



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Sheriff and Probation
Department No.: 032 and 022
For Agenda Of: December 13, 2016
Placement: Departmental
Estimated Time: 1 hour
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Bill Brown, Sheriff – Coroner & Guadalupe Rabago, Chief
Probation Officer
Contact Info: Custody Commander Kelly Hamilton, 681-4326 & Deputy Chief
Probation Officer Lee Bethel, 882-3675
SUBJECT: Request to enter into contract negotiations for Inmate/Youth Medical Services at
the Jail and Juvenile Facilities and Mental Health Services at the Jail with
California Forensic Medical Group.

County Counsel Concurrence

As to form: Yes

Other Concurrence: CEO Office

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Direct the Sheriff's Office and Probation Department to proceed with entering into contract negotiations with California Forensics Medical Group (CFMG) to provide Inmate/Youth Medical Services at the Jail and Juvenile Facilities and Mental Health Services at the Jail.
- b) Determine that this request is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3), finding that the activities are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment, and where it can be seen with certainty that there is no possibility that the activities in question may have a significant effect on the environment, the activities are not subject to CEQA.

Summary Text: On April 19, 2016, the Board of Supervisors approved the Sheriff and Probation Department contracting with Health Management Associates (HMA) to facilitate development of a new health care Request for Proposals (RFP) and to support the vendor procurement process with the goal of reaching accreditation of health care services at the Jail and continued accreditation at the Santa Maria Juvenile Hall and Los Prietos Boys Camp. HMA completed an assessment of current service levels and developed recommendations for inclusion in the RFP. On August 23, 2016 the Board received an update of the RFP process and directed the Sheriff's Office and Probation Department to proceed with

the process and that Behavioral Wellness and Public Health departments serve on the RFP selection committee. The recommendation before you today come at the conclusion of an arduous process involving reviews of detailed responses to the RFP, vendor presentations, and survey reviews. The process resulted in CFMG being selected as the preferred vendor in providing the aforementioned services, pending the outcome of formal negotiations.

Background:

On September 8, 2015, the Board of Supervisors approved the extension of the current agreement for services with Corizon Health Inc. to March 31, 2017. The Board of Supervisors further directed the initiation of an RFP for medical services at the Jail and juvenile facilities, and mental health services at the Jail only, and that the Sheriff and Probation Department utilize the services of an RFP consultant. On April 19, 2016, the Board of Supervisors approved contracting with HMA to provide recommendations for a new health care RFP. HMA is a consulting firm specializing in the fields of health system restructuring, health care program development, program evaluation and data analysis and has extensive experience with correctional health in California and across the country. HMA conducted a thorough review of health services in the jail, Probations sites, and presented findings and recommendations to address in a new procurement that would support improved efficiency, quality, and accreditation.

On August 23, 2016, HMA presented the Board of Supervisors with a comprehensive overview of the issues addressed in the RFP that emphasized key factors to ensure quality health care while significantly mitigating the clinical and financial risks. The Board of Supervisors received this report and directed the Sheriff's Office and Probation Department to proceed with the RFP process.

On August 29, 2016, the RFP was issued with an October 7th closing date. The RFP process included providing responses to questions from potential bidders as well as a mandatory site visit at the Jail, SMJH and Los Prietos Boys Camp. Corizon Health, Inc., Correct Care Solutions (CCS) and California Forensic Medical Group (CFMG) participated in the site visits and submitted proposals in response to the RFP.

Evaluation of Proposals

HMA developed a scoring methodology and instruments. A proposal review team was formed to conduct an analysis of each bidder's response. The team consisted of the following:

- Terri Maus-Nisich – Assistant County Executive Officer
- Takashi Wada, Dr. – Director of Public Health
- Alice Gleghorn, Dr. – Director of Behavior Wellness
- Lee Bethel – Deputy Chief Probation Officer
- Kelly Hamilton – Custody Commander

Proposal evaluation consisted of the following steps:

1. Review for compliance with all minimum requirements, which HMA carried out. All bidders met the minimum requirements.
2. Numerical scoring and weighting of technical proposals.
Separate scores were calculated for jail and probation services. For each, a score was calculated for health care services. The jail's was calculated weighting medical care and behavioral health care

equally at 47% and dental care at 6%. For the jail and probation scores, the same weighted score was applied that considered all of the following:

