Title: Approvals for Implementation of Pathways to Health + Home Program [Published for 10-Day Review 10/11/2019]

Location: Citywide

Recommendation: Adopt a Resolution authorizing the City Manager or City Manager’s designee to: 1) execute amendment No. 1 (attached hereto as Exhibit A) to Alignment Agreement 2018-0572 with Sutter Valley Hospitals dba Sutter Medical Center to increase the contract by $1,870,000 for a new total amount of $8,906,925 paid to Sutter Valley Hospitals for alignment of Sutter’s programs to improve the outcomes of people experiencing homelessness or those at risk of homelessness with the City’s Pathways program goals; and 2) adjust revenue and expenditure budgets in the Whole Person Care Program (I02000900) fund 2703 Externally Funded as needed, to accept donations from community partners.

Contact: Emily Halcon, Homeless Services Coordinator, (916) 808-7896; Anira Khlok, Homeless Services Program Analyst, (916) 808-7948, Office of the City Manager

Presenter: None.

Attachments:
1-Description/Analysis
2-Resolution
3-Exhibit A- Sutter Valley Hospitals Amendment No. 1 to Alignment Agreement
Description/Analysis

**Issue Detail:** In June 2017, the City of Sacramento was accepted into the State Department of Health Care Services' (DHCS) Whole Person Care (WPC) program. WPC is a statewide Medi-Cal waiver program that allows communities to create a system of supportive services aimed to improve health outcomes and reduce utilization of high-cost services for vulnerable populations. In Sacramento, the WPC program is called the Pathways to Health + Home (Pathways) program and will support broader City strategies to reduce and prevent homelessness, by creating a robust system of outreach, case management and supportive services for those frequent users of health care, homeless services, and emergency services.

Pathways is currently in Program Year 4 (PY 4) which began on January 1, 2019 and ends on December 31, 2019. Program Year 5 (PY 5) will run from January 1, 2020 through the end of the program on December 31, 2020. As of August 15, 2019, Pathways had 768 individuals enrolled and had served a total of 1,460 individuals through the life of the program. A total of 108,205 services, including outreach, navigation, care coordination, and housing support, have been provided to the community. Additionally, Pathways has helped house a total of 387 individuals. Pathways is collaborating with over 20 health care, housing, and social service providers to ensure continuity of care for program enrollees.

**Increasing Sutter’s Alignment Dollars**

On April 24, 2018, City Council passed a resolution authorizing the City Manager to execute an alignment agreement with Sutter Valley Hospitals dba Sutter Medical Center (“Sutter”), whereby City would pay Sutter $7,036,925 in exchange for Sutter aligning its existing homeless, case management, and/or navigation service programs with the goals of the Pathways’ program. Staff is now seeking an increase to the contract in the amount of $1,870,000 for a new total amount of $8,906,925 paid to Sutter as there are additional funds available through growth of Pathways for realignment to improve the outcomes of those experiencing homelessness or those who are at risk of homelessness.

**Donations to Pathways**

Additionally, various Pathways partners have expressed interest in donating funds to Pathways to support the program. Staff is seeking approval from Council to receive donations from external community partners and increase the expenditure and revenue authority by a like amount.
Policy Considerations: The Pathways program aligns with the federal directive and City commitment that funding for addressing homelessness follow a "housing first" approach, which offers permanent housing as quickly as possible for individuals and families experiencing homelessness. In housing first programs, supportive services are offered (but not required as a condition of tenancy) to help people keep their housing and avoid returning to homelessness. This evidence-based approach is consistent with the strategies and funding priorities of the other public agencies working to end homelessness in Sacramento. Partnering with other agencies to leverage resources and improve livability is consistent with the City Council’s past actions and current direction.

The Sacramento City Code Section 4.04.020 and Council Rules of Procedure (Chapter 7, Section E.2.d) mandate that unless waived by a 2/3 vote of the City Council, all labor agreements and all agreements greater than $1,000,000 shall be made available to the public at least ten (10) days prior to council action. This item was published for 10-day review on October 11, 2019.

Economic Impacts: None.

Environmental Considerations: The actions specified in this report do not constitute a “project” under the California Environmental Quality Act (CEQA) because they are continuing administrative activities and amount to general policy and procedure making [CEQA Guidelines section 15378(b)(2)].

Sustainability: Not Applicable.

Commission/Committee Action: None.

