

1 [Contract Amendment - HealthRight 360 - Substance Abuse and Mental Health Services - Not
2 to Exceed \$305,358,044]

3 **Resolution approving Amendment No. 2 to the agreement between the City, acting by**
4 **and through, the Department of Public Health (DPH), and HealthRight 360, to provide**
5 **substance abuse and mental health services, to extend the term by three years from**
6 **June 30, 2025, for a new term of July 1, 2018, through June 30, 2028, and to increase**
7 **the amount by \$141,427,165 for a new total not to exceed amount of \$305,358,044; and**
8 **to authorize DPH to enter into amendments or modifications to the agreement that do**
9 **not materially increase the obligations or liabilities to the City and are necessary to**
10 **effectuate the purposes of the agreement or this Resolution.**

11
12 WHEREAS, On August 27, 2016, and August 23, 2017, respectively, the Department
13 of Public Health (DPH) issued Request for Proposals (RFP-26-2016 and RFP-8-2017) for
14 substance abuse and mental health services; and

15 WHEREAS, HealthRight 360 submitted a proposal and was the highest ranked
16 proposer; and

17 WHEREAS, DPH awarded the contract to HealthRight 360; and

18 WHEREAS, The contract is consistent with the Civil Service Commission's approval
19 obtained on December 16, 2019, and February 5, 2024, respectively, under Personal Service
20 Contract No. 48652-16/17 and 40587-17/18; and

21 WHEREAS, On July 1, 2018, DPH and HealthRight 360 entered into an agreement for
22 substance abuse and mental health services ("Original Agreement"); and

23 WHEREAS, The Original Agreement has a term of July 1, 2018, through June 30,
24 2022, and a not to exceed amount of \$84,064,915; and

1 WHEREAS, DPH amended the Original Agreement on June 1, 2022, to extend the
2 term by three years ending June 20, 2025, and to increase the not to exceed contract amount
3 by \$79,865,964 for a new contract amount of \$163,930,879, for substance abuse and mental
4 health services (the “First Amendment”); and

5 WHEREAS, DPH wishes to amend the agreement by extending the term to June 30,
6 2028, and increasing the maximum expenditure by \$141,427,165 to \$305,358,044 (the
7 “Second Amendment”); and

8 WHEREAS, The Second Amendment is consistent with the Civil Service Commission’s
9 approval obtained on December 16, 2019, and February 5, 2024, respectively, under PSC
10 No.48652-16/17 and 40587-17/18; and

11 WHEREAS, Charter, Section 9.118(b) requires Board of Supervisors approval by
12 Resolution of any contract which, when entered into, extends over 10 years, and of any
13 contract which, when entered into, costs the City \$10,000,000 or more; and

14 WHEREAS, The proposed amendment contained in File No. 250339, is substantially in
15 final form, with all material terms and conditions included, and only remains to be executed by
16 the parties upon approval of this Resolution; now, therefore, be it

17 RESOLVED, That the Board of Supervisors hereby approves the amendment in
18 substantially the form contained in File No. 250339; and, be it

19 FURTHER RESOLVED, That the Board of Supervisors authorizes DPH to make any
20 modifications to the amendment, prior to its final execution by all parties, that DPH
21 determines, in consultation with the City Attorney, are consistent with this Resolution, in the
22 best interest of the City, do not materially increase the obligations or liabilities of the City, are
23 necessary or advisable to effectuate the purposes of the amendment, and are in compliance
24 with all applicable laws, including the City’s Charter; and, be it
25

1 FURTHER RESOLVED, That within 30 days of the amendment being fully executed by
2 all parties, DPH shall submit to the Clerk of the Board of Supervisors a completely executed
3 copy for inclusion in File No. 250339; this requirement and obligation resides with the
4 Department, and is for purposes of having a complete file only, and in no manner affects the
5 validity of approved amendment.
6
7
8
9

10 RECOMMENDED

11 /s/

12 Daniel Tsai

13 Director of Health
14
15
16
17
18
19
20
21
22
23
24
25