

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



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

Agenda Number:
Prepared on: 5/23/05
Department Name: Social Services
Department No.: 044
Agenda Date: 6/28/05
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Kathy Gallagher, Director
Social Services Department

STAFF CONTACT: Adelaide Mostachetti
x4490

SUBJECT: CONTRACT WITH ADDUS HEALTHCARE, INC. FOR THE PROVISION OF
IN-HOME SUPPORTIVE SERVICES

Recommendation(s):

That the Board of Supervisors:

1. Approve and authorize the Chair to execute a contract with Addus HealthCare, Inc., not a local vendor, for the purpose of purchasing In-Home Supportive Services for the period of 7/1/05 through 6/30/06 at a cost not to exceed \$2,514,644.00; and
2. Authorize the Director of the Department of Social Services, at her discretion, to exercise the County's renewal option provided for in the contract, for a period not to exceed one year and a cost not to exceed \$2,766,108.40. Including the renewal period, if exercised, the total term of the contract would be for a maximum of two years with a total contract cost not to exceed \$ 5,280,752.40.

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with Goal No.5. Maintain and Enhance the Quality of Life for all Residents.

Executive Summary and Discussion:

The In-Home Supportive Services (IHSS) Program is a State-mandated program which provides assistance to those eligible aged, blind and disabled individuals who are unable to remain safely in their own homes without this assistance. Such services may include, but not be limited to, housekeeping, meal preparation, hygiene, and dressing activities. State regulations permit contracting with an agency to provide IHSS through a competitive bid process.

On 2/8/05 the Department of Social Services released a Request for Proposals (RFP) for a contract to provide IHSS services. On 3/21/05 the Department of Social Services received two proposals in response to the RFP. After careful consideration, the Bid Evaluation Committee determined that Addus HealthCare, Inc. was a responsive and responsible bidder. For the contract period of 7/1/05 through 6/30/06, a maximum of 147,400 hours will be provided. At \$17.06 per hour, the maximum dollar amount is \$2,514,644.00. The contract and all exhibits are attached for the Board's review.

Social Services requests that your Board grant authorization for the Director of the Department of Social Services to exercise the renewal option contained within the contract for a period not to exceed one year. The amount for the extension period would be between \$2,514,644.00 and \$2,766,108.40. The highest figure is based on a ten percent increase in the annual contract cost. Should contract costs exceed this ceiling, Social Services would bring the matter before your Board before the renewal option could be exercised. The total contract amount for the initial contract period and the extension will not exceed \$5,280,752.14.

Mandates and Service Levels:

IHSS is mandated by CDSS MPP Sections 23-614 and 23-615; Federal Social Security Act, Title XIX and Title XX; California State Welfare and Institutions Code Sections 10553, 10554, 12300 et seq., and 14132 et seq.; CDSS MPP Division 10,19,21,22,23,30 and 46 et seq.; California Department of Health Regulations Sections 50000 et seq.; and OMB Circulars A-87 et seq., A-110 et seq., A-128 Public Law 98-502, and A-133 as applicable. This contract will not change the level of service.

Fiscal and Facilities Impacts:

The estimated contract costs for fiscal year 2005/2006 is included in the Adopted 2005/06 Budget. Funding comes from a mixture of general fund, state general fund and federal health funds. Approximately 95% of the contract costs are for services and clients that are eligible for Federal participation. The County general fund is responsible for 17.5% of these costs. The remaining cost of services, 5%, are funded by only State and County funds. The County general fund is responsible for 35% of these costs. The estimated County match for the contract period of 7/1/05 through 6/30/06 is \$462,002. Associated revenues and appropriations for the contract costs were included in the In Home Supportive Services cost center under the Social Programs Division on page D-204 of the budget. The estimated County match for fiscal year 2006/2007 is \$462,002 and will be included in the Departments 2006-2007 requested budget.

Attachments:

Agreement for Services of Independent Contractor

Special Instructions:

After execution by the Chair, please return one (1) original agreement for the contractor, the Department copy of the agreement, and one (1) copy of the minute order to the Department of Social Services, Attention: Diana Klopp.

Concurrence:

Auditor-Controller
County Counsel
Risk Management