



Office of the City Manager

CONSENT CALENDAR

June 12, 2007

To: Honorable Mayor and  
Members of the City Council

From:  Phil Kamlarz, City Manager

Submitted by: Fred Medrano, Director, Health & Human Services

Subject: Contracts: Community-Based Mental Health Services

RECOMMENDATION

Adopt a Resolution authorizing 1) the City Manager to execute contracts and any amendments with Fred Finch Youth Center for intensive mental health support services to youth in an amount not to exceed \$151,260 and YEAH, under the fiscal auspices of the Lutheran Church of the Cross, for transition aged youth services in an amount not to exceed \$102,917 for the period June 1, 2007 through June 30, 2008; 2) advance payments to the contractors; and 3) the annual renewal of said contracts with eligible Consumer Price Index adjustments for an additional two years contingent upon the availability of such external funding.

FISCAL IMPACTS OF RECOMMENDATION

Pursuant to requests for proposals (Specification Nos. 07-10174-C and 07-10176-C) issued in December 2006 and January 2007, Fred Finch Youth Center (“FFYC”) and YEAH, under the fiscal auspices of the Lutheran Church of the Cross, were selected as the providers for a) intensive support services for youth and b) transition-aged youth services, respectively. These service contracts, totaling \$254,177 for the 13 month contract period, are consistent with the State requirements of, and entirely funded by, the Mental Health Services Act (MHSA--Proposition 63). Funds are available in the MHSA Fund, expenditure code 063-4401-440.35-10. These contracts have been entered into the Citywide contracts database and assigned Contract Management System Nos. PFJQM and JT8X3, respectively.

It is recommended that authorization be provided for the annual renewal of such contracts, with eligible Consumer Price Index (CPI) adjustments (pending the issuance of State regulations), for an additional two years (through FY 2010), totaling \$505,030, to be authorized contingent upon satisfactory contract performance and the continued availability of MHSA funding to the Mental Health Division. On a three-year combined basis, these contracts with FFYC and YEAH total \$759,207.

The provision of the above services by FFYC and YEAH is also expected to generate nominal annual Medi-Cal revenue, although it is difficult to estimate an amount until a service baseline is established following the implementation of these contracts beginning June 1<sup>st</sup>. However, the City's Mental Health Division is not authorized to enter into Medi-Cal revenue agreements with sub-contractor agencies, as is Alameda County's Behavioral Health Care Services Agency. As a result, any Medi-Cal revenue generated from clinical activities provided under these City contracts, particularly by FFYC, is likely to inure either to the benefit of FFYC or Alameda County, or both. Depending upon the extent of revenues generated by FFYC, subsequent year contract renewals may reflect a revised program operating budget and an expanded scope of services, as appropriate.

### CURRENT SITUATION AND ITS EFFECTS

The Department of Health and Human Services, Mental Health Division provides a broad array of community-based mental health services. Consistent with the Mental Health Division's long-standing goal of engaging community partner agencies in the provision of such services, these recommended contracts reflect significant and strategic investments in partner agencies to develop and augment community capacity to meet dynamic and changing community mental health needs.

The Mental Health Services Act is designed to expand and transform the public mental health system statewide, with a local emphasis via the FFYC and YEAH contracts on intensive services to youth, including those transitioning from foster care and criminal justice settings, among others. The Mental Health Division's two Program units, the Family Youth & Children's Program as well as the Adult Clinical Program, will be integrally involved in the coordination with these partner agencies of comprehensive services to the involved youth. Services include outreach and engagement, clinical assessment, individual and group therapy, treatment and case management, client assistance as well as medical and psychiatric intervention as required. Under the MHSA, each agency will be required to submit outcome data for each youth client, in coordination with Mental Health Division state MHSA reporting requirements.

### BACKGROUND

The Mental Health Division was awarded Community Action Grants in 1997 and in 1999 from the Substance Abuse and Mental Health Services Administration (SAMHSA) to build consensus on the development of the exemplary practice of Assertive Community Treatment, and then to implement the program model and to the decisions made by the community planning process. The Mental Health Division made a commitment to work collaboratively with community-based organizations and other City departments towards the development of a system of care for individuals and families who need public mental health services in the cities of Berkeley and Albany.

Additionally, beginning in FY 2001, the Mental Health Division was competitively awarded funds under the AB2034 State Mental Health Program, designed to build capacity and provide flexible funding to engage clients and achieve housing stability and other important outcomes for seriously and persistently mentally ill homeless individuals.

Based on the 2004 passage of Proposition 63, the Mental Health Services Act, the Mental Health Division receives an annual funding allocation of approximately \$1.2 million to expand and transform its mental health service system capacity to better meet the mental health needs of under-served communities, among others.

All of these initiatives offer new opportunities for the Mental Health Division to further develop and expand its system of care, utilizing involved non-profit providers in the planning and delivery of comprehensive mental health services. The proposed contracts with FFYC and YEAH will advance this goal as well as provide improved coordination between the City and its partner system of care agencies in service to the community.

RATIONALE FOR RECOMMENDATION

The FFYC and YEAH contracts were awarded on a competitive basis following the issuance of a request for proposals. These agencies possess unique organizational capacity to meet the needs of the target youth population and the ability to effectively coordinate with the Mental Health Division and other community agencies and resources.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Harvey Tureck, Manager of Mental Health, 981-5213  
Eric Brenman, Senior Management Analyst, 981-5114

Attachment:

1. Resolution

RESOLUTION NO. -N.S.

CONTRACTS: WITH FRED FINCH YOUTH CENTER AND YEAH

WHEREAS, the City's Mental Health Division is allocated approximately \$1.2 million annually under the State Mental Health Services Act and awarded \$916,800 annually under the State AB2034 Grant Program for the provision of comprehensive mental health services; and

WHEREAS, the Mental Health Division works cooperatively and in partnership with community-based agencies in the provision of such mental health services; and

WHEREAS, pursuant to issued requests for proposals (Specification Nos. 07-10174-C and 07-10176-C), Fred Finch Youth Center and YEAH, under the fiscal auspices of the Lutheran Church of the Cross, submitted proposals and were competitively selected for Mental Health Service Act funded contracts in the amount of \$151,260 and \$102,917, respectively; and

WHEREAS, funds are available in the current year budget in the Mental Health Service Act, budget code 063-4401-440.35-10, and the contracts have been entered into the Citywide contracts database and assigned Contract Management System Nos. PFJQM (Fred Finch Youth Center) and JT8X3 (YEAH).

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is hereby authorized to execute contracts and any amendments with Fred Finch Youth Center for intensive mental health supportive services to youth in an amount not to exceed \$151,260 and YEAH, under the fiscal auspices of the Lutheran Church of the Cross, for transition aged youth services in an amount not to exceed \$102,917 for the period June 1, 2007 through June 30, 2008. A record signature copy of said contracts and any amendments to be on file in the Office of the City Clerk.

BE IT FURTHER RESOLVED that advance payments in the amount of \$37,815 (Fred Finch Youth Center) and \$25,730 (YEAH) are authorized to implement and operate such programs.

BE IT FURTHER RESOLVED that each contract is to be renewed annually with eligible Consumer Price Index adjustments for up to an additional two years (through June 30, 2010) contingent upon both satisfactory contract performance and the availability of external funding in an amount sufficient to authorize such contracts.