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WILLIAM T FUJIOKA
Chief Executive Officer

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November 6, 2007

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:

DEPARTMENT OF MENTAL HEALTH: AUTHORIZATION TO AMEND DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY AGREEMENTS WITH THREE EXISTING PROVIDERS TO FURTHER IMPLEMENT THE MENTAL HEALTH SERVICES ACT-COMMUNITY SERVICES AND SUPPORTS PLAN FOR MENTAL HEALTH SERVICES TO YOUTH IN PROBATION CAMPS FOR FISCAL YEARS 2007-08 AND 2008-09 (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Director of Mental Health or his designee to prepare, sign, and execute amendments, effective upon Board approval and substantially similar to Attachment I, to three existing Department of Mental Health (DMH) Legal Entity (LE) Contractor Service Agreements (Agreements) as detailed in Attachment II, who were identified through a Request for Services (RFS) process to provide Probation Camp Services to approximately 200 Transition Age Youth (TAY) ages 16 to 20. The agencies will implement expanded mental health services for Seriously Emotionally Disturbed (SED) TAY residing in the Los Angeles County Probation Camps. The cost of Probation Camp services is $280,000 for Fiscal Year (FY) 2007-08 and $420,000 for FY 2008-09 fully funded by Mental Health Services Act (MHSA) Community Services and Supports (CSS) ongoing funding.

2. Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute future amendments to the Agreements and establish as a new Maximum Contract Amount (MCA) the aggregate of the original Agreement and all amendments, provided that: 1) the County's total payment to the contractor under this Agreement for FY 2007-08 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 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 Executive Officer (CEO) or their designees is obtained prior to any such Amendment; 5) the parties may, by written Amendment, reduce programs or services and revise the applicable MCA; and 6) the Director of Mental Health shall notify the CEO's office after execution of the Amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Board approval of the recommended actions will enable DMH to further develop and expand the current level of mental health services available to SED youth residing in the Probation Camps. Approximately 40 percent of the 5,000 youths sentenced to the County's eighteen Probation Camps each year have serious mental health problems. The Department currently provides mental health services at nine of the camps. The proposed program will significantly expand the mental health service delivery capacity at these nine camps in alignment with the Probation Department's Camp Redesign by locating staff on site at all nine camps and increasing the number of staff assigned to this program. The Camp Redesign aims to achieve positive behavioral change in youth in the camps through evidence-based practices. It also aims to prepare these youth for successful reintegration into the community.

Multi-disciplinary teams of DMH and Probation staff, along with parents, parent/peer advocates, substance abuse counselors and TAY MHSA system navigators, will develop an individualized integrated case plan based on the unique needs of each youth with an emphasis on community reintegration upon release. Intervention practices will be evidence-based and/or excellence-based with proven and/or promising outcomes. Parent/family support services will include outreach and engagement, family therapy, educational information regarding mental illness and co-occurring disorders, and transportation assistance to promote family participation in the youth's treatment during the period of camp placement through his or her transition back into the community. It is anticipated that many of these youth will be enrolled, concurrently upon release from camp, in a MHSA Full-Service Partnership (FSP) program where their intensive mental health service needs will continue to be addressed.

As noted in the CSS Plan, the goal of expanded services in the Probation Camps is critical to assisting TAY with mental health and co-occurring substance abuse disorders to reach their maximum potential, and avoid deepening their entanglement and entry into the adult criminal justice system. In addition to furthering the goals of MHSA, the recommended actions are intended to fill a longstanding gap in access to mental health services in the Probation Camps.

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," Goal No. 5 "Children and Families' Well-Being," and Goal No. 7, "Health and Mental Health." The Probation Camp Mental Health Services Program is expected to improve delivery, efficiency, and effectiveness of mental health services for youth residing in the Probation camps and their families.

FISCAL IMPACT/FINANCING

There is no increase in net County cost.

The FY 2007-08 total cost of the contracted Probation Camp services cost is $280,000, which is fully funded by MHSA CSS ongoing funds and is included in the Department's FY 2007-08 Adopted Budget. The $280,000 is based upon an implementation date of November 6, 2007 allowing approximately eight months for contract providers to provide supplemental treatment services at the nine camps during afternoon, evening, night and weekend hours.

