

## AGENDA



## Recommendation for Council Action

## AUSTIN CITY COUNCIL

Regular Meeting: June 28, 2018

Item Number: 042

## Public Health

Authorize negotiation and execution of Amendment No. 3 to the agreement with Austin Travis County Mental Health Mental Retardation Center dba Integral Care for the provision of permanent supportive housing services, adding two 12-month extension options beginning October 1, 2018 in an amount not to exceed \$1,074,675 per extension option, for a total agreement amount not to exceed \$5,402,700.

<b>Lead Department</b>	Austin Public Health.
<b>Fiscal Note</b>	Funding for the contract is contingent upon available funding in Austin Public Health Department's future Medicaid 1115 Waiver budget.
<b>Prior Council Action</b>	On December 14, 2017, Council approved Amendment No. 2, which added one 9-month extension option and \$806,006, on an 11-0 vote. On June 23, 2016, Council approved Amendment No. 1, which combined two existing Medicaid 1115 Waiver agreements with Integral Care and extended the term through December 31, 2017, on a 10-0 vote with Council Member Zimmerman abstaining. On November 20, 2014, Council approved a 30-month agreement with Integral Care beginning November 1, 2014 in an amount not to exceed \$1,380,000 on a 7-0 vote. On August 2, 2012, Council approved Resolution No. 20120802-029 supporting participation in the Federal 1115 Medicaid Waiver Program, on a 7-0 vote.
<b>For More Information</b>	Stephanie Hayden, Director, 512-972-5010; Adrienne Sturup, Interim Assistant Director, 512-972-5167; Vella Karman, Social Services Policy Manager, 512-972-5064; Estella Kirscht, Agenda Coordinator, 512-972-5039.

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**Additional Backup Information:**

Approval of this item will authorize Austin Public Health to negotiate and execute Amendment No. 3 to the agreement with Integral Care for the continued provision of permanent supportive housing (PSH) services for individuals with complex medical and behavioral health conditions who have been chronically homeless.

Council authorization is being sought prior to their adoption of the Fiscal Year 2018 - 2019 budget in order to allow time for the parties to negotiate and execute the agreement with a start date of October 1, 2018, ensuring an uninterrupted continuation of services.

This Medicaid 1115 Waiver project supports the City's existing PSH strategy by providing assertive community treatment (ACT) services to individuals who have experienced chronic homelessness and co-occurring psychiatric, substance abuse, and/or chronic medical conditions. The goal of the ACT program is to assist participants in achieving housing stability, connect to a medical home, and ultimately live healthy happy lives. Other goals include avoiding the need for public emergency assistance and hospital inpatient readmissions, averting involvement in the criminal justice system, promoting wellness and medication adherence, and providing treatment, recovery and support services.

Amendment No. 2 exercised a nine-month extension option beginning January 1, 2018. Amendment No. 1 merged two existing Medicaid 1115 Waiver agreements between Austin Public Health and Integral Care and extended the term through December 31, 2017, following the extension of the Texas Medicaid 1115 Waiver by the Centers for Medicare & Medicaid Services. Council approved the original 30-month agreement for \$1,380,000 beginning November 1, 2014, following a competitive solicitation process.

The Health and Human Services Commission approved Medicaid 1115 Waiver projects in two waves. In October 2012, Austin Public Health submitted an application to the Travis County Healthcare District, dba Central Health, for a four-year Medicaid 1115 Waiver project that serves PSH clients, as part of the Region 7 Medicaid Waiver Application. In October 2013, Austin Public Health submitted an application for a three-year Medicaid 1115 Waiver expansion project serving additional PSH clients through a similar process with Central Health. Both projects were approved and implemented. In May 2016, the Health and Human Services Commission announced a 15-month extension of all Medicaid 1115 Waiver projects beyond the original end date of September 30, 2016.

On October 2, 2014, City Council passed Resolution No. 20141002-043, directing the City Manager to set a community target of 400 PSH units, with a minimum of 200 dedicated to 'Housing First' PSH, to be delivered through coordinated, community-wide efforts in the next four years, and to adopt the updates recommended in the August 2014 PSH Evaluation Report to the PSH strategy.

On March 25, 2010, City Council passed Resolution No. 20100325-053, directing the City Manager to give priority to the funding of PSH for vulnerable populations with annual incomes at or below 30 percent median family income, and to develop a comprehensive strategy for the construction and operation of 350 PSH units over the next four years.

