DATE: May 12, 2020
TO: Board of Supervisors
FROM: Sherri Terao, Interim Director, Behavioral Health Services
SUBJECT: First Amendment to Vila Victoria, Inc.

RECOMMENDED ACTION
Approve First Amendment to Agreement with Vila Victoria, Inc., relating to providing Residential Care Facility services, decreasing the maximum contract amount by $125,556 from $1,288,842 to $1,163,286 with no change to the term of the Agreement, that has been reviewed and approved by County Counsel as to form and legality.

FISCAL IMPLICATIONS
The recommended action would have no net impact to the County General Fund. These services are funded through the County General Fund. The reduction of Vila Victoria, Inc.’s (Vila Victoria) maximum financial obligation by $125,556 is necessary to increase funding to cover four clients placed at two other Residential Care Facility (RCF) providers. Funding for this program is included in the Behavioral Health Services Department’s (BHSD) Fiscal Year (FY) 19-20 Adopted Budget.

CONTRACT HISTORY
On November 2, 2018, the BHSD issued a Request for Proposal (RFP-BHS-FY19-0069) for Supplemental Residential Care Services. Vila Victoria was selected as a result of this RFP. The original Agreement was approved by the Board of Supervisors on June 4, 2019 (ID# 95389).

REASONS FOR RECOMMENDATION
The recommended action would approve an Amendment to the Agreement with Vila Victoria to decrease their FY 19-20 budget to shift funds to other Residential Care Facility (RCF) providers to pay for services rendered to four clients placed at other facilities. Vila Victoria’s contract provides RCF services to clients with serious mental illness (SMI) to enable these clients to live in the least restrictive community setting while avoiding placement in more
costly institutional settings such as inpatient psychiatric hospitals or Institutes for Mental Disease (IMDs). Under the supervision of the 24-Hour Care staff, clients are placed in RCFs and are monitored regularly. A six-month review is routine, and reviews of each facility’s vacancies are tracked with attention to available beds that meet unique criteria, such as for the medically frail or dually diagnosed. BHSD clients that qualify for RCF services have a primary psychiatric diagnosis with one or more co-existing conditions.

RCFs are paid a day rate, and rates vary based on the complexity of client need. In addition to SMI clients, some are also medically fragile, developmentally delayed, deaf, blind or monolingual. Daily supplemental rates can range from $39 per day for basic supplemental services up to $65 per day depending on the clients’ needs. The supplemental rate for dually diagnosed SMI clients with traumatic brain injury (TBI), anoxia (absence of oxygen in the brain), stroke, or seizure disorders is $150 per day.

BHSD strives to maintain SMI clients in the least restrictive environment that is safe and effective. Often, the alternative is placement in more costly inpatient psychiatric hospitals or IMD facilities. Some IMDs are located out of County, making it difficult for clients and their families to maintain the interaction necessary for recovery. With the close supervision provided by the BHSD 24-Hour Care staff, utilization of RCFs has proven to be beneficial to patients and their families.

The services provided under this Agreement assists the County of Santa Clara Health System in achieving its Strategic Road Map goals by reducing the burden of illness through the provision of RCF services to Santa Clara County clients. Services and interventions also improve client experience and health outcomes by allowing clients to receive treatment in a lower level of care and community settings.

**CHILD IMPACT**

The recommended action will have no/neutral impact on children and youth.

**SENIOR IMPACT**

The recommended action would have a positive impact on seniors who are eligible for placement into residential care facilities to receive behavioral health supplemental services.

**SUSTAINABILITY IMPLICATIONS**

The recommended action balances public policy and program interests and enhances the Board of Supervisors’ sustainability goal of social equity and safety by providing board and care behavioral health services for SMI clients of Santa Clara County.

**BACKGROUND**

Supplemental Residential Care services are provided to SMI clients who have a level of functioning, symptoms and/or psychiatric history that necessitate a living environment where additional services are required to maintain the clients in the community. Examples of individual needs of clients that are addressed through RCF placement include the following:

1. Medically frail clients who need assistance in managing their primary health care
including scheduling appointments with a treating physician;
2. Dual diagnosed clients who require assistance in maintaining sobriety along with managing mental health issues;
3. Clients who have a history of placement failures;
4. Diabetic clients who are unable to manage their disease and perform the basic self-care required to stabilize blood sugar levels;
5. Developmentally delayed clients who need special support and prompting to live in an open community setting; and
6. Clients who are blind, deaf or otherwise disabled and require specialized care.

On a daily basis, there are 212-218 individuals living in the RCFs and approximately 7,800 clients are placed and receiving supplemental services annually.

**CONSEQUENCES OF NEGATIVE ACTION**

Failure to approve the recommended action would negatively impact the BHSD’s ability to provide board and care behavioral health services for Santa Clara County clients and limit the overall behavioral health system’s ability to step down clients to lower levels of care.

**STEPS FOLLOWING APPROVAL**

Priority processing is requested for this Amendment. Upon approval, the Clerk of the Board is requested to send email notifications to Mark Rodriguez at Mark.Rodriguez@hhs.sccgov.org and Evonne Lai at Evonne.Lai@hhs.sccgov.org.

**LINKS:**
- Linked To: 95389 : 95389

**ATTACHMENTS:**
- Amendment 1-Vila Victoria FY20-For BOS Signature (PDF)
- Agreement-Vila Victoria-RCF-FY20 (PDF)