



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 24-522

Board Meeting Date: 6/25/2024

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise F. Rogers, Chief, San Mateo County Health
Jeï Africa, Director, Behavioral Health and Recovery Services
Lee Pullen, Director, Aging and Adult Services

Subject: Agreement with Helios Healthcare, LLC for Residential Rehabilitation and Long-Term Care Services

RECOMMENDATION:

Adopt a resolution authorizing an agreement with Helios Healthcare, LLC for residential rehabilitation and long-term care services, for the term July 1, 2024 through June 30, 2027, in an amount not to exceed \$2,877,630.

BACKGROUND:

Helios Healthcare, LLC (Helios) is a provider of mental health services in a locked facility setting. Helios provides neurobehavioral, psychosocial rehabilitation, adult residential, wellness recovery action planning, and health and wellness programs. Helios' services include behavior modification, skilled nursing, life skills training, recreation and rehabilitation, neurobehavioral support, dementia and Alzheimer's care, behavior intervention, vocational and pre-vocational training, and self-advocacy.

Since 1988, Helios has been providing services to San Mateo County residents as a sister company to Crestwood Behavioral Healthcare, which also contracts with the County to provide specialized mental health services.

DISCUSSION:

The agreement with Helios is for the provision of beds for San Mateo County residents. Helios has a demonstrated ability to provide care for adults with serious and persistent mental illness and with co morbid medical issues who are in need of a locked placement. Helios provides care for clients with complex behavioral health needs, including accepting clients directly from state hospital placements.

Under this agreement Helios will provide services to both the BHRS and Aging and Adult Services

(AAS) divisions of San Mateo County Health. Helios will provide up to 13 beds for BHRS clients who are seriously mentally ill and in need of mental health rehabilitation, treatment and long-term care. Helios will also provide up to six skilled nursing facility beds for AAS clients who are probate dementia conservatees and who require a locked long-term treatment setting. Services provided through this agreement offer an alternative to the use of more costly hospital emergency services, inpatient hospital admissions, and correctional facilities.

Mental Health Rehabilitation Centers (MHRC) facilities like Helios have established expertise serving clients with complex behavioral health needs. California is currently confronting a shortage of MHRC facilities like Helios, which provides acute, psychiatric, and subacute beds within the state. This shortage results in high bed occupancy rates and long waitlists for placements, which means that clients stay at the more costly acute levels of care until an MHRC placement is available for them. San Mateo County clients continue to suffer the detrimental effects of this MHRC bed shortage. To illustrate: Behavioral Health and Recovery Services (BHRS) currently has eight clients who have been waiting for over four months in acute facilities for placement at an MHRC.

The needs of the clients served by MHRC facilities, as well as uniqueness of the MHRC market, inform the procurement approach that the County has adopted for this contract, and in addition, Administrative Memo B-1 exempts contracts for Housing Services and Related Supports from the competitive Request for Proposal process.

The resolution contains the County’s standard provision allowing amendment of the County’s fiscal obligations by a maximum of \$25,000 (in aggregate).

The agreement and resolution have been reviewed and approved by County Attorney as to form.

It is anticipated that 75% of clients will be maintained at a current or lower level of care.

PERFORMANCE MEASURE:

Measure	FY 2024-25 Estimated	FY 2025-26 Projected
Percentage of clients maintained at current or lower level of care	75% clients	75\$ clients

EQUITY IMPACT:

This contract will positively impact a critically underserved community of behavioral health clients (25% LatinX, 25% Asian/Pacific Islander, 5% Black, 3% Mixed Race) who have severe mental illness and will benefit from a locked skill nursing facility to support their stabilization and recovery. Providers such as Helios are a vital placement resource for such individuals. This contract with Helios affords these individuals an ability to step down from higher acute, more costly levels of care to a placement that can address their behavioral health and skilled nursing needs. This provider is committed to serving this population and supporting them with achieving their recovery goals.

FISCAL IMPACT:

The term of the agreement is July 1, 2024, through June 30, 2027. The amount of the agreement is

not to exceed \$2,877,630 for the three-year term. Of this amount, \$2,358,630 is for BHRS and \$519,000 is for AAS.

Of the maximum amount for BHRS, \$786,210 will be for FY 2024-25 and is funded as follows: 90% or \$707,589 is from sales tax Realignment, and 10% or \$78,621 is Net County Cost. These funds are included in the BHRS FY 2024-25 Recommended Budget.

Of the maximum obligation for AAS, \$173,000 will be for FY 2024-25 and is 100% funded through client reimbursements. There is no Net County Cost. These funds are included in the AAS FY 2024-25 Recommended Budget.

Similar arrangements will be made for future years, The payment provisions in this agreement remain essentially the same as those of the prior agreement.