



Agenda Date: 6/26/2007
Agenda Placement: 6M

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Shelli Brobst for Randolph F. 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. for Fiscal Year 2007-2008:

1. Amendment No. 2 to Agreement No. 6380 increasing the amount by \$178 for a new maximum of \$195,178 and revising the contractor's compensation terms for operation of the Supportive Living Program;
2. Amendment No. 4 to Agreement No. 2156 increasing the amount by \$12,890 for a new maximum of \$505,029 and revising the contractor's budget for the operation of a Transitional Residential Mental Health Treatment Program on Bella Drive; and
3. Amendment No. 4 to Agreement No. 4838 increasing the amount by \$37,460 for a new maximum of \$760,734 and revising the contractor's budget for the operation of Progress Place, a crisis residential treatment program.

EXECUTIVE SUMMARY

The County's contract with the State requires Napa to provide a full range of mental health services at the appropriate levels to Napa County Medi-Cal beneficiaries. Rather than hospitalization or placement in a locked facility, Progress Foundation's programs are utilized to provide alternative levels of care and/or to transition individuals back into the community with the appropriate services and support. Approval of the requested actions will amend the maximum amounts for the Supportive Living, Transitional Residential Treatment (Bella Drive) and Progress Place programs due to an increase in personnel and operating costs associated with these programs for Fiscal Year 2007-2008.

FISCAL IMPACT

Is there a Fiscal Impact? Yes

Is it currently budgeted?	Yes
Where is it budgeted?	Mental Health
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The requested action is discretionary in that there is no mandate to have these specific agreements. Agreement Nos. 6380, 2156 and 4838 with Progress Foundation provide medically necessary community mental health services as part of Napa County's continuum of care for seriously mentally ill individuals. The County receives funding and is under contract with the State to provide an array of community mental health treatment services. These agreements are funded by a combination of Medi-Cal Federal Financial Participation (50%), State Realignment (40%) and Substance Abuse and Mental Health Services Administration (SAMHSA) (10%) dollars.
Is the general fund affected?	No
Future fiscal impact:	The agreements contain an automatic renewal provision, which allows the County the option to continue these services into the next fiscal year. Appropriations for Fiscal Year 2007-2008 have been included in the Agency's requested budgets and appropriations for future fiscal years will be budgeted accordingly.
Consequences if not approved:	If the requested amendments to Agreement Nos. 6380, 2156 and 4838 with Progress Foundation are not approved, the County will be unable to make necessary adjustments in the contractor's compensation to reflect increased personnel and operating costs associated with sustaining the current level of services for residential mental health programs in Fiscal Year 2007-2008. (The amendment to Agreement No. 6380 includes only a small increase requested by the contractor.) The requested amendments will allow the County to establish new contract maximums based on updated operating budgets to reflect the 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:

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

Approval of the requested amendments for Agreements Nos. 6380, 2156 and 4838 will increase their respective maximum amounts for Fiscal Year 2007-2008 only, to reflect the contractor's salary increases and

higher operating costs. The maximum amounts for Fiscal Year 2006-2007 will remain unchanged.

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 the amendment to Agreement No. 6380 will also convert the compensation from a "fee for service" agreement (in which the County makes payments to Progress Foundation based on the actual number of units provided, at an agreed upon rate) to a scheduled monthly payment of one-twelfth (1/12) of the total contract amount. This change will simplify HHSA's cost reporting process to the State and regulate cash flow for the program. Although payments will be made on a one-twelfth basis, HHSA will recoup any funds that the contractor cannot support with actual cost documentation at the end of the fiscal year through HHSA's annual cost reporting process.

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 programs (Randolph House and Laurel House) provided housing and mental health services on a transitional (up to 18 months) basis to Napa County adults significantly impaired by a major mental illness. The programs aim 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 sited their operations in a new facility on Bella Drive in Napa.

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 program, 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.

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

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita