COUNTY OF LOS ANGELES

MARVIN J. SOUTHARD, D.S.W.
Director

SUSAN KERR
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

BOARD OF SUPERVISORS
GLORIA MOLINA
YVONNE B. BURKE
ZEV YAROSLAVSKY
DON KNABE
MICHAEL D. ANTONOVICH

DEPARTMENT OF MENTAL HEALTH

http://dmh.lacounty.info

Contracts Development and Administration Division
Reply To: (213) 738-4601
Fax: (213) 386-1297

October 19, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

APPROVAL OF CONTRACT AMENDMENTS FOR THE RELIEF OF COUNTY HOSPITAL PSYCHIATRIC EMERGENCY SERVICES FOR FISCAL YEAR 2006-2007 (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute an Amendment, substantially similar to Attachment I, to the Specialized Agreement with College Hospital-Cerritos for the provision of two (2) additional acute psychiatric inpatient beds for uninsured individuals as approved by your Board in the Additional Psychiatric Emergency Services (PES) Relief Plan dated July 7, 2005 (Attachment II). The necessary Amendment, effective upon Board approval, will be funded with one-time County General Funds (CGF) in the amount of $408,800. This will increase the Maximum Contract Amount (MCA) of College Hospital-Cerritos to $1,316,179 for Fiscal Year (FY) 2006-2007.

2. Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute an Amendment substantially similar to Attachment III to the Legal Entity (LE) Agreement with Anne Sippi Clinic (ASC) Treatment Group for the provision of mental health services to 20 additional persons as described in the Department of Mental Health's (DMH) memorandum to your Board on March 6, 2006, entitled Revision of Additional Plan for the Relief of County hospital PES (Attachment IV). This Amendment, effective upon Board approval, will be funded with one-time CGF in the amount of $286,000 and Federal

Financial Participation (FFP) Medi-Cal in the amount of $234,000. This will increase the MCA for ASC Treatment Group to $1,344,910 for FY 2006-2007.

3. Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute future amendments, agreements, and establish as a new MCA the aggregate of the original Agreement and all amendments, provided that: 1) the County's total payments to the Contractor under the Agreement for each fiscal year shall not exceed an increase of 20 percent from the applicable revised MCA; 2) any such increase shall be used to provide additional services or to reflect program and/or policy changes; 3) the Board of Supervisors has appropriated sufficient funds for all changes; 4) approval of County Counsel and the Chief Administrative Officer (CAO) or their designees is obtained prior to any such Amendment; 5) the parties may, by written Amendment, mutually agree to reduce programs or services without reference to the 20 percent limitation; and 6) the Director of Mental Health shall notify the Board of Supervisors of Agreement changes in writing within 30 days after execution of each Amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Due to the ongoing need for additional resources to reduce the demand upon the County hospital PES, an additional year of one-time CGF for the revised Additional Plan for the Relief of County hospital PES was included in the DMH's FY 2006-2007 Adopted Budget. These Board actions are needed for those providers whose proposed amendments exceed previously delegated authority. The Department will assess the need for these programs on an ongoing basis. It is anticipated that Mental Health Services Act (MHSA) funded programs such as Full-Service Partnerships, Institutions for Mental Disease (IMD) Step-down Facilities, and Enriched Services will reduce the demand on the PES in the future. In addition, the Department intends to seek MHSA funding for those components of the PES Relief Plan that would qualify under MHSA guidelines.

Implementation of Strategic Plan Goals

The recommended Board actions are consistent with the principles of the Countywide Strategic Plan Organizational Goal No. 1, "Service Excellence," Goal No. 3, "Organizational Effectiveness," and Goal No. 7, "Health and Mental Health." Board approval will promote the accessibility of essential services to clients of all ages, promote collaboration between DMH and Department of Health Services (DHS), and enhance workforce and service delivery excellence.

FISCAL IMPACT/FINANCING

There is no impact on net County cost.