Rationale for Recommendation: The Pathways program is an opportunity for a community to transform healthcare and housing systems serving vulnerable populations by aligning services and data through performance-based contracts. Approval of the contract amendment with Sutter will enable the City to indirectly expand the range of services provided to individuals experiencing homelessness within Sacramento.

Financial Considerations: There are sufficient funds in Whole Person Care Program (I02000900) to fund the additional $1,870,000 amount paid to Sutter under the proposed Amendment No. 1 to its existing alignment agreement.
Local Business Enterprise (LBE): All the Pathways service partners are local businesses with established operations in Sacramento and have a history of serving Sacramento’s medically fragile and homeless populations.
RESOLUTION NO. 2019-

Adopted by the Sacramento City Council

October 22, 2019

Approvals for Implementation of the Pathways to Health + Home Program

BACKGROUND

A. On June 13, 2017, City Council authorized execution of an agreement between the City and the State of California’s Department of Health Care Services to design and implement a Whole Person Care (WPC) program, locally called Pathways to Health + Home (Pathways). The Pathways to Health + Home program runs through December 31, 2020 and provides federal matching dollars for the development of local programs that coordinate health, behavioral health, and social services for vulnerable Medi-Cal populations.

B. On April 24, 2018, City Council passed a resolution authorizing the City Manager to execute an alignment agreement with Sutter Valley Hospitals dba Sutter Medical Center, whereby City would pay Sutter $7,036,925 in exchange for Sutter aligning its existing homeless, case management, and/or navigation service programs with the goals of the Pathway’s program.

C. Staff is now seeking City Council authorization for the City Manager or City Manager’s designee to execute amendment No. 1 (attached hereto as Exhibit A) to Alignment Agreement 2018-0572 with Sutter Valley Hospitals dba Sutter Medical Center to increase the contract by $1,870,000 for a new total amount of $8,906,925 paid to Sutter for alignment of its programs to improve the outcomes for people experiencing homelessness or those at risk of homelessness with the City’s Pathways program goals.

D. Staff is further seeking City Council authorization for the City Manager or City Manager’s designee to accept donations from community partners under the Whole Person Care Program (I02000900) and increase revenue and expenditure budgets by a like amount.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:
Section 1. The City Manager or City Manager's designee is authorized to execute amendment No. 1 (attached hereto as Exhibit A) to Alignment Agreement 2018-0572 with Sutter Valley Hospitals dba Sutter Medical Center to increase the contract by $1,870,000 for a new total amount of $8,906,925 paid to Sutter Valley Hospitals for alignment of Sutter’s programs to improve the outcomes of people experiencing homelessness or those at risk of homelessness with the City’s Pathways program goals.

Section 2. The City Manager or City Manager's designee is authorized to adjust revenue and expenditure budgets in the Whole Person Care Program (I02000900) fund 2703 Externally Funded Programs as needed, to accept donations from community partners.

Table of Contents:
- Exhibit A- Sutter Valley Hospitals Amendment No. 1 to Alignment Agreement
CONTRACT
ROUTING SHEET

Contract Cover/Routing Form: Must Accompany ALL Contracts; however, it is NOT part of the contract.

General Information (Required)
Original Contract # (supplements only): 2018-0572
Assessor's Parcel Number(s): 
Contract Effective Date: 04/25/2018
$ Amount (Not to Exceed): $8,906,925.00
Other Party: Sutter Valley Hospitals
Project Title: Pathways to Health + Home
Project #: 102000918
City Council Approval: YES

If YES, Council File ID#: 2019-01513

Supplement/Addendum #: 1
Contract Expiration Date (if applicable): 06/30/2021
Adjusted $ Amount (+/-): $1,870,000.00

Bid/RFQ/RFP #: 

Department: City Manager
Contract Coordinator: Anira Khlok
Project Manager: Emily Halcon
Email: akhlok@cityofsacramento.org

Department Review and Routing

Accounting: _______________________________ (Signature) _______________________________ (Date)

                      (Signature)  10/8/19
Supervisor: _______________________________

                      (Signature) _______________________________
Division Manager:

                      (Signature) _______________________________
Other:

                      (Signature) _______________________________

Special Instruction/Comments (i.e. recording requested, other agency signatures required, etc.)

