

46460

DATE: April 27, 2015

TO: Board of Acquisition and Contract

FROM: Mark S. Herceg, Ph.D., Commissioner
Department of Community Mental Health

SUBJECT: Authority to amend an agreement with each of two (2) vendors, pursuant to which each vendor was to provide community mental health services, for a period January 1, 2012 through December 31, 2016, for various amounts not-to-exceed, in order to, 1) add additional services to be provided, 2) reduce the total not-to-exceed amount, 3) modify the budget to reflect the new, lower not-to-exceed amount and re-allocate funds to pay for the additional services.

On August 4, 2014, at the behest of the New York State Office of Alcoholism and Substance Abuse Services ("OASAS"), the County issued a Request for Information ("RFI") seeking information from vendors qualified to operate outpatient chemical dependence treatment programs (each a "Part 822-4 Program") and/or outpatient opioid treatment programs (each a "Part 822-5 Program") in accordance with the requirements of 14 NYCRR Part 822 ("Part 822") and all other applicable laws, rules, and regulations.

The specific sites for which the County sought qualified vendors were:

- 1.) Site #1: in Yonkers, New York, consisting of one (1) Part 822-4 Program.
- 2.) Site #2: in Port Chester, New York, consisting of one (1) Part 822-4 Program.
- 3.) Site #3: in Peekskill, New York, consisting of one (1) Part 822-4 Program and one (1) Part 822-5 Program, which are co-located.

The RFI specified that one (1) vendor would be chosen to operate each site.

In response to the RFI, the County received responses for the following sites from the following vendors:

- 1.) Site #1: Sancia Recovery Inc. ("Sancia"), Samaritan Village, Inc.
- 2.) Site #2: St. Joseph's Hospital ("St. Joseph's")
- 3.) Site #3: Lexington Center for Recovery, Inc. ("Lexington Center")

The RFI specified that, for each site, the County would review the responses it received and then make a recommendation to OASAS as to which vendor should be certified to operate that site. Accordingly, each response was reviewed by a five (5) member review panel in the Department of Community Mental Health ("DCMH"). Based on those reviews, DCMH recommended to OASAS for certification the following vendor for each of the following sites:

- 1.) Site #1: Sancia

- 2.) Site #2: St. Joseph's
- 3.) Site #3: Lexington Center for Recovery, Inc.

OASAS subsequently gave its approval and certified each vendor for each site as recommended, with each vendor authorized to provide services at its site starting January 1, 2015.

Since services are provided by vendors pursuant to their OASAS certification, an agreement with the County is not always necessary. An agreement with the County is only necessary when a vendor is receiving deficit funding ("State Aid") from OASAS that has been made available through the Local Assistance State Aid process where the State Aid is given to the County for distribution to such vendor(s).

The RFI specified that State Aid might subsequently be made available, and that only not-for-profit vendors would be eligible to receive it. For-profit vendors would not be eligible to receive State Aid.

Due to the fact that Sancia is a for-profit vendor, it is not eligible for State Aid. St. Joseph's and Lexington Center, however, are eligible for State Aid, and OASAS made State Aid available for each of those two (2) vendors. Therefore, it is not necessary for the County to have an agreement with Sancia for Site #1, but it is necessary for the County to have an agreement with each of St. Joseph's and Lexington Center for Site #2 and Site #3, respectively.

Based on OASAS and County administrative procedures, the County must have only one agreement with each vendor under which the vendor receives State Aid. The County has already executed such an agreement with both St. Joseph's and Lexington Center. Your Honorable Board authorized those agreements, pursuant to which each vendor would provide community mental health services, for a period from January 1, 2012 through December 31, 2016, and for the not-to-exceed amounts specified below, by a resolution approved on December 1, 2011:

<u>Vendor</u>	<u>Not-To-Exceed Amount</u>
St. Joseph's	\$25,590,761.00
Lexington Center	\$11,886,725.00

(the "St. Joseph's Agreement" and the "Lexington Center Agreement"; collectively, the "Agreements").

Therefore, the County must amend the St. Joseph's Agreement and the Lexington Center Agreement to add the services for Site #2 and Site #3, respectively.

Due to a number of factors, including varying levels of State Aid and changes in programs since the execution of the Agreements in 2012, both the St. Joseph's Agreement and the Lexington Center Agreement have sufficient funds available within the current not-to-exceed amount of each agreement to pay for the additional services for Site #2 and Site #3, respectively. In fact, the not-to-exceed amount for each of the Agreements must actually be decreased to accurately reflect the new intended maximum to be paid to each vendor. At the same time, the budget for each of the Agreements must be modified in order to ensure that it reflects the new, lower not-to-exceed amount for each of the Agreements and re-allocate funds to pay for the additional services.