The FY 2006-2007 cost of these actions is $928,800 consisting of one-time only CGF of $694,800 and $234,000 of projected FFP Medi-Cal revenue, which is included in the FY 2006-2007 Adopted Budget. The amendments will add $408,800 of one-time only CGF to the MCA of College Hospital-Cerritos, making the revised MCA $1,316,179 for FY 2006-2007 and $286,000 of one-time only CGF and $234,000 FFP to the MCA of ASC Treatment Group, making the revised MCA $1,344,910.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Over the past three (3) years, DMH and DHS have worked collaboratively to develop and implement measures that alleviate overcrowding in the County hospital PES. Board approval of the Additional Plan for the Relief of County hospital PES, dated July 7, 2005, authorized the immediate implementation of the Plan developed by DMH, DHS, and CAO. The Plan included the expansion of acute inpatient beds for uninsured individuals, two (2) of which were at College Hospital-Cerritos; increased IMD capacity to meet the immediate need for locked, longer term treatment resources for individuals with mental illness; the establishment of the Psychiatric Outreach Diversion Program (PDP), utilizing participating acute psychiatric inpatient facilities within each geographic area; and the provision for the Director of Mental Health or his designee to make adjustments among the PDP and IMD components to adapt to the changing needs for psychiatric emergency, inpatient, and residential care in Los Angeles County. Adjustments were subsequently made to the Plan as discussed in the March 6, 2006, memorandum to your Board.

As previously noted, continuation of the PES Relief services and funding is included in the Department's FY 2006-2007 Adopted Budget. Those components requiring Board authorization for renewal are as follows:

College Hospital-Cerritos
College Hospital-Cerritos, located in Service Area 7, provides acute inpatient mental health services for children and adults. The Department currently contracts for

four (4) beds for uninsured adults identified by law enforcement as needing acute stabilization and mental health treatment. This action will provide an additional two (2) beds for adults for FY 2006-2007.

Anne Sippi Clinic Treatment Group
On March 6, 2006, DMH advised your Board of the Department's intent to revise the plan to redirect funding from the PDP and IMD components or due to lack of available community resources, to mental health providers who had the capacity to provide services consistent with the intent of the Plan. The Department implemented the expansion of mental health services at ASC Treatment Group, located in Santa Fe Springs, for 20 additional persons who are ready for discharge from IMDs to residences in the community. The program serves mentally ill clients, including both Lanterman-Petris-Short (LPS) mental health conservatees and voluntary clients, who require intensive support to maintain stable community placement and to prepare for more independent community living. Staffing consists of a multi-disciplinary team of mental health workers, with programs provided seven (7) days per week and 24-hours per day availability. Expanded services at the Medi-Cal certified outpatient clinic increase IMD bed capacity for timely discharges from County hospital PES and inpatient units by increasing community-based supportive residential services for individuals leaving the IMDs.

The proposed actions have been reviewed by County Counsel and CAO. County Counsel has approved the Amendments as to form.

CONTRACTING PROCESS

The proposed actions will be accomplished through amendments to existing contracts.

IMPACT ON CURRENT SERVICES

The proposed actions will reduce overcrowding in the County hospitals' PES by providing additional inpatient capacity at private hospitals and more timely discharges from the PES and inpatient units to appropriate lower levels of care. Board approval will allow DMH to continue to enhance emergency and mental health services and resources throughout the County for severely mentally ill clients, including both LPS mental health conservatees and voluntary clients.

CONCLUSION

The DMH will need one (1) copy of the adopted Board's actions. It is requested that the Executive Officer of the Board notifies the DMH's Contract Development and Administration Division at (213) 738-4684 when these documents are available.

Respectfully submitted,

Marvin J. Southard, D.S.W.
Director of Mental Health

MJS:TB:RK:MM

Attachments

c: Chief Administrative Officer
County Counsel
Chairperson, Mental Health Commission

Attachment I

CONTRACT NO. **DMH-01738**

AMENDMENT NO. **4**

THIS AMENDMENT is made and entered into this _____ day of____, 2006, by and between the COUNTY OF LOS ANGELES (hereafter "County") and **College Hospital - Cerritos** (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated **June 29, 2004**, identified as County Agreement No. **DMH-01738,** and any subsequent amendments (hereafter collectively "Agreement"); and

WHEREAS, for Fiscal Year 2006-2007 only, County and Contractor intend to amend Agreement only as described hereunder; and

WHEREAS, for Fiscal Year 2006-2007, County and Contractor intend to add County General Fund (CGF) in the amount of **$408,800** to fund two additional acute psychiatric inpatient beds for adults to address the increased demand on the County's Psychiatric Emergency Services (PES); and

WHEREAS, for Fiscal Year 2006-2007, the revised Maximum Contract Amount (MCA) will be **$1,316,179**.

