



Agenda Date: 6/7/2005
Agenda Placement: 6J

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: Amendment No. 2 to Agreement with Nadhan, Inc.

RECOMMENDATION

Director of Health and Human Services requests approval of and authorization for the Chair to sign Amendment No. 2 to Agreement No. 4657 with Nadhan, Inc., increasing the amount by \$12,210 for a new maximum of \$85,410 for Fiscal Year 2005-2006, incorporating agency-wide changes to the General Terms and Conditions, revising the Scope of Work to include an updated program description, and increasing the daily bed rate to provide inpatient mental health treatment services.

EXECUTIVE SUMMARY

Nadhan provides psychosocial rehabilitation services to mentally ill adults between the ages of 18 and 64 in a secured facility. This amendment incorporates agency-wide changes to the General Terms and Conditions, includes an updated description of the program and contains an increase in the maximum compensation, due to an increase in the daily bed rate from \$100 per bed day to \$117 per bed day.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Behavioral Health
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	Yes
Future fiscal impact:	Although the agreement terminates June 30, 2006, the agreement contains an automatic renewal, which allows the County the option to continue these services into next fiscal year.

Consequences if not approved: The contractor could not be reimbursed for the increase in the daily bed rate in Fiscal Year 2005-2006 and will not continue to serve clients at the current rate; therefore, alternate placements would be necessary to comply with mandated obligations. It is unlikely that the cost of alternate placements would be less than this new rate.

Additional Information: None

ENVIRONMENTAL IMPACT

There is no Environmental Impact for this item.

BACKGROUND AND DISCUSSION

Nadhan provides an individualized service mix to improve the adaptive functioning of chronically mentally disordered clients, in order to enable the clients to move into a less restrictive environment and prevent them from regressing to a lower level of functioning. These clients are unable to be behaviorally managed in an unlocked setting and require a structured, controlled environment. HHSA is required by the Welfare and Institutions Code to provide this level of service to conserved clients. In addition, HHSA's performance contract with the State Department of Mental Health requires that HHSA provide services at this level of care, as necessary, to Medi-Cal beneficiaries.

HHSA contracts for two beds on a dedicated basis for the entire fiscal year. The amendment increases the maximum amount to allow the contractor to be reimbursed for an increase in the daily bed rate from \$100 per day to \$117 per day for Fiscal Year 2005-2006. The Fiscal Year 2004-2005 amount does not increase. The department has an executed Business Associate agreement on file with this provider.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Meegan Condon