☐ Recording Requested   ☐ Other Party Signature Required

-----------------------FOR CLERK & IT DEPARTMENTS ONLY – DO NOT WRITE BELOW THIS LINE-----------------------

CC Rev. 12.19.2018
FIRST AMENDMENT TO CITY AGREEMENT 2018-0572
WHOLE PERSON CARE
ALIGNMENT AGREEMENT

This first amendment ("First Amendment") to City Agreement 2018-0572 ("Agreement"), is made at Sacramento, California as of ________________, 2019, between the City of Sacramento, a municipal corporation ("City"), and Sutter Valley Hospitals, a California nonprofit public benefit corporation doing business as Sutter Medical Center Sacramento ("Sutter").

Background

A. In recognition of the important work that Sutter is performing in the Sacramento community in partnership with the City’s Pathways to Health + Home program ("Pathways") to improve the outcomes of homeless or those at risk for homelessness, an additional $1,870,000 in alignment payments will be paid to Sutter pursuant to the terms and conditions of the Agreement and this First Amendment.

B. This First Amendment also expands Section 3 of the Agreement describing how Sutter may align with the City’s Pathways program.

Based on the facts in the foregoing background, the City and Sutter agree to amend the Agreement as follows:

1. Section 3 of the Agreement is hereby deleted and replaced with the following:

   "Earning Alignment Payments. City shall provide Alignment Payments to Partner if Partner aligns the goals of its programs serving the homeless or those at risk for homelessness with the City’s Pathways goals, to City’s reasonable satisfaction. Specifically, Partner will align its existing homeless, case management, and/or navigation service programs to the City’s goal of moving 2,000 people off the streets by 2020, by continuing its provision of one or more programs such as the Interim Care Program ("ICP"), ICP Plus, ED Navigation, Street Nursing, Triage, Transport, and Treat Program ("T3"), T3 Plus, or by creating new programs aligned with the City’s goal, serving the homeless or those at risk for homelessness to help the City reach this goal. Partner shall also be eligible to receive Alignment Payments to the extent Partner provides funding for third party programs aligned with City’s goal of reducing homelessness, including but not limited to, funding provided in support of community-wide health navigation."

2. Section 4 of the Agreement is hereby deleted and replaced with the following:

   "4. Amount and Manner of Payment. If Partner completes the tasks specified in Section 3 above to City’s reasonable satisfaction, City shall make Alignment Payments to Partner in the amount of Partner’s costs to perform the tasks in Section 3 (Earning Alignment Payments), up to and not to exceed the maximums set forth below:
<table>
<thead>
<tr>
<th>Performance Period</th>
<th>Payment Deadline</th>
<th>Maximum Payment Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>WPC Program Year 2: July 1 – Dec 31, 2017</td>
<td>June 30, 2018</td>
<td>$1,005,275</td>
</tr>
<tr>
<td>WPC Program Year 3: Jan 1 – Dec 31, 2018</td>
<td>June 30, 2019</td>
<td>$2,010,550</td>
</tr>
<tr>
<td>WPC Program Year 4: Jan 1 – Dec 31, 2019</td>
<td>June 30, 2020</td>
<td>$2,945,550</td>
</tr>
<tr>
<td>WPC Program Year 5: Jan 1 – Dec 31, 2020</td>
<td>June 30, 2021</td>
<td>$2,945,550</td>
</tr>
</tbody>
</table>

On an annual basis, Partner will submit an invoice to the City detailing alignment as described above in Section 3 (Earning Alignment Payments) during the previous performance period. Invoices shall be submitted annually to: apiinvoices@cityofsacramento.org with a CC to ehalcon@cityofsacramento.org”

3. Section 10 is hereby amended to update the City representative as follows:

Anira Khlok  
Homeless Services Program Analyst  
Office of the City Manager  
City of Sacramento  
915 I Street, 5th Floor  
Sacramento, CA 95814  
akhlok@cityofsacramento.org

4. Except as specifically amended herein, all terms and conditions of the Agreement shall remain in full force and effect. This First Amendment and the original Agreement, as amended hereto, contain the entire understanding between the parties and supersede any prior or contemporaneous oral understandings or representations.

CITY OF SACRAMENTO  
A Municipal Corporation

By: ____________________________

Name: __________________________

Title: __________________________

For: Howard Chan, City Manager

SUTTER VALLEY HOSPITALS  
A California Nonprofit Public Benefit Corporation dba Sutter Medical Center

Sacramento

By: ____________________________

Name: __________________________

Title: __________________________

ECP R

CBO, Sutter Health
APPROVED AS TO FORM:

Mālie Hansen
City Attorney

ATTEST:

City Clerk