

**A RESOLUTION**

**Proposed  
Resolution  
20-607**

**See Emergency  
D.C. Act 20-269  
20 DCStat 3032**

*To declare the existence of an emergency with respect to the need to approve Modifications Nos. 4-7 to Contract No. NFPHC-151 between the Not-for-Profit Hospital Corporation (“NFPHC”) and Wisconsin Avenue Psychiatric Center dba Psychiatric Institute of Washington (“PIW”) to provide, in consultation with the NFPHC, management and operation of the Behavioral Health and Professional Psychiatric Services Program, and to authorize payment for the services received and to be received under the contract modifications.*

**RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Contract No. NFPHC-151 Modifications Nos. 4-7 Approval and Payment Authorization Emergency Declaration Resolution of 2014”.**

**Contract No.  
NFPHC-151  
Modifications  
Nos. 4-7  
Approval and  
Payment  
Authorization  
Emergency  
Declaration  
Resolution of  
2014**

Sec. 2. (a) There exists an immediate need to approve Modifications Nos. 4-7 to Contract No. NFPHC-151 (“Contract”) between the NFPHC and Wisconsin Avenue Psychiatric Center *dba* PIW to provide, in consultation with the NFPHC, management and operation of the Behavioral Health and Professional Psychiatric Services Program (“Program”), and to authorize payment for the services received and to be received under these contract modifications.

(b) After a competitive procurement under the NFPHC procurement rules, the NFPHC awarded PIW a letter contract on August 15, 2012. A letter contract was used to allow PIW to begin providing critical services yet provide ample time for the parties to definitize the contract. The letter contract had an initial period of 9 months, and a value of \$712,150.00.

(c) Modification No. 1 (effective October 29, 2012) added language to the letter contract defining parameters around PIW adding one additional physician to support the Program. Modification No. 1 did not have any financial impact on the 9-month base period.

(d) Modification No. 2 (effective May 9, 2013) extended the letter contract by 3 months (to August 14, 2013), as permitted in section 3 of the letter contract. This change was necessary to allow the NFPHC, now working closely with Huron Consulting Group, LLC pursuant to Contract No. DCHT-2012-C-0014 with the Department of Health Care Finance, to initiate discussions with PIW regarding expansion of PIW’s services within the general scope of the contract. The value of Modification No. 2 was \$229,050.00, which brought the total value of the 12-month base period of the letter contract to \$941,200.00.

(e) Modification No. 3 (effective August 14, 2013) inserted language providing the authority for the contract to be extended for up to 6 months. This change was necessary because in August 2013, both the NFPHC and PIW realized that even more time was needed in order to continue negotiating the definitized contract, including the details of the expansion of PIW’s services for the Program, more precise performance metrics, and contract incentives by which the NFPHC would evaluate and better leverage PIW’s expertise, especially regarding

managed care payors. Most importantly, the NFPHC and PIW needed the time to ensure the ongoing discussions and proposed changes aligned with the new Hospital Strategic Plan, approved by the NFPHC Board of Directors in July 2013. Modification No. 3, providing the authority for but not yet exercising a 6-month option period, did not have any financial impact.

(f) Modification No. 4 used the authority inserted by Modification No. 3 and extended the contract to November 13, 2013, exercising the first 3 months of the option period, with the same terms as the base year. This change allowed time for the discussions contemplated by Modification No. 3. The value of Modification No. 4, the 3-month option period, was \$231,250.00.

(g) During the Modification No. 4 term, the NFPHC realized that the definitized contract changes would cause the full 12-month proposed option year one, which would incorporate the existing option period, to exceed \$1 million in a 12-month period, and therefore require Council approval as a tipping contract modification.

(h) Modification No. 5, exercising an additional 2 months of the option period, extended the contract through January 13, 2014. This change was necessary to provide ample time for preparation of the Council package, receive appropriate NFPHC approvals, and provide time for Council review. The value of Modification No. 5 was \$154,156.66, bringing the 5-month option value to \$385,406.66.

(i) Modification No. 6 exercised an additional 2 weeks of the option period to allow for Council consideration of this tipping contract at a regularly scheduled legislative meeting. Modification 6 did not have any financial impact. The value of Modification No. 6 was \$77,078.33, bringing the option period value to \$462,484.99.

(j) Proposed Modification No. 7 seeks to exercise the remainder of the definitized option year one (\$1,394,282.01) and will cause the aggregate value of this definitized option year to exceed \$1 million in a 12-month period.

(k) Emergency approval of Modifications Nos. 4-7 to Contract No. NFPHC-151 for a total value of \$1,856,767.00 for the definitized contract option year one is necessary so that NFPHC can continue to support the Program. Without this approval, PIW cannot be paid for these critical services provided and to be provided in excess of \$999,999.99.

Sec. 3. The Council of the District of Columbia determines that the circumstances enumerated in section 2 constitute emergency circumstances making it necessary that the Contract No. NFPHC-151 Modifications Nos. 4-7 Approval and Payment Authorization Emergency Act of 2014 be adopted after a single reading.

Sec. 4. This resolution shall take effect immediately.