



County of Monterey

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

Board Report

File #: 16-1108, **Version:** 1

Approve and Authorize the Contracts/Purchasing Officer or Contracts/ Purchasing Supervisor to sign Amendment No. 5 to Agreement A-12200 with California Forensic Medical Group, Inc. (CFMG) for inmate medical services, extending the agreement from September 30, 2016 to January 31, 2017 at an estimated total FY 2016-17 cost of \$4,865,596 for the Sheriff's Office and at an estimated total FY 2016-17 cost of \$451,507 for Probation to allow additional time for contract negotiations. (ADDED VIA ADDENDA)

RECOMMENDATION:

It is recommended the Board of Supervisors:

Approve and Authorize the Contracts/Purchasing Officer or Contracts/ Purchasing Supervisor to sign Amendment #5 to Agreement A-12200 with California Forensic Medical Group, Inc. (CFMG) for inmate medical services, extending the agreement from September 30, 2016 to January 31, 2017 at an estimated total FY 2016-17 cost of \$4,865,596 for the Sheriff's Office and at an estimated total FY 2016-17 cost of \$451,507 for Probation to allow additional time for contract negotiations

SUMMARY:

California Forensic Medical Group, Inc. (CFMG) has been the provider of inmate medical services at the Monterey County Jail and at Monterey County Probation facilities since July 1, 1989. This particular contract (A-12200) was awarded April 1, 2012 via a Request for Proposals (RFP) process. The annual cost of this contract for the direct medical service provided within the Jail for FY 2015-16 was \$7,580,778 and for Probation's direct medical services was \$737,932.

For almost a year now, the parties have been working to develop an implementation plan for execution of the settlement agreement reached in the Hernandez litigation (jail class action). On May 27, 2016, the Court granted the County's and CFMG's motions for approval of the implementation plans with minor changes. As such, the parties now have the parameters within which to begin negotiations.

The negotiation process has begun, but there are many variables to be worked through between CFMG and the Monterey County Jail. The prior executed Amendment #4 extended the agreement to September 30, 2016. This amendment is being brought forth to allow for sufficient time to finalize negotiations.

A copy of this agreement is on file with the Clerk of the Board.

OTHER AGENCY INVOLVEMENT:

County Counsel has been involved with the drafting of this amendment. Probation is also a party to this agreement, and has approved the four (4) month amendment. The Auditor Controller has approved as to fiscal provisions, and Risk Management has supplied input. There has been a recent change in CFMG's insurance to a self-insured retention policy. This means that they are self-insured for a portion of the cost, with commercial insurance covering after the self-insured portion has been satisfied. This is one of the items which will be discussed in negotiation.

FINANCING:

The cost of the four (4) month extension is \$2,700,000 for the Sheriff's Office, for a total estimated cost through January 31, 2017 of \$4,685,596. The cost of the four (4) month extension is \$258,004 for Probation, for a total estimated cost through January 31, 2017 of \$451,507. Funding for this contract was included in the FY 2016-17 Sheriff's Office and Probation's approved budgets based on FY 2015-16 expenditures, and the current expiring contract terms and conditions resulting in FY 2016-17 budget amounts of \$7,887,538 for the Sheriff's Office and \$766,310 for Probation. The projected annualized cost of the amendments for FY 2016-17 for Sheriff's Office and Probation would be \$8,032,450 and \$774,012 respectively. The combined projected difference in annualized cost and the budgeted amount for the departments is an overage of \$152,614. The final impact on General Fund contribution for the Sheriff's Office and Probation will not be known until negotiations are finalized. The departments are monitoring their budgets and if necessary, will request additional appropriations.

Prepared by: Nina Ryan, Management Analyst II Ext. 3708

Approved by: Steve Bernal, Sheriff/Coroner Ext. 3725

Attachment: Amendment #5 to Agreement A-12200 between County of Monterey and California Forensic Medical Group, Inc.