NOW, THEREFORE, County and Contractor agree that Agreement shall be amended only as follows:

1. Paragraph 4 (FINANCIAL PROVISIONS), Subparagraphs B (Reimbursement For Initial Period) shall be deleted in its entirety and the following substituted therefor:

"B. Reimbursement For Initial Period: The Maximum Contract Amount for the Initial Period of this Agreement as described in Paragraph 1 (TERM) shall

not exceed **ONE MILLION THREE HUNDRED SIXTEEN THOUSAND ONE HUNDRED SEVENTY NINE** DOLLARS (**$1,316,179**) and shall consist of County, State, and/or Federal (excluding Medicare for partial hospitalization services) funds as shown on the applicable Financial Exhibit(s). Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more than this Maximum Contract Amount for Contractor's performance hereunder during the Initial Period. Furthermore, Contractor shall inform County when up to 75 percent (75%) of the Maximum Contract Amount has been incurred. Contractor shall send such notice to those persons and addresses which are set forth in Paragraph 58 (NOTICES)."

2. Financial Summary – 3 for Fiscal Year 2006-2007 shall be deleted in its entirety and replaced with Financial Summary - 4 for Fiscal Year 2006-2007, attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - 3 for Fiscal Year 2006-2007 shall be deemed amended to state "Financial Summary - 4 for Fiscal Year 2005-2006."

3. Contractor shall provide services in accordance with Contractor's Fiscal Year 2004-2005 Contract Package for this Agreement and any addenda thereto approved in writing by Director.

4. Except as provided in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by County's Director of Mental Health or his designee, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
MARVIN J. SOUTHARD, D.S.W.
Director of Mental Health

College Hospital - Cerritos
CONTRACTOR

By _____

Name Stephen Witt

Title Chief Executive Officer
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM
OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By _____
Chief, Contracts Development
and Administration Division

Attachment II

COUNTY OF LOS ANGELES

MARVIN J. SOUTHARD, D.S.W.
Director

SUSAN KERR
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601
Fax: (213) 386-1297

BOARD OF SUPERVISORS
GLORIA MOLINA
YVONNE B. BURKE
ZEV YAROSLAVSKY
DON KNABE
MICHAEL D. ANTONOVICH

DEPARTMENT OF MENTAL HEALTH

http://dmh.lacounty.info

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

July 7, 2005

31 JUL 19 2005

Violet Varona-Lukens
VIOLET VARONA-LUKENS
EXECUTIVE OFFICER

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

APPROVAL OF AND AUTHORIZATION TO IMPLEMENT THE ADDITIONAL PLAN FOR THE RELIEF OF COUNTY HOSPITAL PSYCHIATRIC EMERGENCY SERVICES
AND
APPROVAL OF REQUEST FOR APPROPRIATION ADJUSTMENT FOR FISCAL YEAR 2005-2006
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the Additional Psychiatric Emergency Services (PES) Relief Plan (Attachment I), developed in collaboration with the Department of Health Services (DHS) and the Chief Administrative Office (CAO), to purchase 107 beds (39 psychiatric inpatient, 20 Institutions for Mental Disease (IMD), and 48 augmented residential) to alleviate the overcrowding of the County's four (4) PES, as directed by your Board on June 20, 2005, and authorize the Department of Mental Health (DMH) to initiate actions in accordance with this Plan. The Fiscal Year (FY) 2005-2006 cost of these actions is $11,374,000, consisting of one-time only net County cost (NCC) of $10,914,000, and $460,000 of projected Federal Financial Participation (FFP) Medi-Cal revenue.

2. Authorize the purchase of 20 additional IMD beds for FY 2005-2006 at a cost of $1,142,500 to be dedicated to persons who require this level of care and who are being discharged from the County hospital inpatient units.

Delegate authority to the Director of Mental Health or his designee, as necessary, to adapt to the changing needs for psychiatric emergency, inpatient, and residential care in Los Angeles County and make adjustments among the PDP's acute psychiatric inpatient and IMD components of the Additional PES Relief Plan (Attachment I), consistent with the intent of the Plan.

3. Authorize the Director of Mental Health or his designee to develop a Psychiatric Outreach Team Diversion Program (PDP) in conjunction with psychiatric inpatient facilities (Attachment II) that are certified to provide Fee-For-Service (FFS) Medi-Cal services and have Lanterman-Petris-Short (LPS) designation for involuntary treatment. Under this Program, approximately 16 beds could be purchased at any given time. The total projected FY 2005-2006 cost of this PDP is $4,050,000.

