

SUMMARY OF COMMUNITY-BASED ORGANIZATION AGREEMENTS AND OTHER DIRECT TREATMENT PROVIDERS

REQUEST TO THE HEALTH COMMISSION

This Agreement is for the provision of direct treatment/services that serves as an extension of DPH's service delivery system.

Vendor:	<u>Progress Foundation</u>	Division/Section:	<u>BHS</u>
		Deputy Director:	<u>Hillary Kunins</u>
Address:	<u>368 Fell Street San Francisco, CA 94102</u>	DPH Administrator:	<u>Yoonjung Kim</u>
		Program Administrator:	<u>Emeterio Garcia</u> Phone: <u>628-271-6295</u>
Contact:	<u>Steven Fields</u> Phone: <u>415-861-0828</u>	Contract Analyst:	<u>Nathaniel Wong</u> Phone: <u>628-271-6158</u>
	<u>sfields@progressfoundation.org</u>		

Request for approval of a New Professional Services Agreement with Progress Foundation to provide a new 16-bed transitional residential treatment program for individuals with a serious mental illness. The total proposed agreement amount is \$7,072,405 which includes a 12% contingency for the term of June 1, 2025 through December 31, 2027 (2 years 7 months).

Mark only one for each question below:

- Vendor Type:** ☐ For Profit ☒ Non-Profit ☐ Government Entity
- Is the Vendor a CMD Certified LBE?** ☒ Yes ☐ No
- Purchasing Authority:** ☐ RFP ☒ 21A.4 Bed Ordinance
- Does DPH have other existing agreements with this Vendor?** ☒ Yes ☐ No
 If yes, approximately how many years has DPH been doing business with this Vendor? Provide explanation, as needed. 30+ years

AGREEMENT INFORMATION

Proposed Transaction

06/01/2025 to 12/31/2027

FUNDING SOURCES:

General Fund 100%

Initial Year	All Ongoing Years <i>exclude initial year</i>	Total
84,794 (6/25) <u>2,413,927 (25-26)</u> \$2,498,712	3,815,936	6,314,648
<u>TOTAL DPH REVENUES:</u> <u>\$2,498,712</u>	<u>\$3,815,936</u>	<u>\$6,314,648</u>

12% Contingency Amount

		757,757
<u>TOTAL AGREEMENT AMOUNT WITH CONTINGENCY:</u>		<u>7,072,405</u>

ONE-TIME COSTS:

ANNUAL AMOUNT WITHOUT CONTINGENCY*:

	<u>\$2,413,927</u>	

**Ongoing years excludes one-time costs.*

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PROPOSED UNITS OF SERVICES

Mode(s) of Service & Unit of Service (UOS)/ Number of Contacts (NOC) Definition	Number of Clients		Number of Units/ NOC	Unit Cost
	<input type="checkbox"/> Duplicated	<input type="checkbox"/> Unduplicated		
Start Up Phase: The initial phase is cost reimbursement and will transition to Fee-for-Service.	N/A		See Below	\$84,794 per month
This will be fee for service: Mode 5/65-79: 24-hour adult residential services	4,877 client full day		16 beds	412.29
This will be fee for service: Mode 60/40-49: Client support; board and care.	4,877 client full day		16 beds	82.69

Purpose of Agreement:

The proposed contract is a new 16-bed Transitional Residential Treatment Program (TRTP) through Progress Foundation's Enhanced Dual Diagnosis Treatment Program. This 16-bed program will serve men and women ages 18 years and older who are referred from IMDs (Institutes for Mental Disease), psychiatric inpatient units, skilled nursing facilities and crisis residential programs. The program length of stay is up to 12 months (for up to 16 beds). The goal of a TRTP is to maximize an individuals' efforts to achieve the highest possible level of self-sufficiency by implementing or continuing a rehabilitation and recovery process. TRTPs provide a diversion from, and an alternative to, institutional placement such as skilled nursing facilities, local acute hospitals and crisis residential programs, and promotes rehabilitation and recovery from mental health conditions including those that co-occur with substance use disorders.

The proposed contract includes a start up phase to establish a budget and secure a property that meets the zoning requirements and complies with the needs of the program. The TRTP contract and initial planning began June 1, 2025. The start-up phase is expected to cross into FY25-26. During the start-up phase, the vendor will complete the following activities.

A. Budget Development – Executive Director and CFO will develop a comprehensive budget for the program. They will ensure the budget includes the necessary allocation for staff time dedicated to searching for and securing a location. The budget will be approved, and necessary revisions made based on feedback.

B. Property Search and Acquisition – The Director of Operations will collaborate with real estate agents to identify potential properties and assess zoning regulations for each property to ensure compliance with program needs. The Director of Operations will also conduct site visits and evaluations to determine

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Suitability.

C. Program Feasibility Assessment – Director of Clinical Services will work with relevant staff to assess the feasibility of implementing the Program, considering factors such as accessibility, space requirements and community impact.

The following objectives and measurements are included in the start up phase:

1. Develop a comprehensive budget for the program within 60 days of site selection.
2. Conduct a property search and identify potential properties. Evaluate the properties based on criteria such as size, location zoning regulation and cost. Select and secure property. Develop a configuration plan for the property and make necessary renovations to meet service and compliance requirements. Ensure the property is fully operational and ready for client intake in FY 25-26.
3. Identify all necessary licensing and certification requirements.
4. Develop and execute communication plan for public notification in collaboration with DPH
5. Provide real time updates on project progress to DPH

The Enhanced Dual Diagnosis Transitional Residential Treatment Programs (TRTPs) will formerly begin to receive clients in FY 25-26 following Progress Foundation's securing a suitable location for the program. The Enhanced Dual Diagnosis program is designed to reduce chemical dependency, decrease risk of overdose and reduce utilization of crisis and inpatient mental health services for persons with serious mental health illness. All participants served by Enhanced Dual Diagnosis shall be approved by the BHS Utilization Management team, and approval is subject to the San Francisco Department of Public Health eligibility criteria. Utilization Management will refer approved individuals to the program. The program will provide an integrated psychosocial rehabilitation and recovery approach. Services provided will include structured treatment programming that assists clients in the development of skills for self-care, symptom management, relapse prevention, maintaining sobriety, and achieving the highest possible level of self-sufficiency, including the ability to acquire and apply interpersonal and independent living skills, discharge planning, and interim primary care and psychiatry support services. Discharge planning may include the development of individualized community support systems to substitute for the program's supportive environment, minimize the risk of hospitalization and enhance the capability for independent living, or referral for continued treatment in a residential 90-day mental health or substance use disorder program based on medical necessity and approved by BHS Utilization Management.

Progress Foundation was founded in 1969 to develop community-based programs to support clients with mental illness. Progress Foundation operates 19 programs across San Francisco, Sonoma, Napa, and Marin counties. This will be a new program, requiring the identification of the facility location for the TRTP operation.

Monitoring Report/Program Review & Follow-up:

This Agreement will receive annual monitoring through the DPH Business Office of Contract Compliance (BOCC), including for performance and fiscal stability.

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Listing of Executive Director and Board of Directors:

Executive Director: Steve Fields

Board of Directors: Lee Aurich

Leslie Bilbro

Margaret Cimino

Alana Harrington

Seth Katzman

Tato A. Torres

Karen Wenger

Marty Winter

Scot Russell