



County of Monterey

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

Board Report

File #: A 12-113, **Version:** 1

- a. Approve and authorize the Director of Health to sign a three-year term Mental Health Services Agreement (July 1, 2012 to June 30, 2015) with 7th Avenue Center, L.L.C. in Santa Cruz, California for the provision of mental health treatment services to adults with psychiatric impairments and disabilities in the amount of \$419,249.95 for Fiscal Year (FY) 2012-13, \$438,267.81 for FY 2013-14, and \$458,179.51 for FY 2014-15, for a total Agreement in the amount of \$1,315,697.27; and
- b. Authorize the Director of Health to approve up to three future amendments to this Agreement where the amendments do not exceed ten percent (10%) of the original amount and do not significantly change the scope of work or result in an increase to County General Fund Contribution.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Director of Health to sign a three-year term Mental Health Services Agreement (July 1, 2012 to June 30, 2015) with 7th Avenue Center, L.L.C. in Santa Cruz, California for the provision of mental health treatment services to adults with psychiatric impairments and disabilities in the amount of \$419,249.95 for Fiscal Year (FY) 2012-13, \$438,267.81 for FY 2013-14, and \$458,179.51 for FY 2014-15, for a total Agreement in the amount of \$1,315,697.27; and
- b. Authorize the Director of Health to approve up to three future amendments to this Agreement where the amendments do not exceed ten percent (10%) of the original amount and do not significantly change the scope of work or result in an increase to County General Fund Contribution.

SUMMARY/DISCUSSION:

7th Avenue Center, L.L.C. is a mental health rehabilitation center for adults with psychiatric impairments and disabilities that require a locked skilled nursing level of care. Treatment services include an individualized program to meet the specific needs of each client and a structured regiment with individualized services to assist clients in their development of new skills.

This Agreement with 7th Avenue Center, L.L.C. is a three (3) fiscal year renewal (Fiscal Year 2012-13 through Fiscal Year 2014-15). There are no changes to the scope of services from prior fiscal years. In December 2010 AB 2645 implemented a rate freeze of the Institution for Mental Disease (IMD) daily reimbursement rate to the rates that were in effect on July 1, 2009 for the period of July 1, 2010 through June 30, 2012. The AB 2645 rate freeze lead to an estimated County savings in the amount of \$16,293.60 in FY 2010-11 and \$33,353.70 in FY 2011-12. Confirmation of the IMD rate schedule for FY 2012-13 thru FY 2014-15 is pending State notification.

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

OTHER AGENCY INVOLVEMENT:

County Counsel, Auditor-Controller, and Risk Management have reviewed and approved this Agreement as to legal form, fiscal provisions, and insurance requirements. This Agreement is on file with Clerk of the Board.

FINANCING:

This Agreement is funded by Realignment revenues. The funds for this Agreement (\$419,249.95) are included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year 2012-13 Requested Budget. Approval of this action has no impact on the County General Fund.

Prepared by: Gloria Rodriguez, Management Analyst, 8986

Approved by: Ray Bullick, Director of Health, 4526

Attachments:

Agreement is on file with Clerk of the Board