



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 23-480

Board Meeting Date: 6/13/2023

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: Louise F. Rogers, Chief, San Mateo County Health
Jei Africa, Director, Behavioral Health, and Recovery Services
Subject: Agreement with Psynergy Programs, Inc. for Residential Mental Health Services

RECOMMENDATION:

Adopt a resolution authorizing an agreement with Psynergy Programs, Inc. for residential mental health services, for the term of July 1, 2023, through June 30, 2024, in an amount not to exceed \$1,767,492.

BACKGROUND:

Since 1985, this Board has approved resolutions authorizing expenditures for residential care facilities serving mentally ill clients and providing residential care services for County adults. These services enhance successful community living and avoid a more costly and higher level of care.

DISCUSSION:

Psynergy Programs, Inc. (Psynergy) provides a full range of mental health residential services, which includes 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 a Modified Therapeutic Community. Psynergy's programs emphasize independent living skills, nutrition, and exercise. Psynergy has facilities located in Santa Clara County, Monterey County, and Sacramento County.

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

Local in-County licensed residential facilities serve a critical role in the care of BHRS clients, but there are limited beds in-county. In recent years, the County licensed residential care market has been struggling. Established licensed residential care contractors in the County have been retiring and shuttering their operations, and new facilities are not being opened to succeed them. BHRS has attempted to engage with new in-County mental health residential center operators, but these operators are not interested in serving clients with severe mental illness or relatively low expected

revenue. As a result of these accumulated factors, over the past few years, BHRS has lost six in-County contracted licensed residential care facilities, resulting in a total loss of 41 beds. Due to this in-county residential facility shortage, BHRS must contract with out of County licensed residential facilities. These out-of-county facilities provide long-term placements and care for a population of clients that are often stigmatized and perceived as having too many complex issues. These facilities provide clients with meals, assistance attending to activities of daily living, medication support, and social skills development. All BHRS clients placed in a contracted out of County licensed residential facility are closely followed by the BHRS Collaborative Care Team.

The needs of the clients served by these facilities and the uniqueness of the local licensed residential care market inform the procurement approach that the County has adopted for these contracts, in addition to the B-1 Administrative Memo exception for Housing Services and Related Supports.

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 the County Attorney as to form.

It is anticipated that no more than 11% of all admissions will be discharged to an acute psychiatric level of care.

PERFORMANCE MEASURE:

Measure	FY 2022-23 Estimated	FY 2023-24 Projected
Percentage of clients discharged to an acute psychiatric level of care	11% 2 of 18 clients	≤11% 2 of 18 clients

FISCAL IMPACT:

The term of the agreement is July 1, 2023, through June 30, 2024. The amount of the agreement is not to exceed \$1,767,492 for the one-year term. Funds in the amount of \$1,767,492 will be included in the BHRS FY 2023-24 Recommended Budget. It is expected that Federal Financial Participation will fund \$135,543, 1991 Realignment will fund \$1,531,251, and Net County Cost will fund \$100,698. The payment provisions and levels of service in the agreement are the same as the prior agreement.