The FY 2008-09 total annualized cost of $420,000, fully funded by MHSA CSS on-going funding, will be included in the Department's FY 2008-09 budget request.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The focus of the State-approved MHSA – CSS Plan (Plan) is on recovery-oriented services for people who are diagnosed as SED and/or with Severe and Persistent Mental Illness (SPMI), as well as resiliency for children and youth. The Plan is designed to reduce and/or prevent homelessness, unnecessary hospitalization, and incarceration. Additionally, the Plan supports services that contribute to the reduction of recidivism rates for TAY with mental illness and co-occurring disorders that are at risk of incarceration in jail and juvenile justice settings.

Consistent with State guidelines and the Probation Camp Services program requirements, the Department will allow one (1) month of FY 2007-08 funding to providers to be used to cover allowable one-time costs. Providers may distribute such funding as allowable by the State, among several one-time non-Medi-Cal billable costs.

The attached amendment format has been approved as to form by County Counsel, and the CEO has reviewed the proposed actions. Clinical and administrative staff of DMH will administer and supervise the Probation Camp projects, evaluate each project to ensure that quality services are provided, and ensure that Agreement provisions and Department policies are followed.

CONTRACTING PROCESS

The Department of Mental Health invited community-based agencies to pre-qualify prior to applying for MHSA funds by submitting a Statement of Qualifications (SOQ) in response to a Request for Statement of Qualifications (RFSQ) open solicitation process. The SOQ process was to ensure that each agency demonstrated a basic level of capability (e.g. financial viability, proof of liability insurance, registration as a County vendor) and for agencies to identify the types of services, age groups to be served, and geographical locations where they want to provide services. If agencies met MHSA requirements, DMH executed MHSA amendments with current DMH providers and MHSA Agreements with new agencies that placed them on the Department's MHSA Master Agreement List, making them eligible to receive RFS related to their service provision capabilities and interests.

On February 9, 2007, DMH issued RFS No. 13 to 28 qualified bidders on the Master Agreement List indicating an interest in providing Probation Camp Services on their SOQ. The Department of Mental Health sent agencies who expressed interest in providing Probation Camp Services a notice of the release of the RFS along with a compact disc of the RFS and invited them to a mandatory Proposers' Conference on February 27, 2007. Representatives from 15 contract agencies attended the Proposer's Conference.

The Department of Mental Health received proposals from six agencies by the deadline of April 9, 2007.

During December 2006, the Department began soliciting volunteer reviewers for MHSA funding proposals for Probation Camp Services. Ten individuals, who were ethnically diverse and play different roles in the local mental health system (e.g. family member, consumer, staff of DMH, and other County departments) evaluated proposals for the Probation Camp Services program. These review panels assessed and scored proposals individually and then met to discuss and determine consensus scores for each. Simultaneously, reviews of budgets and reference contacts were conducted by DMH staff. Total scores were then reviewed by the Department's Executive Management Team, which finalized recommendations for agencies awarded MHSA funding for Probation Camp Services.

None of the three agencies, which were not awarded funding under RFS No. 13, has requested Contractor Selection Reviews; therefore, no appeals are pending.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

During FY 2006-07, there were approximately 2,000 minors (of the 5,000 admitted) in the Probation Camps that were provided with mental health services. While youth move to the Probation Camps from the Juvenile Halls where their mental health needs have been identified, current mental health staffing patterns in the Camps are not sufficient to address their on-going treatment needs. Increased mental health staffing levels are also required for DMH to fully participate in the Probation Camp Redesign.

Mental Health Services Act funding will provide a significant increase in staff providing mental health and co-occurring substance abuse treatment in the Probation Camps. The enhanced programming will provide access to these services to approximately 200 camp youth who have heretofore been unserved or underserved, and support DMH's transformation to recovery-oriented services. In addition, this enhanced mental health services delivery program will promote efforts to reduce recidivism, integrate families and other support systems in the youth's treatment, and work towards successful transitions from the Camps back into community settings.