- Corporate Qualifications
- Prescription Drug Services
- Lab & Radiology Services
- Other Services (off-site referral management, health education, dietary service, etc.)
- Continuous Quality Improvement
- Staffing Plan
- Transition Plan/Start-Up

Each member of the team was trained in the scoring methodology and provided the full proposals for review and scoring. On October 19, 2016, the team gathered, evaluated and scored each proposal. HMA facilitated the process and provided technical assistance. HMA tallied the scores and analyzed the totals utilizing mean and median scores and by eliminating the highest and lowest scores. The results were almost completely consistent in each case.

3. Oral Presentations

At the conclusion of the technical proposal scoring, the team decided to invite all three bidders to participate in oral presentations. Each was given a unique list of questions specific to concerns about their proposal. On November 3, 2016, the team met with each bidder for 60 minutes to hear oral presentations.

4. Pricing Comparisons

Bidders submitted their annual staffing costs and daily total cost for a specific staffing plan that approximates what the Sheriff and Probation anticipate as a final staffing plan for the new contract. Bidders also completed a comparative pricing exercise on unit cost for the prescriptions that are the highest volume and highest cost to the Sheriff and Probation, and provided an administrative fee for prescription drug services.

5. Written References

The Sheriff and Probation sent out written reference requests to approximately 30 adult and 30 juvenile agencies utilizing the services of each bidder. Approximately 25 out of 60 requests were received and reviewed.

6. Verbal References

Each member of the scoring team contacted their professional counterparts in two counties that were references for each of the top two bidders: Correct Care Solutions (CCS) and California Forensic Medical Group (CFMG). The counties contacted were Ventura and Solano Counties for CFMG and the Counties of Marion, Indiana and Guilford, North Carolina for CCS.

7. Decision

Upon completion of all of the aforementioned steps, the team met a final time on Nov. 16, 2016, to consider all of the elements of the proposal review and determine which bidder would provide the greatest value to the County in providing health care to the inmates and youths. "Value" was based on consideration of the quality of services and processes proposed, performance record with other counties, experience with California, overall cost, likelihood of providing consistent, fully staffed operations at all times, and risk of contract failure or termination. The team reached consensus in recommending awarding the contract to California Forensic Medical Group. Although the suggested award was not the lowest price bid submitted, the majority of the review committee felt they provided the most consistent and best overall plan for the services we were seeking. If approved to move forward, we will aggressively seek to lower the overall cost bid through a comprehensive evaluation of proposed services and staffing levels. This process will take place during the contract negotiation phase with the results being presented to this Board.

About CFMG

CFMG was founded in October 1983 and is the first west coast based, privately owned company designed to provide quality healthcare for correctional medical, mental health and dental services. CFMG is currently the largest private provider of correctional health care services in the State of California with contracts in 28 counties. In 20 of the 28 Counties, CFMG also provides services to the juvenile population. Services are provided to 65 facilities with a combined average daily population of approximately 16,000 inmates. The corporate headquarters is located in Monterey, California. CFMG is dedicated to providing responsive, innovative, high quality and cost-effective medical, mental health, and dental services to California counties. CFMG is part of the Correctional Medical Group Companies (CMGC) and CMCG serves a total of 95 sites in 54 counties across the West, Southwest, and Southeast, providing care to an average daily population of almost 23,000 inmates and juvenile wards. The following is a summary of CFMG's experience in providing Health Services to the incarcerated population in California:

