

Agenda Report

DATE: August 12, 2013

TO: Honorable Mayor and City Council

FROM: Public Health Department

SUBJECT: CONTRACT AWARD TO ALTERNATIVE HOME CARE, CARING CHOICE, INC., AND ENVOY HEALTH CARE FOR THE PROVISION OF HOMEMAKER AND CERTIFIED NURSING ASSISTANT SERVICES

RECOMMENDATION:

It is recommended that the City Council:

1. Find that all three of the proposed contracts are exempt from competitive bidding pursuant to City Charter Section 1002(F) contracts for professional or unique services;
2. Authorize the City Manager to enter into a two-year contract with Alternative Home Care in an amount not to exceed \$150,000, with Caring Choice, Inc. in an amount not to exceed \$200,000, and with Envoy Health Care in an amount not to exceed \$335,000 for the provision of certified attendant and skilled nursing care; and
2. Authorize the City Manager to extend all three contracts for up to three additional one-year periods in amounts not to exceed \$150,000 with Alternative Home Care, not to exceed \$200,000 with Caring Choice, Inc., and not to exceed \$335,000 with Envoy Health Care.

BACKGROUND:

Since June of 1991, the Pasadena Public Health Department (PPHD) has been providing HIV/AIDS services to uninsured and underinsured HIV positive and AIDS infected patients throughout the San Gabriel Valley. As a part of the Andrew Escajeda Comprehensive Care Services program, PPHD provides home-based case management services through contracts with the Los Angeles County Department of Public Health Division of HIV/STD Programs (DHSP) and the State Office of AIDS. Both of these programs allow PPHD to provide services to patients no longer able to leave their homes to seek medical care. One client benefit of these programs is a homemaker and/or Certified Nursing Assistant (CNA) service. These services include personal hygiene assistance, laundry, light cleaning, medication reminders, meal

preparation services, and errands. Clients are allocated homemaker and/or CNA hours according to their levels of acuity. PPHD is contractually required to coordinate the provision of these homemaker or CNA services, which are fully reimbursable back to the City.

The home-based case management program was transferred to PPHD from the AIDS Service Center (ASC) in FY 2013. In order to make the transition as smooth as possible for clients and to prevent any type of lapse or disruption in services, PPHD requested authorization by City Council to have purchase orders for the three homemaker/CNA agencies previously used by ASC, which were Alternative Home Care, Caring Choice, and Envoy Health Cares. This past year was used to build a strong foundation for the program and to monitor expenditures to make accurate estimates of homemaker/CNA agency usage in the future.

For best practice purposes since the program was established and clients were fully transitioned, PPHD staff prepared and distributed a Request for Proposals (RFP) in June 2013 for homemaker and CNA services. Respondents were asked to describe their capacity to perform the requested work (e.g. number and type of staff, years of experience, and prior experience working with the AIDS Medi-Cal Waiver Program or similar), quality assurance processes, and annual training provided to staff. PPHD sought to find two or three qualified agencies, so as to be able to provide options for clients.

The City received three responses to the RFP, which were then reviewed by a panel of key PPHD staff. The three responses were from the same agencies that PPHD worked with in FY 2013. Staff believes that the low number of responses may be attributed to the low reimbursement rates through Medi-Cal. The proposals were scored on six criteria as follows:

- Proposer's Knowledge and Experience (30%)
- Proposal/Compliance with RFP (25%)
- Quality Assurance (20%)
- Professional References (15%)
- Local Pasadena Business Preference (5%)
- Small and Micro-Business Preference (5%)

Following a thorough evaluation, the scores provided by each panel member were tallied and averaged, thus assigning a final score to each proposal. As all three proposals demonstrated extensive experience and capability within their responses, staff recommends awarding contracts to each agency, based upon its proposed ability to carry PPHD's volume of clients.

