

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Behavioral Health	(2) MEETING DATE 2/4/2014	(3) CONTACT/PHONE Cindy Collins, ASM, 788-2932 Amy Olson, ASO II, 781-4729	
(4) SUBJECT Request to approve 1) an amendment to the contract with Davis Guest Home, Inc. (Clerk's File) for FY 2013-14 to increase the maximum contract amount by \$135,600, and 2) an amendment to the contract with C and D's Guest Homes, Inc. (Clerk's File) for FY 2013-14 to increase the maximum contract amount by \$30,000 to provide residential board and care and social support services to adults with serious mental illness. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board: 1. Approve and direct Chairperson to sign an amendment to the contract with Davis Guest Home, Inc. for FY 2013-14 to increase the maximum contract amount by \$135,600; 2. Approve and direct Chairperson to sign an amendment to the contract with C and D's Guest Homes, Inc. for FY 2013-14 to increase the maximum contract amount by \$30,000 to provide residential board and care and social support services to adults with serious mental illness.			
(6) FUNDING SOURCE(S) Realignment & Medi-Cal	(7) CURRENT YEAR FINANCIAL IMPACT \$425,015.00	(8) ANNUAL FINANCIAL IMPACT \$425,015.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001370 & 19001371		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>6/4/13 & 6/18/13</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Reviewed by Leslie Brown			
(18) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Jeff Hamm, Health Agency Director
Anne Robin, Behavioral Health Administrator

DATE: 2/4/2014

SUBJECT: Request to approve 1) an amendment to the contract with Davis Guest Home, Inc. (Clerk's File) for FY 2013-14 to increase the maximum contract amount by \$135,600, and 2) an amendment to the contract with C and D's Guest Homes, Inc. (Clerk's File) for FY 2013-14 to increase the maximum contract amount by \$30,000 to provide residential board and care and social support services to adults with serious mental illness. All Districts.

RECOMMENDATION

It is recommended that the Board:

1. Approve and direct Chairperson to sign an amendment to the contract with Davis Guest Home, Inc. for FY 2013-14 to increase the maximum contract amount by \$135,600;
2. Approve and direct Chairperson to sign an amendment to the contract with C and D's Guest Homes, Inc. for FY 2013-14 to increase the maximum contract amount by \$30,000 to provide residential board and care and social support services to adults with serious mental illness.

DISCUSSION

Davis Guest Home, located in Modesto, and C and D's Guest Homes, located in Merced, are board and care facilities that provide residential and social support services to adults with serious mental illness. Both homes provide a higher level of support services than those provided at American Care Home I, the board and care facility located in our county, and yet provide a residential step-down from an Institution for Mental Disease (IMD). Augmented residential programs, like those offered at these homes, provide an alternative for clients ready to transition to a slightly lower level of care than that provided at an Institution for Mental Disease (IMD) facility but not yet ready for more independent living situations.

These homes each provide a highly structured environment, extensive socialization programs, and onsite psychiatrist coverage. Davis Guest Home's higher intensity level programs are geared toward the special needs of the newly transferred IMD clients, while C and D's Guest Homes is geared toward the special needs of clients who are dual-diagnosed with both mental illness and a developmental disability. The Behavioral Health Department has utilized the Davis Guest Home program since December of 2003 and the program at C and D's Guest Homes since February 2012. As clients demonstrate stability in this setting, the County residential case manager evaluates transferring clients to more independent living arrangement within San Luis Obispo County.

The Behavioral Health Department recommends amendments to the contracts with Davis Guest Home, Inc. and C and D's Guest Homes, Inc. to allow the payment of anticipated costs for residential board and care, social support, and outpatient mental health services to adults with serious mental illness. The Davis Guest Home, Inc. original contract was approved for \$204,400 on June 18, 2013, and C and D's Guest Homes, Inc. original contract was approved for \$55,015 on June 4, 2013. Each contract was based on a projected average of 7 clients residing at Davis Guest Home and 1 client residing at C and D's Guest Homes, Inc. utilizing basic care services. There has been an average of 11 county clients residing in Davis Guest Home since July 1, 2013, and 2 clients at C and D's Guest Homes since July 1, 2013. All of these clients were transferred to Davis Guest Home, Inc. and C and D's Guest Homes, Inc. from costlier, higher-level placements such as acute hospitals and locked IMDs. Most were considered to be too difficult to manage in more

independent settings. Davis Guest Home and C and D's Guest Home have had success in managing more difficult clients in a more independent setting has not only greatly benefitted the clients, but allowed Behavioral Health to achieve savings in IMD costs.

The increase in cost for Davis Guest Home, Inc. is due to the higher number of bed days anticipated to be purchased. The original contract purchased 2,555 bed days and with the increase in transfers to this facility from IMDs, the contract amendment will allow the County to purchase 4,015 bed days for the duration of the contract period. The increase in cost for C and D's Guest Home, Inc. is due to the higher number of bed days anticipated to be purchased. The original contract purchased 365 bed days, however with a second special-needs client placed at C&D's Guest Home, Inc., the contract amendment will allow the County to purchase 730 bed days for the duration of the contract period. Although the utilization for Davis Guest Home, Inc. and C and D's Guest Homes, Inc. exceed the initial contract and budget, the overall utilization for IMD and Board & Care is within the initial estimates for all adult residential care facilities.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has reviewed and approved the contract amendments as to form and legal effect.

FINANCIAL CONSIDERATIONS

The original contract for Davis Guest Home, Inc. was approved and budgeted for \$204,400. The contract amendment is adding \$135,600 for a total amended amount of \$340,000. The original contract for C and D's Guest Homes, Inc. was approved and budgeted for \$55,015. The contract amendment is adding \$30,000 for a total amended amount of \$85,015. The additional amount will be fully funded through savings in FY 2013-14 overall budgeted IMD costs.

Type of Contracted Facility	FY 2013-14 Adopted Budget	FY 2013-14 Estimated Spent	\$ Change
IMD Contracts	\$729,051	\$563,451	-\$165,600
Board & Care Contracts	\$2,205,669	\$2,371,269	+\$165,600

RESULTS

There are currently 11 clients residing in Davis Guest Home and 2 clients residing in C and D's Guest Homes. Davis Guest Home and C & D's Guest Homes assist the Behavioral Health Department's performance objectives by helping clients be as functional and productive as possible in the least restrictive and least costly environments. By providing these individuals with the opportunity to be successful in progressing toward a more independent lifestyle and integrate into the community. Providing the most appropriate services to the clients increases the probability of positive treatment outcomes. Furthermore, positive treatment outcomes contribute to the wider County vision of a healthy and safe community.

ATTACHMENTS

1. Clerk's Filed Cover Sheet for Davis Guest Home and C&D's Guest Homes FY 13-14 Contract Amendments