- 357 combined years of experience providing service to **28** California County Adult Correctional Departments.
- 255 combined years of experience providing service to **20** California County Juvenile Correctional Departments.
- 145 contract renewals for single and multi-year contracts in 28 California counties.
- Serving 6 counties for more than 20 years and 14 counties for more than 10 years.
- 102 successful Institute for Medical Quality (IMQ) accreditation processes for adult detention facilities in California. IMQ's accreditation supports detention facilities in providing constitutionally adequate and regulation-compliant health care services for inmates/detainees.
- 61 successful IMQ accreditation processes for juvenile detention facilities in California.
- Service delivery to 65 facilities in California serving approximately 15,000 inmates.
- Successful in 45 of the 53 Requests for Proposal processes in California that resulted in the award of a contract.
- Returned to provide services in Sonoma, Shasta, Butte, Madera, Glenn and Stanislaus Counties after contracts were awarded to other providers and subsequently cancelled.
- Successful bidder in RFPs issued in State of California in 2008 – 2012 to include Napa, Butte, Monterey, Santa Cruz and Stanislaus Counties.
- The only California based private correctional medical, mental health, and dental contractor.

The quality, effectiveness and consistency of services provided by CFMG medical programs is continuously evaluated through a quality management program consisting of medical peer review, regularly scheduled internal auditing, weekly monitoring of services, documented reporting of all findings, development and implementation of corrective action plans, and re-evaluation.

CFMG utilizes Diamond Pharmacy, a national correctional health pharmaceutical provider, as its pharmacy partner. Diamond's pharmacists perform inspections at CFMG sites to monitor the procurement, storage, handling and administration of medications. Diamond Pharmacy staff also provide input into formulary development and consult with physicians regarding pharmaceutical issues as required. An analysis of comparative cost relative to current cost was a requirement of the RFP. CFMG's pharmaceutical costs were approximately 7% higher than current cost.

Anticipated Contract Cost

The contract in place for the jail was staffed at 29.2 FTEs at a cost of \$3,692,232. That was recently increased to 32.95 FTEs to provide additional medication nurses and mental health staff. The annual cost for the 32.95 FTE's for the Sheriff's Office is \$4,533,888. We also anticipate that additional medical, support staff, and discharge planning staff will be added to the final contract, in order to provide sufficient resources to achieve accreditation, as requested by the Board, and to meet the requirements specified in the RFP. It is currently estimated that the final contract will cover 36 – 38 FTEs at the jail, or an increase of 9% – 15% over current staffing levels of 32.95 FTE's.

The staffing levels for the Probation facilities are currently set at 6.1 FTE, the proposed levels by CFMG is for 6.3 FTE. This represents only a slight change, however the vendor has indicated a 29% cost increase to probation of approximately \$250,000. This increase has been identified as a high priority item during the negotiation process to ensure the cost increase is equitable to the staffing increases.

Staffing costs per FTE will be higher at the jail and Probation facilities in part due to inflation and because CFMG pays its providers higher salaries than the other bidders. This reflects CFMG's strategy to fully staff all positions every day, and to assure and continue their track record of extremely low staff turnover. Both of these contribute to safety, efficiency, and quality of care. The proposal review team agreed that this was an important factor in being able to recruit and retain clinical staff in Santa Barbara County, which has grown increasingly difficult.

Procurement costs for all facilities are not expected to increase notably, and the Sheriff's office and Probation Department will aggressively negotiate pharmacy administrative costs.

Optional Electronic Medical Records (EMR)

CFMG utilizes CorEMR as their provider for medical records. CorEMR has 10 years of experience in providing EMR in correctional facilities. We feel this could be a viable option but recommend delaying possible implementation until the transition phase has been completed. We would also suggest delaying the commitment to this EMR until the new Jail Management System has been implemented and interface compatibility has been determined. Should interfacing present a problem, releasing a separate RFP for EMR with compatibility requirements could better address the needs of each facility.

Fiscal and Facilities Impacts:

The first year cost of the CFMG response to the RFP, prior to negotiations, is \$6,573,136 consisting of \$5,480,447 for Sheriff facilities and \$1,092,689 for Probation facilities. This amount is a potential increase of \$ 946,552 to the Sheriff's current budget of \$4,533,895 and \$271,271 increase to the current budget of \$821,418 for the Probation Department.

This amount is subject to the negotiations that will commence with the approval of the requested action.

Key Contract Risks:

N/A

Staffing Impacts:

N/A

Attachments:

- A. CEQA Notice of Exemption
- B. PowerPoint Presentation

Authored by:

Lee Bethel, Deputy Chief Probation Officer & Kelly Hamilton, Custody Commander