

COUNTY OF MILWAUKEE
Behavioral Health Division Administration
INTER-OFFICE COMMUNICATION

DATE: August 21, 2012

TO: Supervisor Marina Dimitrijevic, Chairwoman – Milwaukee County Board of Supervisors

FROM: Héctor Colón, Director, Department of Health and Human Services
Prepared by Paula Lucey, Administrator, Behavioral Health Division

SUBJECT: **Report from the Director, Department of Health and Human Services, Requesting Authorization to Increase the 2012 Purchase of Service Contract with Horizon Healthcare, Inc. for the Behavioral Health Division (BHD)**

Issue

Section 46.09 of the Milwaukee County Code of General Ordinances requires County Board approval for the purchase of human services from nongovernmental vendors. No contract or contract adjustment shall take effect until approved by resolution of the County Board. Per Section 46.09, the Director of the Department of Health and Human Services (DHHS) is requesting authorization to increase the 2012 purchase-of-service (POS) contract for Horizon Healthcare, Inc. (formerly ARO Behavioral Health).

Background

Shortly before the December 2011 Milwaukee County Board of Supervisors meeting, a number of community stakeholders brought forth concerns about a contract held by Our Space for the management of the BHD Office of Consumer Affairs. An extensive audit of Our Space was completed by the Milwaukee County Department of Audit, which was presented at the June 20, 2012 Health and Human Needs committee meeting. Additionally, testimony was heard from multiple individuals at this meeting. On June 28, 2012 the full County Board of Supervisors passed an amended resolution authorizing a contract extension for Our Space through September 30, 2012. It was further recommended that a Request for Proposal (RFP) be let for the Office of Consumer Affairs service, with a proposed contract start date of October 1, 2012.

On July 9, 2012, an RFP was published for the Office of Consumer Affairs service. Proposals were due on August 5, 2012. A panel of individuals, including two Certified Peer Specialists, reviewed the proposals submitted by three agency applicants. The scoring completed by the panel left the top two agency candidates in a virtual tie. As such, three key administrative staff from BHD invited the top two agency candidates to provide a presentation and participate in an interview process. At the conclusion of this process, and in conjunction with consideration of

scores and opinions of RFP panel members, BHD is recommending that the Office of Consumer Affairs contract be awarded to Horizon Healthcare, Inc. This contract will go into effect October 1, 2012. Provision of services under this contract will be management of the Office of Consumer Affairs at BHD, which includes supervision of Peer Specialist services in numerous BHD programs and management of consumer reimbursement for participation in various committees and activities in which peer expertise is sought.

Recommendation

It is recommended that the Milwaukee County Board of Supervisors authorize the Director, DHHS, or his designee, to increase the Horizon Healthcare, Inc. (formerly ARO Behavioral Health) purchase of service contract by \$40,000, from \$298,505 to a total of \$338,505, for the remainder of 2012.

Fiscal Effect

The contract with Our Space, with an annualized allocation of \$135,200, will end on September 30, 2012. The new contract with Horizon Healthcare, Inc., with an annualized allocation of \$160,000, will commence on October 1, 2012. The total recommended 2012 increase to Horizon Healthcare's purchase of service contract is \$40,000. This will result in an increased contract expenditure of \$6,200 for 2012, which will be funded through underspending in other community service and AODA contracts. A fiscal note form is attached.

Respectfully Submitted:



Héctor Colón, Director
Department of Health and Human Services

cc: County Executive Chris Abele
Tia Torhorst, County Executive's Office
Kelly Bablitch, County Board
Pat Farley, Director – DAS
Craig Kammholz – Fiscal & Budget Administrator – DAS
CJ Pahl, Assistant Fiscal and Budget Administrator – DAS
Antionette Thomas-Bailey, Fiscal and Management Analyst – DAS
Jennifer Collins, County Board Staff
Jodi Mapp, County Board Staff