   Delegate authority to the Director of Mental Health or his designee, as necessary, to adapt to the changing needs for psychiatric emergency, inpatient, and residential care in Los Angeles County and make adjustments among the PDP's acute psychiatric inpatient and IMD components of the Additional PES Relief Plan (Attachment I), consistent with the intent of the Plan.

4. Approve DMH's recommendation regarding LPS designation of Urgent Care Centers and delegate authority to the Director of Mental Health or his designee to designate, in accordance with the State of California Welfare and Institutions Code Sections 5404 and 5150, existing and future County directly operated and contracted Urgent Care Centers that meet applicable County and State requirements.

5. Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute amendments, as listed in Attachment III and substantially similar to Attachments IV and V, to two (2) Legal Entity (LE) Agreements with Kedren Community Health Center, Inc. (Kedren) and Gateways Hospital and Mental Health Center (Gateways), and one (1) Specialized Agreement with College Hospital; and also a new Specialized Agreement, substantially similar to Attachment VI, with White Memorial Medical Center (White Memorial) for the augmentation of 23 acute psychiatric inpatient beds for uninsured adults and 48 secured residential beds for adults. The total FY 2005-2006 cost for these 71 additional beds is $6,181,660. Attachment III details the contractors, beds by component of the PES Relief Plan, and costs.

6. Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute amendments and a new Service Exhibit, substantially similar to Attachments VII and VIII, to existing and new FFS Medi-Cal Psychiatric Inpatient Hospital Agreements with eligible psychiatric inpatient facilities that participate in the PDP.

7. Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute amendments to the Legal Entity, Specialized, and FFS Medi-Cal Psychiatric Inpatient Hospital Agreements and establish as a new Maximum Contract Amount (MCA) or applicable Contract Allowable Rate (CAR) the aggregate of each original Agreement and all amendments, provided that: 1) the County's total payments to a contractor under each Agreement for each fiscal year shall not exceed a change of 20 percent from the applicable revised MCA or CAR; 2) any such increase shall be used to provide additional services or to reflect program and/or policy changes; 3) the Board of Supervisors has appropriated sufficient funds for all changes; 4) approval of County Counsel and the Chief Administrative Officer or their designee is obtained prior to any such Amendment; 5) County and contractor may by written amendments reduce programs or services without reference to the 20 percent limitation and revise the applicable MCA or CAR; and 6) the Director of Mental Health shall notify the Board of Supervisors of Agreement changes in writing within 30 days after execution of each Amendment.

8. Approve the Request for Appropriation Adjustment (Attachment IX) in the amount of $11,374,000 for FY 2005-2006. The adjustment will transfer $10,914,000 in NCC from Provisional Financing Uses (PFU) to DMH and increase DMH's FFP Medi-Cal revenue by $460,000 to fund the Services and Supplies (S&S), necessary to implement these actions.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

On June 20, 2005, your Board directed the CAO to transfer $10,914,000 in proposed one-time NCC funding from DMH to Provisional Financing Uses and directed DMH and the CAO to return to your Board with a plan to utilize these funds for additional relief of the County's hospitals' PES. This submission outlines the plan (Attachment I) developed by DMH, DHS, and the CAO to relieve the overcrowding in the PES. The purpose of the requested actions is to obtain approval of the plan and authorization for its immediate implementation to alleviate the current overcrowding of the DHS PES. The elements of this plan will expand acute inpatient and locked residential capacity to meet the immediate need for treatment resources for persons suffering from these

disorders. In addition, the plan includes an augmented residential program that can be replicated throughout the County in future years.

The requested actions are also intended to ensure that all areas of the County have equitable psychiatric inpatient and residential bed resources within their particular geographic areas, and that, in the future, new or existing resources can readily be incorporated, enhancing DMH's ability to adapt to the changing circumstances of psychiatric emergency and inpatient care. Particular emphasis will be given to negotiating Specialized Agreements under the PDP with acute psychiatric inpatient facilities within each geographic area to reduce the distances mentally ill individuals and their families need to travel to obtain care. Additionally, DHS and DMH are further proposing the delegation of authority to the Director of Mental Health or his designee to designate Urgent Care Centers to receive involuntary clients to assist in decompressing County's Psychiatric Emergency Rooms.

Implementation of Strategic Plan Goals

The recommended Board actions are consistent with the principles of the Countywide Strategic Plan, Goal No.1, "Service Excellence," Goal No. 3, "Organizational Effectiveness," and Goal No. 7, "Health and Mental Health." Board approval will promote the accessibility of essential services to clients of all ages; promote collaboration between the Departments of Mental Health and Health Services; and enhance workforce and service delivery excellence.

