



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 22-104

Board Meeting Date: 2/8/2022

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise F. Rogers, Chief, San Mateo County Health
Scott Gilman, Director, Behavioral Health and Recovery Services

Subject: Amendment to the Agreement with Ever Well Health Systems, LLC for Residential Services for Mentally Ill Clients

RECOMMENDATION:

Adopt a resolution authorizing an amendment to the agreement with Ever Well Health Systems, LLC for residential services for mentally ill clients, extending the term through June 30, 2024, and increasing the maximum amount by \$2,189,009 to an amount not to exceed \$4,993,254.

BACKGROUND:

Due to the lack of affordable housing and depletion of licensed Board and Care homes and Room and Board homes in San Mateo County, Behavioral and Recovery Services (BHRS) has not been able to identify any new housing resources within the County, particularly for its aging clients. Because of this, BHRS must consider placing clients to residential facilities out of the area.

Ever Well Health Systems, LLC (EWHS) is an appropriate model/level of care for many clients with serious mental illnesses to experience life in the community and become de-institutionalized. EWHS provides placements for clients with complex mental health, behavioral, and medical issues. Over the past few years, EWHS has expanded bed capacity and has placed clients with more complex needs.

On June 23, 2020, your Board approved an agreement with EWHS for residential mental health services, for the term of July 1, 2020 through June 30, 2023, in an amount not to exceed \$2,804,245.

DISCUSSION:

Through the agreement, EWHS provides supervised housing, treatment and rehabilitation services for clients with mental health and or both mental health and substance use issues. The services enable these clients to be treated in the community, thus avoiding more costly acute and sub-acute psychiatric hospitalization. Additionally, EWHS has agreed to place clients that are currently receiving Electro convulsive treatment (ECT). This will provide an alternative to state hospital placement for two clients currently on the San Mateo Medical Center (SMMC) 3 AB inpatient acute unit, who the County has been unable to place due to their need for ECT.

For the SMMC 3 AB clients mentioned above, the alternative to EWHS is state hospital placement, which on average costs \$626 per day per client. EWHS has accepted both SMMC clients, at a cost per client of \$389 per day. Placing both clients at an EWHS facility, instead of the state hospital, produces an annual cost savings of at least \$219,960.

BHRS manages the placements in this and other residential service facilities within its total budgeted amount for mental health residential services.

BHRS is requesting an amendment to increase the number of beds available for placement from 13 to 16. This would increase bed capacity and add services for clients receiving ECT treatment, and increasing the maximum contract amount by \$2,189,009, to an amount not to exceed \$4,993,254. BHRS would also like to extend the term of the agreement through June 30, 2024.

Because residential facilities services are limited in our County, under the B-1 Administrative Memorandum, the selection of providers of residential services for mental health clients is exempt from the Request for Proposals requirement.

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

It is anticipated that no more than 15% of all admissions will be discharged to an acute psychiatric level of care.

PERFORMANCE MEASURE:

Measure	FY 2021-22 Estimated	FY 2022-23 Projected
Percentage of all admissions that are discharged to an acute psychiatric level of care	≤15% ≤3 of 16 clients	≤15% ≤3 of 16 clients

FISCAL IMPACT:

The term of the amended agreement is July 1, 2020 through June 30, 2024. The amount of the amended agreement is not to exceed \$4,993,254 for the four-year term. Funds in the amount of \$1,326,180 will be included in the BHRS FY 2021-22 Approved Budget. Of that amount, 100% is funded by Mental Health Services Act. Similar arrangements will be made for future years.