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August 21, 2018

The Honorable Board of Supervisors  
Administration Building  
1221 Oak Street  
Oakland, CA 94612

Dear Board Members:

**SUBJECT: APPROVE A MASTER CONTRACT AMENDMENT WITH ALAMEDA HEALTH SYSTEM AND THE NEW BRIDGE FOUNDATION, INC. FOR SUBSTANCE USE DISORDER SERVICES FOR FISCAL YEAR 2019**

**RECOMMENDATIONS**

- A. Approve a master contract amendment with Alameda Health System, dba Alameda County Medical Center (Principal: Delvecchio Finley, Chief Executive Officer; Location: Oakland, CA; Master Contract No: 900077; Procurement Contract No: 16964) to provide outpatient Substance Use Disorder services for adults for the period 9/1/2018 – 6/30/2019, increasing the procurement contract from \$0 to \$1,187,092 (\$1,187,092 increase);
- B. Approve a master contract amendment with The New Bridge Foundation, Inc. (Principal: Constantinos Markakis, Executive Director; Location: Berkeley, CA; Master Contract No: 900096; Procurement Contract No: 16968) to provide Substance Use Disorder residential services for adults for the period 9/1/2018 – 6/30/2019, increasing the procurement contract from \$0 to \$548,483 (\$548,483 increase);
- C. Delegate authority to the Director of Health Care Services Agency or designee to execute the attached procurement contract exhibits on your behalf; and
- D. Approve and authorize the Auditor-Controller to increase appropriations with offsetting revenues as shown in the attached Financial Recommendation.

**DISCUSSION/SUMMARY**

Behavioral Health Care Services (BHCS) is recommending contract awards with two providers that have had longstanding relationships with BHCS for similar types of Substance Use Disorder (SUD) services: Alameda Health System is recommended for outpatient, intensive outpatient, and recovery support services for adults in the San Antonio, Clinton, Highland and Alameda areas of North County; and The New Bridge Foundation, Inc. (New Bridge) for adult residential beds.

BHCS contracts with community based organizations to provide an array of services to support clients facing addiction to alcohol and other drugs. Many of these services are substantially changing due to the new system of care and standards for geographic network adequacy and treatment required under the 1115 federal waiver of Title 19 of the Social Security Act. The waiver is administered by the California Department of Health Care

Services (DHCS) and allows counties to participate in the establishment of a Drug Medi-Cal Organized Delivery System (DMC-ODS) waiver. BHCS presented an overview of the waiver to the Health Committee on October 9, 2017. Your Board approved Alameda County's plan for participation in the waiver on January 23, 2018.

Due to the substantive changes required for many substance use services, BHCS released Request for Proposals (RFP) No. 18-01 for the provision of SUD treatment and recovery residence services for adolescents, adults, and older adults who are residents of Alameda County. The RFP included 18 separate competitive processes for different types of services and populations in specific geographic areas of the County.

The award recommendation for New Bridge is based on the results of RFP 18-01. The award recommendation for Alameda Health System was made after no qualified bidder was identified through RFP 18-01. On May 8, 2018 (Item No. 4), your Board approved BHCS negotiating contracts for additional capacity for providers when there was no recommended provider through the RFP process. These new programs and services are essential to ensure compliance with network and geographic adequacy standards and to supply a sufficient number of residential beds to meet anticipated demand.