FISCAL IMPACT/FINANCING

Approval of the requested actions will increase NCC by $10,914,000.

The FY 2005-2006 cost of the Additional PES Relief Plan is $11,374,000. This amount includes funding for increases in acute inpatient, IMD, augmented residential care capacity, and pharmacy costs. The Additional PES Relief Plan will be financed by $10,914,000 one-time NCC and $460,000 in FFP Medi-Cal revenue.

For FY 2005-2006, the Request for Appropriation Adjustment (Attachment IX) in the amount of $11,374,000, fully funded with $10,914,000 one-time NCC and $460,000 in FFP Medi-Cal revenue, provides DMH with the spending authority to fund the necessary increase in S&S for the implementation of the Additional PES Relief Plan.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Over the past two years, DMH and DHS have engaged in collaborative efforts to decompress the County's hospitals' PES. Despite these efforts, the overcrowding has persisted. In recent months, DMH and DHS have worked with your Board offices to develop additional measures and, on April 6 and 18, 2005, the Departments reported on actions taken and provided additional recommendations to your Board to address the situation. Based on these reports and ongoing concerns on April 26, 2005, your Board directed DMH and DHS to work with the CAO to immediately implement the recommendations made to address the overcrowding. In order to do so, the CAO committed to identifying funding to carry out the recommendations and, subsequently, proposed the utilization of $10,914,000 of one-time funds to purchase additional inpatient and residential beds.

Based on the continued need for additional resources, DMH is requesting approval of the Additional PES Relief Plan (Attachment I) and authority to implement the plan, which has the following components:

Institutions for Mental Disease (IMD) Beds
Funding is allocated to purchase 20 IMD beds dedicated to individuals being discharged from County hospital inpatient units. The ongoing development of adequate and sufficient lower levels of mental health care, such as intensive community treatment programs, for discharge-ready IMD residents will be critical so that IMD beds will continue to be available for the County hospitals. The total projected FY 2005-2006 cost of the additional IMD beds, including psychiatric medication cost of $84,000, is $1,142,500.

Secured Augmented Residential Beds
A new secured and augmented residential program for 48 individuals will be provided by Gateways. This program will provide intensive mental health services in a secured residential setting for persons who, with intensive supports and supervision, can be discharged from County hospital inpatient units or IMDs earlier than would be possible without this level of care. Expeditious movement from these facilities allows more rapid disposition from the PES. The total projected FY 2005-2006 cost of this program is $1,529,000, including anticipated FFP Medi-Cal revenue of $460,000.

Other New Residential Resources
In addition to the resources funded under this plan, Homes For Life Foundation - Cedar Street, a 38-bed transitional residential program for persons being

discharged from IMDs and the State Hospital will open in July, 2005. This program, located on the grounds of Metropolitan State Hospital in Norwalk, will support people as they transition from institutional care and prepare them for even more independent community living. A 12-bed crisis residential program, provided by Hillview Mental Health Center in Lakeview Terrace and scheduled to open in early FY 2005-2006, will serve as a resource to the Olive View Medical Center PES.

Psychiatric Outreach Team Diversion Program (PDP)
Under the PDP, when all DHS PES facilities are at a predetermined census, the DHS Medical Alert Center will divert DMH's Psychiatric Outreach Teams to participating private hospitals. General acute hospitals with psychiatric units that have a current FFS Medi-Cal Psychiatric Inpatient Hospital Agreement with DMH, that have LPS designation for involuntary treatment, and that have agreed to DMH's terms of participation will be eligible to participate in this Program. Free-standing hospitals that have a current FFS Medi-Cal Psychiatric Inpatient Hospital Agreement with DMH for persons under 18 or over 65 years of age, that have LPS designation, and that have agreed to DMH's terms of participation will also be eligible for the PDP. Further eligibility requirements will include agreement to ongoing utilization review by DMH and compliance with established program guidelines. Attachment II lists the Los Angeles County FFS Medi-Cal contracted and LPS-designated psychiatric inpatient facilities that would be eligible to participate in this Program should they agree to the terms of participation. Participating hospitals will provide acute and administrative inpatient bed-days based on a standard negotiated case rate, plus applicable daily rates. This Program will enable DMH to utilize up to 16 private hospital beds at any given time, strategically located throughout the County, based on demand for additional beds when the PES are at capacity. The total projected FY 2005-2006 cost of this component is $4,050,000, which includes $3,420,000 for the beds and an additional $630,000 augmentation of the DMH Pharmacy program for psychiatric medications upon patients' discharge.

