

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

434



**FROM:** Department of Public Social Services

**SUBMITTAL DATE:**  
August 20, 2013

**SUBJECT:** Authorize one additional one-year option to the existing Addus HealthCare, Inc. Agreement #AS-02155

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Pending implementation of the Coordinated Care Initiative, add one additional one-year option to the existing Agreement # AS-02155 with Addus HealthCare, Inc., to modify the aggregate end date to June 30, 2015, for an amount not to exceed the existing \$11,502,300.00 annually;
2. Authorize the Director of the Department of Public Social Services (DPSS) to administer the contract; and
3. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to exercise renewal options, based on the availability of fiscal funding, and to sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation provision that do not exceed the annual CPI rates.

*Susan Loew*

Susan Loew, Director

<b>FINANCIAL DATA</b>	<b>Current F.Y. Total Cost:</b>	\$ 11,502,300	<b>In Current Year Budget:</b>	Yes
	<b>Current F.Y. Net County Cost:</b>	\$ 2,232,596	<b>Budget Adjustment:</b>	No
	<b>Annual Net County Cost:</b>	\$ 2,232,596	<b>For Fiscal Year:</b>	14-15

<b>SOURCE OF FUNDS:</b>			<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>	
<b>Federal Funding:</b>	44.54%	<b>State Funding:</b>	36.05%;		
<b>Realignment Funding:</b>	19.41%				
				<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:** APPROVE

BY: *Debra Cournoyer*  
Debra Cournoyer

**County Executive Office Signature**

PURCHASING & FLEET SERVICES: *Robert Howdyshell, Director*  
 FORM APPROVED COUNTY COUNSEL: *Elenam Boeva*  
 BY: *Elenam Boeva* DATE: *7-31-13*  
 Departmental Concurrence:

Policy  
 Consent  
 Policy  
 Consent

Dept' Recomm.:  
 Per Exec. Ofc.:

5010 VHS 13 6M 5: 35  
 COUNTY OF RIVERSIDE  
 RECEIVED BY: [Signature]

**Prev. Agn. Ref.:** 6/14/11 (#3.37) | **District:** ALL | **Agenda Number:**

**3-69**

RE: Authorize one additional one-year option to renew to the existing Addus HealthCare, Inc. Agreement #AS-02155  
Date: August 20, 2013  
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**BACKGROUND:**

On June 14, 2011 (agenda #3.37) the Board approved single source Agreement #AS-02155 with Addus HealthCare, Inc., to provide In-Home Supportive Services for the period July 1, 2011 through June 30, 2012 for an amount not to exceed \$11,502,300 annually, with two additional option years. Addus HealthCare was the single responder to Request for Proposal (RFP) #DPARC-189, released on December 9, 2010.

The Department has exercised the option to renew the service agreement with Addus HealthCare, Inc. for FY 13/14 and typically would issue an RFP within the next month to secure services for FY 14/15 through FY 16/17. However, effective no earlier than January 1, 2014, the State is implementing a pilot program in eight counties, including Riverside and San Bernardino counties. This program is referred to as Cal Medi-Connect and requires that In-Home Supportive Services (IHSS) become a Medi-Cal benefit available through managed care health plans. Under this program, the goal is to reduce overall health care costs through a coordinated care approach that would enable the health plans to leverage IHSS services.

To fulfill this directive, DPSS will enter into MOUs with our designated Medi-Cal managed care plans, Inland Empire Health Plan and Molina Healthcare of California, Partner Plan, Inc. to outline the overarching duties involved in setting up and maintaining this project. The managed care plans will provide IHSS as a benefit of managed care through a contract with the California Department of Health Care Services. DPSS will retain responsibility for the administration of the IHSS program, including determining program eligibility, conducting assessments, determining authorized hours for recipients and processing provider payroll through the State's case management system.

Many details of the health plans' responsibilities under this program are still being refined. Currently, there is a provision that allows the managed health care plans to enter into agreements for contract care. However, at this early stage, we don't have enough information to know if the county will still need a contract for this service after June 30, 2014 or if it will be fully absorbed by the managed health care plans as the new program is implemented. Given the current uncertainty and in an effort to avoid any disruption in services, DPSS is requesting an additional one year extension of this contract which will allow us to clarify roles and responsibilities related to this service and ensure adequate time for any changes in oversight that align with the new program. DPSS will provide progress reports on the program implementation as part of the quarterly budget reports to the Executive Office.

Therefore, the Director of DPSS requests the Board authorize one additional one-year option to the existing Agreement #AS-02155 with Addus HealthCare, Inc., to modify the potential aggregate end date to June 30, 2015, for up to the previously Board approved amount of \$11,502,300 annually, pending implementation of Cal Medi-Connect.

If the State's implementation plans for Cal Medi-Connect change significantly, DPSS will send the services out for bid or seek additional board approval as needed.

**FINANCIAL:** This agreement will be budgeted through the normal budgeting process.

**CONCUR/EXECUTE –** Purchasing and Fleet Services

SL:PR:clh