Accordingly, authority is respectfully requested for the County to amend the St. Joseph's Agreement and the Lexington Center Agreement in order to, 1) add the additional services to be provided by each vendor, for the period January 1, 2015 through December 31, 2016, under its agreement, as specified below, 2) reduce the total not-to-exceed amount for each agreement, to the respective new not-to-exceed amounts specified below, and 3) modify the budget for each agreement to reflect the new, lower not-to-exceed amount and re-allocate funds to pay for the additional services:

<u>Agreement</u>	<u>Additional Services</u>	<u>New Not-To-Exceed Amount</u>
St. Joseph's Agreement	A Part 822-4 Program for Site #2	\$23,884,188.00
Lexington Center Agreement	A Part 822-4 Program and a Part 822-5 Program for Site #3	\$8,764,575.00

(collectively, the "Amendments"). Except as specified above, all terms and conditions of the Agreements shall remain in full force and effect.

The proposed Amendments will serve a public purpose by enabling the County to provide the specified Part 822-4 Program and Part 822-5 Program services, as part of the community mental health services provided by the County, to people who need such services.

The goal and objective of the proposed Amendments is to enable the County to provide the specified Part 822-4 Program and Part 822-5 Program services, as part of the community mental health services provided by the County, to people who need such services.

The goal and objective of the proposed Amendments is in the best interests of the County in terms of health and the environment, as enabling the County to provide the specified Part 822-4 Program and Part 822-5 Program services, as part of the community mental health services provided by the County, to people who need such services will help ensure the health and well-being of such persons.

The goal and objective of the proposed Amendments will be tracked and monitored by the staff of DCMH.

This procurement is exempt from the Westchester County Procurement Policy pursuant to Section 3(a)(xii) thereof.

I respectfully recommend approval of the attached proposed resolution.

MSH/DA/bdm/nn

RESOLUTION

Upon a communication from the Commissioner of the Department of Community Mental Health, be it hereby:

RESOLVED, that the County of Westchester (the "County"), is authorized to amend its agreement with each of the two (2) entities specified below, pursuant to which each entity was to provide community mental health services, for a period from January 1, 2012 through December 31, 2016, for various amounts not-to-exceed, in order to, 1) add the additional services to be provided by each vendor, for the period January 1, 2015 through December 31, 2016, under its agreement, as specified below, 2) reduce the total not-to-exceed amount for each agreement, to the respective new not-to-exceed amounts specified below, and 3) modify the budget for each agreement to reflect the new, lower not-to-exceed amount and re-allocate funds to pay for the additional services:

Entity	Additional Services	New Not-To-Exceed Amount
St. Joseph's Hospital	An outpatient chemical dependence treatment program at a site in Port Chester, New York.	\$23,884,188.00
Lexington Center for Recovery, Inc.	An outpatient chemical dependence treatment program and an outpatient opioid treatment program at a site in Peekskill, New York	\$8,764,575.00

; and be it further

RESOLVED, that except as specifically amended hereby, all terms and conditions of each agreement shall remain in full force and effect; and be it further

RESOLVED, that the County Executive or his duly authorized designee is authorized to execute all instruments and to take any and all actions necessary to effectuate the purposes hereof.

Account to be Charged/Credited

Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars
263	26	177M	4380	T177	\$117,607
263	26	177N	4380	T177	(207,671)
263	26	177P	4380	T177	(329,226)
263	26	177Q	4380	T177	(453,715)
263	26	177R	4380	T177	(290,109)
263	26	183M	4380	T177	58,770
263	26	183N	4380	T177	(15,639)
263	26	183P	4380	T183	(129,531)
263	26	183Q	4380	T183	806,967
263	26	183R	4380	T183	1,050,115
263	26	343M	4380	T343	(25,089)
263	26	343N	4380	T343	(433,230)
263	26	343P	4380	T343	(841,949)
263	26	343Q	4380	T343	(841,949)

	263	26	343R	4380	T343	(841,949)
2012	101	26	2000	4439		(490,425)
2013	101	26	2000	4439		(490,425)
2014	101	26	2000	4439		(490,425)
2015	101	26	2000	4439		(490,425)
2016	101	26	2000	4439		(490,425)

Budget Funding Year(s): _____ Start Date: January 1, 2012 End Date: December 31, 2016
(must match resolution)

Funding Source Tax Dollars: (\$2,228,883)
State Aid: (\$2,599,840)
Federal Aid: _____
Other: _____
\$(4,828,723)
(must match resolution)

APPROVED BOARD OF ACQUISITION & CONTRACT - 05/21/2015 - JOMARY P. SECRETARY