be discharged to an acute psychiatric level of care.

PERFORMANCE MEASURE(S):

Measure	FY 2013-14 Actual	FY 2014-15 Projected
Percentage of clients discharged to an acute psychiatric level of care.	N/A*	10%

*this is a new agreement and no data is yet available.

FISCAL IMPACT:

The term of the amended agreement remains unchanged. The amount is being increased by \$280,412 to a new not-to-exceed amount of \$775,412. The increase is expected to be funded by \$29,564 through Federal Financial Participation for MediCal; \$777 from Medicare; and \$222,030 from 1991 Realignment. The remaining \$28,041 is Net County Cost. The amended amount is included in the BHRS FY 2014-15 Adopted Budget.