LPS Designation of Urgent Care Centers
In a joint communication to the Board of Supervisors dated April 18, 2005, the Departments of Health Services and Mental Health proposed to further develop Urgent Care Centers to assist in the decompression of the County's Psychiatric Emergency Rooms.

After assessing the feasibility of providing additional involuntary assessment and treatment in Urgent Care Centers, the Departments agreed that designating

Urgent Care Centers to receive involuntary clients would have a significant impact in relieving PES overcrowding. The Departments are proposing the delegation of such authority to the Director of Mental Health or his designee.

Additional Inpatient Beds
Thirteen (13) additional psychiatric beds will be purchased from existing acute inpatient contractors for uninsured adults: 11 from Kedren, located in South Los Angeles, and two (2) from College Hospital, located in Cerritos. In addition, DMH will enter into a contract with White Memorial, located in close proximity to LAC + USC Medical Center, for ten (10) acute inpatient beds. The total projected FY 2005-2006 cost of these 23 beds is $4,652,660, which includes $4,461,560 for the beds and an additional $191,100 augmentation of the DMH Pharmacy program for psychiatric medication upon patients' discharge for the new contract.

The currently contracted DMH law enforcement referral beds at College Hospital in Cerritos and Aurora Behavioral Health Care/Charter Oak in Covina will continue to be utilized as law enforcement referral beds.

As directed by your Board, DMH and the CAO will identify future funding for the provision of the inpatient and residential beds included in this plan and report back to your Board within 90 days. It should be noted that the number of PDP and IMD beds are not specified in the respective providers' contracts and, thus, can be adjusted based upon need and/or available funding.

While this Board letter authorizes amendments to specific agreements and delegates authority for appropriate amendments to other existing agreements, DMH will return to your Board for authorization to enter into any new agreements to further implement the purposes of this plan.

The proposed actions have been reviewed and approved by County Counsel, the Chief Administrative Office, DHS Administration, and DMH's Director, Program and Fiscal Administrations.

CONTRACTING PROCESS

The proposed actions will primarily be accomplished through amendments to existing contracts and a new contract with White Memorial Medical Center. The PDP will be available to all interested and eligible FFS Medi-Cal and LPS-designated hospital providers.

IMPACT ON CURRENT SERVICES

The proposed actions will alleviate the overcrowding in the County's hospitals PES by providing additional inpatient capacity at private hospitals and more timely discharges from the PES and inpatient units to appropriate lower levels of care. As such, these resources will enhance the mental health treatment available to those persons requiring emergency and ongoing mental health services in all areas of Los Angeles County.

CONCLUSION

The Department of Mental Health will need one (1) copy of the adopted Board's action. It is requested that the Executive Officer of the Board notifies the Department of Mental Health's Contracts Development and Administration Division at (213) 738-4684 when this document is available.

Respectfully submitted,

Marvin J. Southard, D.S.W.
Director of Mental Health

MJS:JA:MY:RK

Attachments (9)

c: Chief Administrative Officer
County Counsel
Director, Department of Health Services
Chairperson, Mental Health Commission

JKA:KT:MM: PES BL

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
BUDGET & REIMBURSEMENT DIVISION
PSYCHIATRIC EMERGENCY SERVICES
DECOMPRESSION
FY 05-06

C: ~~Budget~~
Nelia
Tammy
Li
Orusa
Return Km

	DESCRIPTION	Amount	Total
PROGRAM COST:			
	SERVICES AND SUPPLIES		
3753	Contract Services		
	IMD - 20 Beds	1,142,500	
	Gateways (48 Beds)	1,529,000	
	Kedren (11 Beds)	1,954,000	
	White Memorial (10 Beds)	2,098,750	
	Cerritoes Hospital (2 Beds)	409,000	
	Provate Hospital (16 Beds)	4,050,000	
3066	Prescription Medicine	191,250	
	Total Services and Supplies		11,374,500
	TOTAL PROGRAM COST		$ 11,374,500
AVAILABLE FUNDS AND REVENUES:			
9025	Federal Financial Participation (FFP) Medi-Cal - Gateways		460,000
NET COUNTY COST			$ 10,914,500

8/2/2006

Attachment III

CONTRACT NO. MH____

AMENDMENT NO. _____

THIS AMENDMENT is made and entered into this ___ day of _____, 2006, by and between the COUNTY OF LOS ANGELES (hereafter "County") and _____ _____ (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated June 27, 2006, identified as County Agreement No. MH____, and any subsequent amendments (hereafter collectively "Agreement"); and

