



AGENDA STAFF REPORT

Control: 26001060

MEETING DATE: 08/11/2026
LEGAL ENTITY TAKING ACTION: Board of Supervisors
BOARD OF SUPERVISORS DISTRICT(S): All Districts
SUBMITTING AGENCY/DEPARTMENT: Health Care Agency
DEPARTMENT CONTACT PERSON(S): Veronica Kelley, (714) 834-7024
Michelle Smith, (714) 834-6023

SUBJECT: Approve Model Contract for Day Treatment Intensive Services

CEO CONCUR

Concur

COUNTY COUNSEL REVIEW

Approve agreement to form

CLERK OF THE BOARD

DISCUSSION

3 Votes Board Majority

Budgeted: Yes

Current Year Cost: \$750,000

Annual Cost: FY 2027-28

\$1,000,000

Staffing Impact: No

Sole Source: No

Current Fiscal Year

Funding Source: See Financial Impact
Section

County Audit in Last 3

Revenue: N/A

years: No

Levine Act Review

Completed? Yes

Prior Board Action: N/A

RECOMMENDED ACTION(S):

1. Select and approve a Respondent and Alternate Respondent from the Solicitation Ranking Results list of respondents in Attachment C resulting from Request for Proposals No. 042-2998601-SK for Day Treatment Intensive Services for Adult Medi-Cal Beneficiaries.
2. Approve Model Contract for Day Treatment Intensive Services for Adult Medi-Cal Beneficiaries, and delegate authority to the County Procurement Officer, or Deputized designee, to negotiate and execute, upon County Counsel approval to form, the approved Contract without substantive changes with the Respondent selected by the Board of Supervisors, in a cumulative total not to exceed amount \$1,750,000, for a term beginning October 1, 2026, through June 30, 2028, and renewable for three additional one-year terms. Should negotiations with the selected Respondent fail, authorize the County Procurement Officer, or Deputized designee, to terminate negotiations with the Selected Respondent and proceed to negotiate and execute, upon County Counsel approval to form, the approved Contract without substantive changes with the Alternate Respondent selected by the Board of Supervisors.

3. Authorize the County Procurement Officer or Deputized designee to exercise a contingency contract cost increase, not to exceed a total of 10 percent of the Contract amount for the first year of the Contract, for the entire term of the Contract, including renewals, and within the scope of work set forth in the Contract. The use of this contingency cost interest is subject to approval requirements established by the County Procurement Officer.

SUMMARY:

Approval of the Model Contract for Day Treatment Intensive Services for Adult Medi-Cal Beneficiaries and authorization of the County Procurement Officer or their authorized designee to negotiate and execute the Contract with the Selected Respondent will address the mental health needs of Medi-Cal eligible adults in the County of Orange who require more intensive behavioral health services than standard outpatient care following acute psychiatric hospitalization or as an alternative to acute psychiatric hospitalization.

BACKGROUND INFORMATION:

The Orange County Behavioral Health Plan is mandated to provide Day Treatment Intensive (DTI) services under the existing contract with the Department of Health Care Services (DHCS) for Specialty Mental Health Services (SMHS) when it is medically necessary, pursuant to California Code of Regulations (CCR, Title. 9, Sect. 1810.213).

Establishing a contract with a qualified and experienced DTI provider helps fill a gap in Orange County's behavioral health system of care for adults who need more intensive services and are discharging from a hospital, transitioning from residential treatment, or requiring a more structured program to manage mental health instability while remaining in the community or with their families.

Request for Proposal

On March 10, 2026, the Health Care Agency (HCA) released a Request for Proposals (RFP) through the County's online bidding system to seek qualified providers for the provision of DTI Services for Adult Medi-Cal Beneficiaries. A total of five proposals were received by the solicitation deadline of April 7, 2026. Three proposals were deemed responsive, and two proposals were deemed non-responsive.

Responsive proposals were evaluated utilizing the evaluation criteria listed in Attachment B. A seven-member panel with expertise in behavioral health programs administration and operational knowledge evaluated the proposals. The panel was comprised of three external panelists, three panelists from the HCA, and one panelist from the Office of Care Coordination. A Notice of Solicitation Ranking Results was issued on June 11, 2026; see Attachment C.

Respondent	Average Score
*The Regents of the University of California on behalf of UCI Medical Center	892.6
CHCM, Inc. dba College Hospital Costa Mesa	818.4
Wel-Mor Psychology Group, Inc.	649.2

*One of three Respondents have proposed utilizing subcontractors or pass through to other providers. No Respondents submitted exceptions to the Model Contract. See Attachment D for Contract Summary Form.

One protest on the specifications of the solicitation from The Regents of the University of California on behalf of UCI Medical Center (UCI) was denied. UCI did not appeal the denial. There were no protests received for the solicitation ranking results.

Scope of Services

The DTI program will accept adults (ages 18 and older) into existing programs. Members must meet medical necessity requirements and other program admission standards. Programs will only serve residents of Orange County who are also Medi-Cal members.

DTI services are designed to offer structured, multi-disciplinary treatment to individuals who need an alternative to hospitalization, step-down from acute psychiatric hospitalization or require intensive behavioral health services. These services will primarily be provided onsite and face-to-face. Programs will utilize clinical and intervention approaches that are evidence-based and trauma-informed. DTI programs must have services available for at least three hours per day and less than 24 hours each day that the program is operational. Service activities may include, but are not limited to, assessment, plan development, therapy, and rehabilitation.

Performance Objectives

As required by DHCS, DTI contracted providers will provide the following performance management strategies:

- For individuals under the age of 21, the Child and Adolescent Needs and Strengths tool will be utilized to evaluate each youth as well as the Pediatric Symptom Checklist which assesses for mental health symptoms.
- Performance will be monitored on relevant DHCS Behavioral Health Accountability Set measures such as a follow-up after an Emergency Department visit or a hospitalization for mental illness.
- Track and report whether an individual has received Crisis Stabilization or Inpatient Psychiatric Hospitalization services in the 60 days following their discharge from the program.
- Providers are expected to partner with Behavioral Health Services to implement identified quality improvement measures as applicable.

The Orange County Preference Policy is not applicable to this Contract Award. The appropriate due diligence has been conducted and has verified that there are no concerns that must be addressed with respect to all Respondents' ownership/name, litigation status or conflicts with County interest. An analysis was completed to verify the Model Contract provides County with people specially trained, experienced, expert and competent to perform the special services in accordance with the law.

HCA requests that the Board of Supervisors select and approve a Selected Respondent and Alternate Respondent from the Solicitation Ranking Results List in Attachment C, approve the Model Contract, and delegate authority to the County Procurement Officer, or Deputized designee, to negotiate and execute the approved Model Contract with the Selected Respondent, as referenced in the Recommended Actions above.

FINANCIAL IMPACT:

Appropriations for the Contract are included in Budget Control 042 FY 2026-27 Budget and will be included in the budgeting process for future years.

Funding Sources

State: 50% (1991 Mental Health Realignment and 2011 Realignment)

Fees/Other: 50% (Medi-Cal Federal Financial Participation)

STAFFING IMPACT:

N/A

REVIEWING AGENCIES/DEPARTMENTS:

N/A

ATTACHMENTS:

Attachment A - Model Contract for DTI Services for Adult Medi-Cal Beneficiaries

Attachment B - RFP Individual Scores Per Evaluation Criteria and Summarized Score Sheet

Attachment C - Solicitation Ranking Results List

Attachment D – Contract Summary Form

Attachment E – CCR Title 9, Sect.1810.213