**SELECTION CRITERIA**

*BHCS released RFP No. 18-01 on Thursday February 8, 2018 for the provision of SUD treatment and recovery residence services to adolescents, adults, and older adults who are residents of Alameda County. Under this RFP, 18 separate competitive bidding processes were administered for Outpatient, Intensive Outpatient, and Recovery Support services; Residential services; and Recovery Residence services. The RFP was advertised using the General Service Agency (GSA) advertising guideline by posting on the BHCS and GSA websites. In addition, a courtesy email was sent to BHCS' contracted providers and other BHCS contacts via existing email distribution lists. BHCS held two Bidders' Conferences on February 15 in Oakland and February 16 in Hayward with representation from twenty agencies. No bid protests were received in relation to this RFP. The subsections below describe the programs that BHCS is requesting to move forward with in relation to several of the remaining competitive bidding processes under this RFP which have not yet been presented to Your Board.*

*Alameda Health System and New Bridge are exempt from the County Small Local and Emerging Business (SLEB) provisions due to their status as governmental or non-profit community-based organizations. However, New Bridge (No. 11-00041, Expires 2/28/2019) has elected to become a SLEB-certified provider.*

**Adult Outpatient: San Antonio - Alameda**

*For the competitive bidding process for Adult Outpatient, Intensive Outpatient, and Recovery Support Services in the San Antonio, Clinton, Highland, and Alameda areas of North County, an evaluation panel consisting of four subject matter experts from BHCS and the San Francisco Department of Public Health was conducted on Thursday April 26. BHCS received one bid. The evaluation panel determined that oral interviews were not needed for this procurement process and did not recommend the bidder for a contract award. Bidders were notified via email and certified mail of the Evaluation Panel's recommendation on May 21, 2018.*

*The table below summarizes the results of this competitive bidding process and the Evaluation Panel's recommendations to not award.*

<b>Bidder</b>	<b>Certified, Small, Local or Emerging</b>	<b>Score</b>
<i>Options Recovery Services</i>	<i>Yes</i>	<i>223</i>
		<i>Not recommended for a contract award</i>

*As there was no provider recommended per the evaluation process, Alameda Health System was selected to provide these services because it is the current provider of services in this area and meets DMC Certification Requirements at its current site.*

Adult Residential Services

*For the competitive bidding process for adult residential services, an evaluation panel consisting of four subject matter experts from BHCS, a retiree/former administrator of mental health services, and an independent consultant was conducted on Thursday, May 3. BHCS received three bids for services to procure 108 beds Countywide, however one of the bids was disqualified as it did not meet minimum qualifications at the time of bid submission. The evaluation panel determined that oral interviews were not needed for this evaluation process. Bidders were notified via email and certified mail of the Evaluation Panel's recommendation on May 21, 2018.*

*The table below summarizes the results of this competitive bidding process and the Evaluation Panel's recommendations for contract award.*

<b>Bidder</b>	<b>Certified, Small, Local or Emerging</b>	<b>Number of beds to be purchased</b>	<b>Score</b>	<b>Award Amount</b>
<b><i>Carnales Unidos Reformando Adictos Incorporate</i></b>	<b><i>Yes</i></b>	<b><i>30 beds</i></b>	<b><i>282</i></b>	<b><i>\$1,955,593</i></b>
<b><i>La Familia Counseling Service</i></b>	<b><i>Disqualified – not reviewed by Evaluation Panel</i></b>			
<b><i>New Bridge</i></b>	<b><i>Yes</i></b>	<b><i>14 beds</i></b>	<b><i>340</i></b>	<b><i>\$658,180</i></b>

*New Bridge later returned to the County stating that they were only able to sell 12 beds to BHCS based on DMC-ODS requirements around the maximum number of individuals who could be served through each group service. BHCS is requesting to contract with New Bridge for the 12 beds due to the shortage of residential beds.*

**FINANCING**

Funding for this contract includes Medi-Cal, Substance Abuse Block Grant, 2011 Realignment and County General Funds already included in the BHCS budget and additional funding from Medi-Cal, 2011 Realignment and State General Funds per the attached Financial Recommendation. Financing for services to AB 109 eligible clients will be funded through Public Safety Realignment. Once final agreements between the County Agencies on the distribution of the Public Safety Realignment Funds have been made, BHCS will return to the Board with any necessary appropriation or revenue estimate changes. There is no increase in net County cost.

Sincerely,



Colleen Chawla, Director  
Alameda County Health Care Services Agency