WHEREAS, for Fiscal Year 2006-2007, County and Contractor intend to amend Agreement only as described hereunder; and

WHEREAS, for Fiscal Year 2006-2007, County and Contractor intend to add Psychiatric Emergency Services (PES) County General Funds (CGF) in the amount of $ _____, Non Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Federal Financial Participation (FFP) Funds in the amount of $_____, and Non EPSDT CGF in the amount of $_____ for a combined total increase of $_____ for the delivery mental health services for twenty additional persons; and

WHEREAS, for Fiscal Year 2006-2007, the Maximum Contract Amount (MCA) will be increased by $_____ with a revised MCA of $_____.

NOW, THEREFORE, County and Contractor agree that Agreement shall be amended only as follows:

1. Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph B (Reimbursement for Initial Period) shall be deleted in its entirety and the following substituted therefor:

"B. Reimbursement For Initial Period: The Maximum Contract Amount for the Initial Period of this Agreement as described in Paragraph 1 (TERM) shall not exceed _____ _____ DOLLARS ($_____) and shall consist of County, State, and/or Federal funds as shown on the Financial Summary. This Maximum Contract Amount includes Cash Flow Advance which is repayable through cash and/or appropriate Service Function Code (SFC) units and/or actual and allowable costs as authorized by other provisions of this Agreement. Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more than this Maximum Contract Amount for Contractor's performance hereunder during the Initial Period. Furthermore, Contractor shall inform County when up to 75 percent (75%) of the Maximum Contract Amount has been incurred. Contractor shall send such notice to those persons and addresses which are set forth in Paragraph 60 (NOTICES)."

2. Financial Summary for Fiscal Year 2006-2007 shall be deleted in its entirety and replaced with Financial Summary – ____ for Fiscal Year 2006-2007, attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary for Fiscal Year 2006-2007 shall be deemed amended to state "Financial Summary – ____ for Fiscal Year 2006-2007".

3. Contractor shall provide services in accordance with the Contractor's Fiscal Year 200 -200 Negotiation Package for this Agreement and any addenda thereto approved in writing by Director.

4. Except as provided in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused used this Amendment to be subscribed by County's Director of Mental Health or his designee, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
MARVIN J. SOUTHARD, D.S.W.
Director of Mental Health

_____
CONTRACTOR

By _____

Name _____

Title _____
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM
OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By _____
Chief, Contracts Development
and Administration Division

DMH Amendment Summary

LEGAL ENTITY NAME: _____

Contract No.: _____ **Legal Entity No.:** _____ **Amendment No.** _____

LIST OF FUNDING SOURCES
(Please check all applicable funding for Amendment only.)

1	CGF		20	DCFS Basic MH Services Enhanced Specialized Foster Care	
2	CGF - Psychiatric Emergency Services (PES)		21	DCFS Intensive In-Home Enhanced Specialized Foster Care	
3	SAMHSA		22	Schiff-Cardenas – M.H. Screening, Assessment, and Treatment (MHSAT)	
4	SAMHSA – Child Mental Health Initiative		23	Schiff-Cardenas – Multi-Systemic Therapy Program (MST)	
5	SAMHSA – Targeted Capacity Expansion		24	AB 34/AB 2034	
6	PATH		25	ADPA AB 34/AB 2034 Housing	
7	CalWORKs – Flex Fund		26	DHS-OAPP HIV/AIDS	
8	CalWORKs – Mental Health Services (MHS)		27	DHS Dual Diagnosis	
9	CalWORKs – Community Outreach Services (COS)		28	DHS Social Model Recovery	
10	CalWORKs – Families Project – Client Support Services		29	DHS LAMP	
11	CalWORKs – Families Project – MHS & Targeted Case Management		30	HIV AIDS	
12	CalWORKs – Families Project - COS		31	IDEA (AB 3632 – SEP)	
13	DPSS – GROW		32	SB 90 (AB 3632 – SEP)	
14	DCFS AB 2994		33	Mental Health Services Act (MHSA)	
15	DCFS Family Preservation		34	Mental Health Services Act (MHSA) – Full Service Partnership	
16	DCFS Star View Life Support PHF		35	Mental Health Services Act (MHSA) – AB 2034 Services	
17	DCFS Independent Living		36	Medi-Cal, Healthy Families, or MAA FFP	
18	DCFS STOP (70%)		37	SGF - EPSDT	
19	DCFS Medical Hubs				

FUNDING SOURCE(S) (Select from Funding Sources listed above for Amendment.)	AMOUNT Increase/Decrease	FISCAL YEAR	MCA

(See Financial Summary(ies) for funding details to MCA.)

AMENDMENT ACTION(S): BOARD ADOPTED DATE: _____ EFFECTIVE DATE: _____

New Headquarters' (HQ) Address: _____ **HQ Sup. District:** _____

_____ **Service Area(s):** _____

ADD OR DELETE SERVICE SITE(S):

Name	Address	Sup. Dist.	Svc. Area(s)	Prov. No.

COUNTY OF LOS ANGELES

MARVIN J. SOUTHARD, D.S.W.
Director

SUSAN KERR
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

BOARD OF SUPERVISORS
GLORIA MOLINA
YVONNE B. BURKE
ZEV YAROSLAVSKY
DON KNABE
MICHAEL D. ANTONOVICH

DEPARTMENT OF MENTAL HEALTH

http://dmh.lacounty.info

Reply To: (213) 738-4601
Fax: (213) 386-1297

March 6, 2006

TO: Each Supervisor

FROM: Marvin J. Southard, D.S.W.
Director of Mental Health

SUBJECT: **REVISION OF ADDITIONAL PLAN FOR THE RELIEF OF COUNTY HOSPITAL PSYCHIATRIC EMERGENCY SERVICES**

This letter is to advise your Board of the Department of Mental Health's (DMH) intent to revise the Additional Plan for the Relief of County Hospital Psychiatric Emergency Services (PES) which was approved by your Board on July 19, 2005. The Plan was funded by $10,914,000 million in one-time net County cost (NCC) from Provisional Financing Uses to purchase additional inpatient and residential beds to relieve overcrowding in the County hospitals' PES.

The Board letter (attached), dated July 7, 2005, included the provision for the Director of Mental Health or his designee to make adjustments among the Psychiatric Outreach Diversion Program (PDP) and the Institutions for Mental Disease (IMD) components to adapt to the changing needs for psychiatric emergency, inpatient and residential care in Los Angeles County. Revisions are required due to under utilization in two areas:

- Due to lack of available community resources, DMH has been unable to purchase twenty (20) additional IMD beds as originally planned for individuals being discharged from the County hospital inpatient units.

- PDP was implemented in August 2005 in close collaboration with Department of Health Services (DHS)) to divert uninsured individuals determined by DMH Psychiatric Mobile Response Teams (PMRT) and law enforcement teams to be in need of inpatient mental health services through the DHS Medical Alert Center (MAC) to private psychiatric hospitals. The program enables DMH to utilize up to 16 private hospital beds at any given time, based on demand for additional beds when the PES is operating at a pre-determined capacity. The program has been under utilized due to lack of timely access to PDP beds in private hospitals because of limited bed availability. DMH has established PDP Specialized

Agreements with eleven (11) private hospitals and plans to expand provider participation in the future. Implementation of an internet-based ReddiNet system in March 2006 will provide MAC with a centralized database for PDP bed availability in private hospitals. The ReddiNet system is expected to increase the utilization of PDP program at that time.

DMH intends to redirect funding from these components to the following mental health providers who have the capacity to provide services consistent with the intent of the Plan. The Department will increase IMD bed capacity for County hospital PES' and inpatient units by increasing community-based supportive residential and urgent care services.

- Anne Sippi Clinic: Expansion of mental health services in Norwalk for twenty (20) additional persons who are ready for discharge to community from IMDs.
- Telecare Corporation: Augmentation of the Long Beach Mental Health Urgent Care Center (MHUCC) to provide services for increasing numbers of uninsured individuals requiring stabilization to decompress Harbor-UCLA PES. Telecare currently transports individuals from Harbor-UCLA PES and to the MHUCC.
- Homes for Life Foundation – Cedar Street: Funding to support mental health services at this 38 bed adult residential facility located on the grounds of Metropolitan State Hospital, which provides housing with supportive services for individuals being discharged from IMDs to the community.
- Gateways Percy Village: Funding for supportive mental health services for the Adult Residential and Assisted Living Facility that serves adults/older adult individuals being discharged from IMDs to the community.

If you have any questions or need additional information, please contact me.

MJS:TB:MM:mm

Attachment

c: Chief Administrative Officer
Executive Officer, Board of Supervisors
County Counsel