



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: A 24-091

March 12, 2024

Introduced: 2/28/2024

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Approve and authorize the Director of Health Services or designee to terminate existing Agreements A-15591 and A-15938, and authorize a new 18-month Mental Health Services Agreement between the County of Monterey and Benjamin Macasaet DBA New Horizon Adult Residential Facility (New Horizon) for the provision of mental health services for Monterey County adult residents with severe psychiatric disabilities in a Board and Care facility, for a maximum County obligation of \$1,427,760 for the retroactive term of January 1, 2024 through June 30, 2025; and
- b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% (\$142,776) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over \$1,570,536.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Director of Health Services or designee to terminate existing Agreements A-15591 and A-15938, and authorize a new 18-month Mental Health Services Agreement between the County of Monterey and Benjamin Macasaet DBA New Horizon Adult Residential Facility (New Horizon) for the provision of mental health services for Monterey County adult residents with severe psychiatric disabilities in a Board and Care facility, for a maximum County obligation of \$1,427,760 for the retroactive term of January 1, 2024 through June 30, 2025; and
- b. Approve and authorize the Director of Health or designee to execute up to three (3) future amendments that do not exceed 10% (\$142,776) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over \$1,570,536.

SUMMARY/DISCUSSION

The County currently maintains separate three-year Agreements A-15591 with Benjamin Macasaet DBA New Horizon Adult Residential Facility for services at New Horizon I for the period of FY 2021-24, and A-15938 for services at New Horizon II for the period of FY 2022-25.

Based on an assessment by Behavioral Health Adult System of Care (ASOC) leadership of patch rates in Adult Residential Facilities in Santa Clara County, this agreement terminates both of the existing New Horizon Agreements, and increases the patch rate for both facilities for the last half of FY 2023-24 from \$17 to \$45 per patient per day, then in FY 2024-25 from \$17 to \$50 per patient per day, combining the two New Horizon contracts which have been previously offset by one year into a new single-use MHS Agreement. Beginning in Q3 of FY 2023-24, this new Contract term is

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initially for 18-months rather than the previous three-year terms. This agreement was negotiated by ASOC leadership late in Q2 of FY 2023-24, with direction for an effective date of January 1, 2024, which by necessity makes the agreement retroactive when presented to your board.

New Horizon is licensed by the State of California Department of Social Services as an Adult Residential Facility. The New Horizon facilities provide permanent Board and Care community-based living for a total of 54 Monterey County adult residents, creating a normalizing experience for adults with severe psychiatric disabilities, as defined in Section 1502 of the Health and Safety Code. Approval of this Agreement provides for the continuity of care for Monterey County Behavioral Health Bureau adult clients with severe psychiatric disabilities currently placed at both Monterey Bay Guest Homes in Seaside and Salinas and complies with the requirements of the Welfare and Institutions Code Section 5600 (Bronzan-McCorquodale Act).

This Agreement contains the County's standard 30-day "no cause" provision (Section V, B) and an additional defunding provision (Section V, D), which provides the County the ability to amend or terminate the Agreement in the event of a reduction and/or termination of funding.

Because of the expansive nature of the rate increase, the Contract adds an "Addendum No. 1," signed by the Contractor, that stipulates that the additional patch rate funds are in consideration of the Contractor making repairs to their facilities, addressing all Code compliance and regulatory issues, and greatly enhancing services to residents (meals, activities, etc.), subject to inspection and reversion back to the previous lower rates on July 1, 2025 if these enhancements to the facilities and client care are not made.

This work supports the following County of Monterey Health Department 2018-2024 strategic plan goal: 3) Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports one of the ten essential public health services, specifically: 7) Link people to needed personal health services and assure the provisions of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to legal form and fiscal provisions, respectively.

FINANCING:

This Agreement is 100% funded by 1991 Realignment funding. The funds for this Agreement (\$442,260) are included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year 2023-24 Adopted Budget. The funds for this Agreement for FY 2024-25 (\$985,500), will be included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year 2024-25 Requested Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiatives:

Economic Development:

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- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.
- Administration:
 - Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.
- Health & Human Services:
 - Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.
- Infrastructure:
 - Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.
- Public Safety:
 - Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Norm Morris, Management Analyst II, 796-1277

Approved by:

 Date: 3/1/2024 | 4:29 PM PST
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Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement