



Agenda Date: 6/20/2006
Agenda Placement: 6P

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Alice Hughey for Randy Snowden - Director
Health & Human Services
REPORT BY: Shelli Brobst, Contracts Analyst, 253-4720
SUBJECT: Actions regarding Progress Foundation, Inc.

RECOMMENDATION

Director of Health and Human Services requests approval of and authorization for the Chair to sign the following amendments with Progress Foundation, Inc.:

1. Amendment No. 1 to Agreement No. 6380 increasing the amount by \$10,000 for a new maximum of \$195,000, and revising the Scope of Work to include performance measures in the contractor's agreement for operation of the Supportive Living Program for Fiscal Year 2006-2007;
2. Amendment No. 3 to Agreement No. 2156 increasing the amount by \$51,271 for a new maximum of \$519,754 for Fiscal Year 2005-2006, establishing a maximum of \$492,139 for Fiscal Year 2006-2007, revising the Scope of Work to include performance measures, and revising the contractor's budget for the operation of transitional residential programs on Bella Drive; and
3. Amendment No. 3 to Agreement No. 4838 decreasing the amount by \$15,821 for a new maximum of \$659,196 for Fiscal Year 2005-2006, establishing a maximum of \$723,274 for Fiscal Year 2006-2007, revising the Scope of Work to include performance measures, and revising the contractor's budget for the operation of Progress Place, a crisis residential program.

EXECUTIVE SUMMARY

Progress Foundation provides mental health services in both structured therapeutic residential and independent living settings in the community for severely and persistently mentally ill adults in Napa County. Rather than hospitalization or placement in a locked facility, these programs provide alternative levels of care to transition individuals back into the community with the appropriate services and support. Approval of the requested actions will amend the Fiscal Year 2005-2006 agreements, and establish new maximums and include performance measures within the agreements' Scope of Work for Fiscal Year 2006-2007.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Mental Health
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	Yes
Future fiscal impact:	The agreements contain an automatic renewal provision, which allows the County the option to continue these services in the following fiscal year. Appropriations will be budgeted accordingly.
Consequences if not approved:	If the requested amendments are not approved, the County will be unable to make necessary adjustments to the contractor's compensation for costs associated with moving its residential mental health programs to new locations in Napa (at the County's request) during Fiscal Year 2005-2006. The contractor's programs had to be moved to make way for the County-City Parking Garage Project. The requested amendments will also allow the County to incorporate new performance and contract monitoring provisions and establish new contract maximums for Fiscal Year 2006-2007. The contract maximums reflect the operating costs to provide this level of residential care for clients who would otherwise be at risk of placement in a locked inpatient setting. Without an adequate level of funding for these residential mental health programs, the contractor would be unable to continue to provide the services, which would put the County at risk of non-compliance with State contract requirements to provide a full range of mental health services at the appropriate levels to Napa County Medi-Cal beneficiaries.
Additional Information:	The contract services provided are funded by a combination of Medi-Cal billing revenue (50%), SAMHSA (10%), Realignment and County General Fund dollars (40%) appropriated in the overall Mental Health budget. Net increases for Fiscal Year 2005-2006 will be funded by salary savings and total costs for Fiscal Year 2006-2007 have been budgeted accordingly within the requested Mental Health budget. Percentages indicated are approximate and are subject to completion of the year-end cost reporting.

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

Agreement No. 6380 (Supportive Living Program):

Progress Foundation's Napa Supportive Living Program is designed to assist seriously mentally ill, homeless

residents of Napa County to obtain and maintain stable housing by providing supportive services to them. This agreement provides case management and other specialty mental health services as well as assistance with a variety of independent living skills to clients placed in apartments or other independent living situations, who otherwise are at risk of homelessness, hospitalization or other institutionalization. These contract services improve the quality of life for these mentally ill Napa County residents and help to contain the cost of higher and more expensive levels of care for this population. Approval of this amendment will increase the contract maximum to accommodate increases in the contractor's billing rates and a cost of living adjustment for Fiscal Year 2006-2007 and allow the County to incorporate performance and contract monitoring provisions within the agreement's Scope of Work.

Agreement No. 2156 (Transitional Residential Program):

Progress Foundation has operated two transitional mental health residential programs through contracts with Napa County for many years. These services (Randolph House and Laurel House) have provided housing and mental health services on a transitional (up to 18 months) basis to Napa County adults who are significantly impaired by a major mental illness. The goal of these programs is to transition clients from higher, more expensive levels of mental health services to more independent, lower levels of care and housing in the community. During Fiscal Year 2005-2006 the two programs were combined in a new facility called Bella House in Napa. The Fiscal Year 2005-2006 budgets were developed with an intended move date of October 2005; the actual move date of the programs was April 2006, which resulted in increases to the program's Fiscal Year 2005-2006 operating budgets. The requested amendment is necessary to increase the Fiscal Year 2005-2006 contract maximum by \$51,271 for a new maximum of \$519,754. Approval of the requested action will also incorporate new operating budgets for Fiscal Year 2006-2007 reflecting overall reductions in the annual operating costs for the consolidated transitional residential program at its new location, and change the Scope of Work to incorporate additional contract monitoring, quality improvement, and performance outcome requirements.

Agreement No. 4838 (Crisis Residential Program):

Progress Foundation has operated a mental health crisis residential program under contract with Napa County for many years. This service (Progress Place) is designed to provide short-term residential care and mental health services to individuals who are at some risk to themselves or others, and who otherwise may require psychiatric hospitalization. The goal of the program is to stabilize clients and return them to their pre-crisis level of functioning, thereby avoiding a higher or more extensive level of inpatient care.

During Fiscal Year 2005-2006, the program relocated to another location in the City of Napa, at the request of the County, to make way for other development at the prior site. The new crisis residential site has all required permits and certifications to allow for an additional bed, increasing the capacity from seven to eight clients. The Fiscal Year 2005-2006 budgets were developed with an intended move date of October 2005; however, the actual move date of the Program was April 2006, which necessitated some adjustments to the program's Fiscal Year 2005-2006 operating budget.

The requested amendment will reduce the Fiscal Year 2005-2006 contract maximum by \$15,821 for a new maximum of \$659,196. Because of the delay in moving the program, the additional staffing associated with the move was not required in Fiscal Year 2005-2006. Approval of the requested amendment will increase the program budget for Fiscal Year 2006-2007 to reflect salary increases and operating cost changes resulting from the relocation of the program. The amendment is also necessary to make changes in the contract language for Fiscal Year 2006-2007 to reflect additional contract monitoring, quality improvement, and performance outcome requirements.

The Agency has an executed Business Associate agreement on file with this provider.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita