



FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

CITY OF OAKLAND 2014 JUL 10 PM 12:27

# AGENDA REPORT

**TO: HENRY L. GARDNER**  
**INTERIM CITY ADMINISTRATOR**

**FROM: Sean Whent**  
**Chief of Police**

**SUBJECT: Professional Services Agreement**  
**with Managed Health Network (MHN)**

**DATE: June 30, 2014**

City Administrator

Date

Approval

7/9/14

**COUNCIL DISTRICT: City-Wide**

## RECOMMENDATION

Staff recommends that the City Council approve the proposed resolution authorizing the City Administrator to enter into a Professional Services Agreement with Managed Health Network (MHN) in order to meet the requirements of the Memorandum Of Understanding (MOU) with the Oakland Police Officers' Association (OPOA) to provide: (1) psychological counseling services for sworn members of the Oakland Police Department (OPD) and their dependents for the period of July 1, 2014 to June 30, 2017, for an amount not to exceed \$315,000, with an option to extend for an additional two years, in an amount of \$105,000 per year, for a total contract amount of \$525,000; and (2) substance abuse counseling to sworn members and their dependents and civilian members of the OPD for the period of January 1, 2015 to June 30, 2017, for an amount not to exceed \$210,000, with an option to extend for an additional two years, in an amount of \$84,000 per year, for a total contract amount of \$378,000; for an overall total contract amount of \$903,000.

## OUTCOME

Approval of this resolution will authorize the City Administrator to enter into a three-year Professional Services Agreement with Managed Health Network (MHN) to provide counseling services for sworn members of OPD and their dependents, for the period of July 1, 2014 to June 30, 2017, followed by an option to extend for an additional two (2) years (to June 30, 2019). In addition, the agreement will include a Substance Abuse Benefit for sworn members and their dependents as well as for civilian members only, for the period of January 1, 2015 to June 30, 2017, followed by an option to extend for an additional two (2) years (to June 30, 2019).

## BACKGROUND / LEGISLATIVE HISTORY

In 2007, Resolution No. 80868 C.M.S. provided authority to award Managed Health Network (MHN) a contract with the City to provide a program of psychological counseling services to

Item: \_\_\_\_\_  
Public Safety Committee  
July 22, 2014

sworn members of the Police Department and their dependents. In May 2011, another contract was approved for the period of May 1, 2011 through November 30, 2012, by Resolution No. 83362 C.M.S. An extension to the contract was authorized by Resolution No. 84152 C.M.S. in November 2012 for the period of December 1, 2012 through June 30, 2014.

Article IX, Section E – Employee Health Assistance Programs, of the current MOU between the City and the Oakland Police Officers’ Association (OPOA) obligates the City to pay the annual cost of providing psychological counseling services to its members and/or dependents. MHN provides counseling services to the members of OPOA and their dependents, in accordance with the contractual provisions of the MOU between the City and OPOA. MHN is a leader in providing such services to law enforcement agencies in the greater Bay Area.

The Oakland Police Department conducted a Request for Proposals (RFP) process in May 2014, inviting qualified service providers to submit proposals to render professional counseling services for sworn members and their dependents and for substance abuse benefit to sworn members and their dependents as well as to civilian members of the Oakland Police Department. The legal notice was published in the Oakland Tribune, Oakland Post, El Mundo and Sing Tao newspapers. Proposals were received from two vendors. The RFP evaluation process resulted in a recommendation to award the contract to MHN, with the option to extend the contract two additional years.

### ANALYSIS

MHN Employee Assistance Program (EAP) provides a variety of services to sworn staff and their family members such as Critical Incident Stress Management, Anger Management training, online management resources, and EAP Supervisory and Employee Orientations, to name a few. Clinical services are directed toward workplace and personal problems that can be delivered through telephonic and/or face-to-face counseling. In addition to general areas such as marital and family counseling, MHN specializes in counseling for specific job-related stresses that can affect law enforcement personnel such as officer fatalities, critical incident stress debriefings, and other distressing and traumatic occurrences. Additionally, in 2010, MHN expanded their services to include eLearning and Web-Video Consultation at no additional cost and will continue this service.

The Substance Abuse Benefit provides a 30-day inpatient treatment program to determine appropriate treatment, length of stay, and appropriate step down to lower levels of outpatient care to sworn staff and their family members as well as to civilian staff. This benefit was initiated by the Human Resources’ Risk Management unit on January 1, 2014, to continue through December 31, 2014.

MHN maintains a broad geographically based network of individual clinicians, which allows individual sworn members and their dependents to choose someone compatible and accessible in

Item: \_\_\_\_\_  
Public Safety Committee  
July 22, 2014

terms of hours, locale, specialty, etc. This network ensures confidentiality for the sworn members and their families. MHN has effectively provided psychological counseling services to members of the Oakland Police Department and their dependents since 2007. The need for services from MHN is evident in the Police Department's utilization rate for the past years with MHN, which has been consistently higher than MHN's overall usage rate. This is interpreted to mean that OPD members feel comfortable working with MHN and reach out to the services provided by MHN to help address their needs.

In the RFP this year, MHN provided the option to extend the counseling session to 10 sessions per incident, instead of the 12 sessions per year that was offered in the past. This option offers more counseling sessions than before.

The Oakland Police Department recommends that approval be given to authorize a new contract with MHN for the term of three (3) years for the period of July 1, 2014 to June 30, 2017 with an option to extend for two years for the employee assistance program and for the period of January 1, 2015 to June 30, 2017 with an option to extend for two years for the Substance Abuse Benefit.

Funding of \$147,000 is available in the Department's 2013-2015 budget appropriation

Managed Health Network	Funding in FY 14 -15		Total FY14-15 Contract Cost
	7/1/2014 - 6/30/2015	1/1/2015 - 6/30/2015	7/1/14 - 6/30/2015
Counseling Programs	105,000.00		105,000.00
Substance Abuse Benefit		42,000.00	42,000.00
Funding in FY14-15 Budget	1010.54919.0000000.PS01		\$ 147,000.00

Funding of \$378,000 will be appropriated in the Department's 2015-2017 ~~baseline~~ budget

Managed Health Network	Baseline Budget FY15 -17		Total FY15-17 Contract Cost
	07/1/2015 - 6/30/2016	07/1/2016 - 6/30/2017	7/1/15 - 6/30/2017
Counseling Programs	105,000.00	105,000.00	210,000.00
Substance Abuse Benefit	84,000.00	84,000.00	168,000.00
Funding included in the Baseline Budget for FY 15 - 17			\$ 378,000.00

**PUBLIC OUTREACH/INTEREST**

This item did not require any additional public outreach other than the required posting on the City's website.

**COORDINATION**

Staff worked with the Budget Office, the Office of the City Attorney, and the Contracts & Compliance Unit in the preparation of this report.

Item: \_\_\_\_\_  
Public Safety Committee  
July 22, 2014

**COST SUMMARY/IMPLICATIONS**

<b>Managed Health Network</b>	<b>Annual Cost</b>	<b>Contract + Extension</b>	<b>Total</b>
Counseling Programs	\$105,000	5 years	\$525,000
Substance Abuse Benefit	84,000	4.5 years	\$378,000
			<b>\$903,000</b>

Funding in the amount of \$147,000.00 is included as part of the Police Department's 2013-15 budget appropriation and will be drawn from General Fund (1010), Personnel Section Organization (106210), Miscellaneous Contract Services Account (54919), Project (0000000), Program (PS01).

**SUSTAINABLE OPPORTUNITIES**

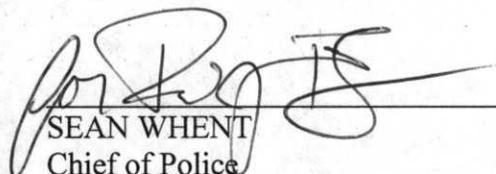
**Economic:** No economic opportunities are identified in this report. However, counseling services, including stress debriefing, may enhance the City's risk management strategies.

**Environmental:** No environmental opportunities are identified in this report.

**Social Equity:** Psychological counseling services to sworn members of the Police Department and their dependents support frontline law enforcement efforts; which in turn benefits the entire community served by these sworn members.

For questions regarding this report, please contact Cee Belue, Personnel Manager, at (510) 238-6971.

Respectfully submitted,

  
SEAN WHENT  
Chief of Police  
Oakland Police Department

Reviewed by:  
A/Capt. Donna Hoppenhauer, Personnel & Training Division

Prepared by:  
Cee Belue, Personnel Manager  
Bureau of Risk Management, Personnel & Training Division

- Resolution

Item: \_\_\_\_\_  
Public Safety Committee  
July 22, 2014

2014 JUL 10 PM 12:29 **OAKLAND CITY COUNCIL**

**RESOLUTION No. \_\_\_\_\_ C.M.S.**

Introduced by Councilmember \_\_\_\_\_

---

**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH MANAGED HEALTH NETWORK (MHN) IN ORDER TO MEET THE REQUIREMENTS OF THE MEMORANDUM OF UNDERSTANDING (MOU) WITH THE OAKLAND POLICE OFFICERS' ASSOCIATION (OPOA) TO PROVIDE:**

**(1) PSYCHOLOGICAL COUNSELING SERVICES FOR SWORN MEMBERS OF THE OAKLAND POLICE DEPARTMENT (OPD) AND THEIR DEPENDENTS FOR THE PERIOD OF JULY 1, 2014 TO JUNE 30, 2017, FOR AN AMOUNT NOT TO EXCEED THREE HUNDRED FIFTEEN THOUSAND DOLLARS (\$315,000), WITH AN OPTION TO EXTEND FOR AN ADDITIONAL TWO YEARS, IN AMOUNT OF ONE HUNDRED FIVE THOUSAND DOLLARS (\$105,000) PER YEAR, FOR A TOTAL CONTRACT AMOUNT OF FIVE HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$525,000)**

**(2) SUBSTANCE ABUSE COUNSELING TO SWORN MEMBERS AND THEIR DEPENDENTS AND CIVILIAN MEMBERS OF THE OPD FOR THE PERIOD OF JANUARY 1, 2015 TO JUNE 30, 2017, FOR AN AMOUNT NOT TO EXCEED TWO HUNDRED TEN THOUSAND DOLLARS (\$210,00), WITH AN OPTION TO EXTEND FOR AN ADDITIONAL TWO YEARS, IN AMOUNT OF EIGHTY-FOUR THOUSAND DOLLARS (\$84,000) PER YEAR FOR A TOTAL CONTRACT AMOUNT OF THREE HUNDRED SEVENTY-EIGHT THOUSAND DOLLARS (\$378,000);**

**FOR AN OVERALL TOTAL CONTRACT AMOUNT OF NINE HUNDRED THREE THOUSAND DOLLARS (\$903,000)**

**WHEREAS**, in 2007, the City Council adopted Resolution No. 80868 C.M.S., which authorized the City Administrator to award Managed Health Network (MHN) a contract with the City to provide a program of psychological counseling services to sworn members of the Police Department and their dependents; and

**WHEREAS**, in May 2011, another contract with MHN was approved by Resolution No. 83362 C.M.S., for the period of May 1, 2011 through November 30, 2012, with an extension to the contract authorized by Resolution No. 84152 C.M.S. in November 2012, for the period of December 1, 2012 through June 30, 2014; and

**WHEREAS**, the Memorandum of Understanding (MOU) between the City of Oakland and the Oakland Police Officers' Association (OPOA) requires the City to continue to pay for the annual cost of providing psychological counseling services and substance abuse benefit to its members and/or dependents; and

**WHEREAS**, the City completed a Request For Proposal / Qualification (RFP/Q) process in May 2014, and Managed Health Network (MHN) was selected as the most responsible and responsive bidder; and

**WHEREAS**, the services to be provided under said contract are of a professional, scientific or technical and temporary nature and shall not result in the loss of employment or salary by any person having permanent status in the competitive service; and

**WHEREAS**, the Police Department has funding in the amount of \$147,000.00 for said services in its FY 2013-2015 budget appropriation in General Fund (1010), Personnel Section Organization (106210), Miscellaneous Contracts Account (54919), Project (0000000), and Program (PS01); now, therefore, be it

**RESOLVED:** That the City Council hereby authorizes the City Administrator, or designee, to enter into a Professional Services Agreement with Managed Health Network (MHN) to provide psychological counseling services for sworn members of the Police Department and their dependents, for the period of July 1, 2014 through June 30, 2017, for an amount not to exceed \$315,000, with an option to extend for two additional years, in an amount not to exceed \$105,000 per year, for a total contract amount of \$525,000; and to provide a Substance Abuse Benefit for sworn members and their dependents as well as civilian members of the Police Department, for the period of January 1, 2015 through June 30, 2017, for an amount not to exceed \$210,000, with an option to extend for two additional years, in an amount not to exceed \$84,000 per year, for a total contract amount of \$378,000; and be it

**FURTHER RESOLVED:** That funding of \$147,000 is available in the Department's 2013-2015 budget appropriation and will be drawn from General Fund (1010), Personnel Section Organization (106210), Miscellaneous Contracts Account (54919), Project (0000000), and Program (PS01) and additional funding of \$378,000 will be appropriated in the Department's 2015-2017 base line budget appropriation; and be it

**FURTHER RESOLVED:** That the City Administrator, or designee, is authorized to complete all required negotiations, certifications, assurances, and documentation required to accept, modify, extend and/or amend this agreement for services, except for any increase in the contract amount without returning to the City Council; and be it

**FURTHER RESOLVED:** That the City Attorney shall review and approve said contract with Managed Health Network (MHN) as to form and legality, and a copy of the fully executed agreement shall be placed on file with the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES – BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and  
PRESIDENT KERNIGHAN

NOES –

ABSENT –

ABSTENTION –

ATTEST: \_\_\_\_\_

LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California