In FY 2013, approximately \$600,000 in pass through funds was paid to the three home care agencies. Based upon staff's experience coordinating these services, as well as taking into consideration the various levels of acuity and needs of the clients, PPHD

proposes to award the contracts to the agencies in not-to-exceed amounts similar to their FY 2013 purchase order contracts: \$150,000 to Alternative Home Care, \$200,000 to Caring Choice, Inc., and \$335,000 to Envoy Health Care. These not-to-exceed amounts include a small contingency percentage to allow for the possibility of increased homemaker/CNA hours when clients' acuity levels increase. The contracts to provide these services fully comply with the Competitive Bidding and Purchasing Ordinance.


COUNCIL POLICY CONSIDERATION:

This action by City Council aligns with the City's Strategic Plan Three-Year Goal to support and promote the quality of life and local economy by ensuring comprehensive care and continuity of service to HIV/AIDS patients who access their health care through the Pasadena Public Health Department's safety net clinic.

FISCAL IMPACT:

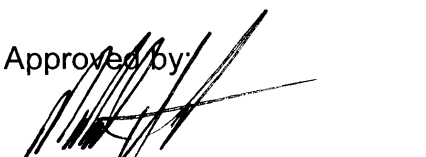
The cost of this action is \$685,000 per year and will be addressed through the utilization of existing budget appropriations in AIDS Medi-Cal Waiver Program account # 8114-203-563270-56267-66 and Home-Based Case Management account # 8114-203-563273. All costs for these services are funded by the AIDS Medi-Cal Waiver Program and the Los Angeles County Department of Public Health DHSP's Home-Based Case Management grant. It is anticipated that the entirety of these costs will be spent by the end of each fiscal year.

Respectfully submitted by:


ERIC G. WALSH, MD, DrPH
Director of Public Health, Health Officer

Prepared by:


Erika Davies
Executive Secretary

Approved by:

MICHAEL J. BECK
City Manager

**Disclosure Pursuant to the
City of Pasadena Taxpayer Protection Amendment
Pasadena City Charter, Article XVII**

Contractor/Organization hereby discloses its trustees, directors, partners, officers, and those with more than 10% equity, participation, or revenue interest in Contractor/Organization, as follows:

(If printing, please print legibly. Use additional sheets as necessary.)

1. Contractor/Organization Name:
JSF Acquisitions DBA Alternative Home Care

2. Type of Entity:
 non-government nonprofit 501(c)(3), (4), or (6)

3. Name(s) of trustees, directors, partners, officers of Contractor/Organization:
Jonathan Esbin

4. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization:
Jonathan Esbin

Prepared by: Jonathan Esbin
Title: _____
Phone: (818) 902-5000
Date: 6/15/13

**Disclosure Pursuant to the
City of Pasadena Taxpayer Protection Amendment
Pasadena City Charter, Article XVII**

Contractor/Organization hereby discloses its trustees, directors, partners, officers, and those with more than 10% equity, participation, or revenue interest in Contractor/Organization, as follows:

(If printing, please print legibly. Use additional sheets as necessary.)

1. Contractor/Organization Name:
Envoy Health Care, Inc

2. Type of Entity:
 non-government nonprofit 501(c)(3), (4), or (6)

3. Name(s) of trustees, directors, partners, officers of Contractor/Organization:

<u>Lady Sarkissian</u>

4. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization:

<u>Lady Sarkissian</u>

Prepared by: Lady Sarkissian

Title: Admin. CEO

Phone: 818 500 8778

Date: 7-8-13

**Disclosure Pursuant to the
City of Pasadena Taxpayer Protection Amendment
Pasadena City Charter, Article XVII**

Contractor/Organization hereby discloses its trustees, directors, partners, officers, and those with more than 10% equity, participation, or revenue interest in Contractor/Organization, as follows:

(If printing, please print legibly. Use additional sheets as necessary.)

1. Contractor/Organization Name: CARING CHOICE, INC

2. Type of Entity:
 non-government nonprofit 501(c)(3), (4), or (6)

3. Name(s) of trustees, directors, partners, officers of Contractor/Organization:
DONALD WILLIAMS

4. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization:
DONALD WILLIAMS

Prepared by: JENNIFER MILLER
Title: CONTROLLER
Phone: (626) 897-7456
Date: 6/25/2013