



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: ADMHS
Department No.: 043
For Agenda Of: June 2, 2015
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Alice Gleghorn, Ph.D., Director
Director(s) Alcohol, Drug & Mental Health Services 681-5220
Contact Info: Michael Craft, MFT, Assistant Director, Clinical Operations
Alcohol, Drug & Mental Health Services 681-5220

SUBJECT: Fiscal Year 15-16 ADMHS Behavioral Health Contract Renewals

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- 1) Approve and authorize the Chair to execute an Agreement for Services of Independent Contractor with **Family Service Agency** (a local vendor), for the provision of children's mental health services, and substance use prevention services, for a total contract amount not to exceed **\$1,001,622** for the period of July 1, 2015 through June 30, 2016.
- 2) Approve and authorize the Chair to execute an Agreement for Services of Independent Contractor with **Good Samaritan Shelter, Inc** (a local vendor), for the provision of substance use disorder and shelter services, for a total contract amount not to exceed **\$1,829,729** for the period of July 1, 2015 through June 30, 2016.
- 3) Authorize the Director of ADMHS to amend Exhibit B-1 (Schedule of Rates and Contract Maximum) within Behavioral Health contracts approved by the Board, to make changes to the County Maximum Allowable Rate for services delivered by the Behavioral Health providers, as published in part by the State Department of Health Care Services and also set by ADMHS, without returning to the Board with a separate amendment, so long as the total contract maximum remains unchanged.

Auditor-Controller Concurrence

As to form: Yes

- 4) Determine that the above actions are organizational or administrative activities of government that will not result in direct or indirect physical changes in the environment, pursuant to section 15378(b)(5) of the California Environmental Quality Act (CEQA) guidelines.

Summary Text:

The Alcohol, Drug and Mental Health Services (ADMHS) Department provides a continuum of mental health and substance use disorder services to Santa Barbara County residents, in part through contracted providers including Community-Based Organizations (CBOs). Approval of the recommended actions will allow ADMHS to continue to provide mandated mental health, substance use, and ancillary services.

Background:

The contracts being considered for approval combine mental health and Alcohol and Drug Program (ADP) services provided by a single CBO under one Behavioral Health contract. Services include mental health services to children and adults, substance use disorder treatment, and prevention services.

Contractor	ADP Services	Mental Health Services
Family Service Agency (FSA)	FSA provides early intervention prevention services through the Big Brothers, Big Sisters mentoring project in Lompoc, Santa Barbara, and Santa Maria, and school-based counseling services in Lompoc. FSA will provide prevention services to approximately 77 unduplicated clients in FY 15-16.	FSA provides mental health services to children with Serious Emotional Disturbance (SED) and their families in the Lompoc and Santa Barbara areas. FSA provides Intensive In-Home services to an average caseload of 20 children in Lompoc. Services aim to improve client and family functioning and to reduce risk of placement outside of the home or community. FSA also provides individual and group counseling to clients through their School Based Services program, with a capacity of 135 slots, in addition to at least 40 slots in the Carpinteria START program, described above. In addition, FSA provides brief therapy to adults and children and their families in an outpatient setting.
Good Samaritan Shelter Services, Inc. (Good Samaritan)	Good Samaritan provides services in North County including outpatient individual and group counseling, residential detoxification, and drug testing. Good Samaritan provides perinatal treatment services including transitional living centers and individual and group counseling for pregnant and parenting women. Good Samaritan is anticipated to	Good Samaritan provides dual diagnosis specialists to the Crisis and Recovery Emergency Services program in Santa Maria through MHSA funding and peer supported self-help groups to clients who are waiting to enter treatment programs. In addition, ADMHS purchases four shelter beds per day from Good Samaritan for homeless clients with mental illness. Lastly, new in FY 15-16, Good Samaritan

Contractor	ADP Services	Mental Health Services
	provide Alcohol and Other Drugs (AOD) treatment services to approximately 720 clients in FY 15-16.	will be providing 1.0 FTE Mental Health staff each in Lompoc and Santa Maria, to provide mental health services to clients residing in Good Samaritan’s residential and temporary shelter programs.

Performance Measure:

Specific, measureable targets for performance were developed by ADMHS and Contractors based on historical performance data, and are included as Attachment E to the contracts. ADMHS will continue to work with providers in FY 15-16 to evaluate achievement of these performance measures, and to develop specific, measureable targets for those programs without historical performance data. In addition, ADMHS will continue to work with providers to develop meaningful performance targets for all programs in FY 15-16 as part of the ongoing ADMHS system redesign.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State	\$ 1,415,675.50		
Federal	\$ 1,415,675.50		
Fees			
Other:			
Total	\$ 2,831,351.00	\$ -	\$ -

Narrative:

The above referenced contracts are funded by State and Federal funds. The funding sources are included in the FY 2015-16 Proposed Budget.

Key Contract Risks:

As with any contract funded by State and Federal sources, there is a risk of future audit disallowances and repayments. The dollars ADMHS collects from the Centers for Medicare and Medicaid Services (CMS) via the State for specialty mental health services provided to Medi-Cal beneficiaries are subject to a complex and lengthy cost settlement process. ADMHS is required to submit an annual cost report which reports all costs associated with providing mental health services for a given Fiscal Year (actual cost). The actual cost is one component that the State reviews when it performs its “cost settlement” process. In this process, the State settles to the lower of actual cost or Published Charges, which are the fees charged to the general public (as adopted by the contractor’s Board of Directors). The cost settlement process results in a preliminary settlement, which typically takes place two years after the close of a Fiscal Year; however, the settlement process is not complete until the State completes the final audit. State audits for Medi-Cal funds for specialty mental health services typically occur five years after the end of the fiscal year being audited. To address these risks and to minimize settlement amounts

with contract providers, ADMHS calculates rates for Medi-Cal services provided by organizational providers on a quarterly basis. Regular reports to contractors on unclaimed and denied units allow providers to correct errors and maximize Medi-Cal penetration rates. Even with these measures, there is the risk that the State will disallow units of service or determine costs to be non-allowable, resulting in repayment. ADMHS contracts include language requiring contractors to repay any amounts disallowed in audit findings, minimizing financial risks to County.

Special Instructions:

Please email one (1) complete copy of each executed contract and one (1) minute order to: admhscontractsstaff@co.santa-barbara.ca.us

Attachments:

1. FSA FY 15-16 BC
2. Good Sam FY 15-16 BC