CONCLUSION

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

Respectfully submitted,

WILLIAM T FUJIOKA
Chief Executive Office

WTF:SRH:SAS
DRJ:DS:bjs

Attachments (2)

c: County Counsel
Department of Mental Health
Probation Department
Chairperson, Mental Health Commission

110607_DMH_Probation Camp Services

Attachment I

CONTRACT NO. _____

AMENDMENT NO. __

THIS AMENDMENT is made and entered into this ___ day of _____, 2007, 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 12, 2007, identified as County Agreement No._____, and any subsequent amendment(s) (**if applicable**) (hereafter collectively "Agreement" **or** hereafter "Agreement"); and

WHEREAS, for Fiscal Years (FY) 2007-08 and 2008-09, County and Contractor intend to amend Agreement only as described hereunder; and

WHEREAS, the Mental Health Services Act (MHSA), adopted by the California electorate on November 2, 2004, creates a new permanent revenue source, administered by the State Department of Mental Health (SDMH), for the transformation and expanded delivery of mental health services provided by State and County agencies and requires the development of integrated plans for prevention, innovation, and system of care services; and

WHEREAS, in order to qualify for MHSA funds, Contractor has experience and training in its specialized field and has submitted to the County a Proposal Package in response to County's Request For Services (RFS) for the provision of such services, and Contractor has been selected to deliver mental health and co-occurring substance abuse treatment services to Transition Age Youth (TAY) residing in probation camps; and

WHEREAS, for FY 2007-08, County and Contractor intend to amend Agreement to add MHSA TAY Probation Camp services funds in the amount of $_____, which includes MHSA one-time costs as detailed in the following ONE-TIME COSTS section; and

WHEREAS, for FY 2008-09, County and Contractor intend to amendment Agreement to add MHSA TAY Probation Camp services funds in the amount of $_____ ; and

ONE-TIME COSTS:

WHEREAS, County will determine allowable one-time amounts based on one (1) month of FY 2007-08 MHSA funding for TAY; and

WHEREAS, for FY 2007-08, County and Contractor intend to amend Agreement whereby MHSA funds totaling $_____ can be used to cover MHSA allowable one-time costs for TAY Probation Camp services; and

WHEREAS, anticipated MHSA allowable costs are identified in the "One-Time Expenses Associated with starting a new MHSA Program" Service Exhibit, which represents County's best effort to identify allowable one-time costs. Such costs may ultimately be subject to disallowance by SDMH; and

WHEREAS, if Contractor terminates its Agreement within 24 months of the effective date of this Amendment or execution of an Agreement that includes MHSA allowable one-time costs, or if Contractor fails to achieve a 75% service delivery level after 12 months, any or all of MHSA allowable one-time funds received by Contractor from County may be due by Contractor to County at the sole discretion of Director; and

WHEREAS, Contractor shall comply with all statutes, regulations, and directives pertaining to MHSA allowable one-time costs as they currently exist or as they may be modified by the State or County, and in no event shall County be obligated to pay contractor for one-time costs not claimable to the MHSA; and

WHEREAS, for FY 2007-08 and 2008-09, County and Contractor intend to amend Agreement to add Community Client Services at a rate of $_____ (Mode of Service 45, SFC 20-29 under Provider Number ____; and **(if applicable)**

WHEREAS, for FY 2007-08 the Maximum Contract Amount (MCA) will increase by $_____ with a revised MCA of $_____, and for FY 2008-09 the MCA will increase by $_____ with a revised MCA of $_____; and

WHEREAS, for FY 2007-08 and 2008-09, County and Contractor intend to amend Agreement to include Paragraph V. (1) Mental Health Services Act Funds, under Attachment II, Financial Exhibit A (FINANCIAL PROVISIONS) whereby in the event MHSA funds are not available to pay MHSA claims or if the State denies any or all of the MHSA claims submitted by County on behalf of Contractor, County is not responsible for any substantive payment obligation.

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

1. Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, Paragraphs B (Reimbursement For Initial Period), and C (Reimbursement If Agreement is Automatically Renewed), shall be deleted in their entirety and the following substituted therefor **(if applicable)**:

"B. Reimbursement For Initial Period: The MCA 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.

C. Reimbursement if Agreement Is Automatically Renewed:

(1) The MCA for the First Automatic Renewal; Period for this Agreement as described in Paragraph 1 (TERM) shall not exceed _____ DOLLAR ($_____) and shall consist of County, State, and/or Federal funds as shown on the Financial Summary.

(2) Reimbursement For Second Automatic Renewal Period: The MCA for the Second Automatic Renewal 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."

2. Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, Paragraph K (Cash Flow Loan Advance in Expectation of Services/Activities to be Rendered), Subparagraph (8) (Business Rules for the Determination of the Maximum Amount of the Cash Flow Advance Request) shall be deleted in its entirety and the following substituted therefor **(if applicable)**:

"K. Cash Flow Advance in Expectation of Services/Activities to be Rendered:

(8) Business Rules for the Determination of the Maximum Amount of the Cash Flow Advance Request:

(a) Each month of each fiscal year not to exceed three (3) consecutive months, or portion thereof, that this Agreement is in effect, Contractor may request, separately for each month, in writing from County a monthly County General Fund Cash Flow Advance for any funds which may be part of the MCA for such fiscal year as identified on the Financial Summary Page. Contractor shall specify in their request the amount of the monthly Cash Flow Advance not to exceed $_____ per month and the total Cash Flow Advance for the three (3) months shall not exceed $_____. The Cash Flow Advance monthly amount is 1/12th of MCA as identified on the Financial Summary Page, annualized MCA if a partial year.

(b) A Contractor providing Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Short-Doyle/Medi-Cal services as part of this Agreement, may for two (2) additional consecutive months, or portion thereof, that this Agreement is in effect, request, separately for each month, in writing from County a monthly County General Fund Cash Flow Advance for any EPSDT Title XIX Medi-Cal funds which may be part of the MCA for such fiscal year as shown on the Financial Summary Page. Contractor shall specify in their request the amount of the monthly Cash Flow Advance not to exceed $_____ per month for each of the two (2) additional consecutive months and the total Cash Flow Advance for the two (2) additional consecutive months shall not exceed $_____."

3. For FY 2007-08 and 2008-09, Paragraph V (Mental Health Services Act Funds) shall be added to Attachment II, Financial Exhibit A (FINANCIAL PROVISIONS) of the Agreement:

"V: Mental Health Services Act Funds:

(1) In the event that MHSA funds are not available to pay MHSA claims or that State denies any or all of the MHSA claims, including one-time costs, submitted by County on behalf of Contractor, Contractor understands and agrees that County is not responsible for any substantive payment obligation and, accordingly, Contractor shall not seek any payment from County and shall indemnify and hold harmless County for any and all liability for payment of any or all of the denied MHSA claims or for the unavailability of MHSA funds to pay for MHSA claims.

(2) Payments to Contractor may be suspended if Director, for good cause, determines that Contractor is in default under any of the provisions of this Agreement. In the event that Contractor's Agreement is terminated within 24 months of the effective date of this Amendment or execution of an Agreement that includes MHSA one-time funds, or Contractor fails to achieve a 75% enrollment level after 12 months, any or all of MHSA One-time funds received by Contractor from County shall be due by Contractor to County."

4. Financial Summary -__ for Fiscal Year 2007-08 shall be deleted in its entirety and replaced with Financial Summary –__ for Fiscal Year 2007-08, attached hereto and incorporated herein by reference. All references in Agreement to

Financial Summary - __ for Fiscal Year 2007-08 shall be deemed amended to state "Financial Summary – __ for Fiscal Year 2007-08".

5. Financial Summary -__ for Fiscal Year 2008-09 shall be deleted in its entirety and replaced with Financial Summary –__ for Fiscal Year 2008-09, attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - __ for Fiscal Year 2008-09 shall be deemed amended to state "Financial Summary – __ for Fiscal Year 2008-09".

6. Attachment IV, Service Delivery Site Exhibit, shall be deleted in its entirety and replaced with the revised Attachment IV, Service Delivery Site Exhibit -__. All references in Agreement to Attachment IV, Service Delivery Site Exhibit shall be deemed amended to state Attachment IV, Service Delivery Site Exhibit -_.

7. Attachment V, Service Exhibits, shall be deleted in its entirety and replaced with the revised Attachment V, Service Exhibits -__. All referenced in Agreement to Attachment V, Service Exhibits shall be deemed amended to state Attachment V, Service Exhibits -_.

8. A Service Exhibit for "One-Time Expenses for Probation Camp Associated with Starting a new MHSA Program" shall be added to this Agreement.

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

9. 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

_____
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

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
RFS No. 13 PROBATION CAMP SERVICES
AWARDS BY LEGAL ENTITY

Attachment II

FY 2007-08				Probation Camp						Maximum Contract Allocation		
Name of Agency	Sup District	Service Area	One Time	Camp Glenn Rocky	Challenger Memorial Youth Center	Camp Scott/Scudder	Camp Karl Holton	Camp David Gonzales	Total	Latest MCA	Increase to MCA	Revised MCA
Associated League of Mexican Americans	1	7	7,383	51,683					59,066	6,166,000	59,066	6,225,066
Gateways Hospital	1	4	13,508		61,688	32,871			108,067	15,034,200	108,067	15,142,267
San Fernando Valley CMHC, Inc.	3	2	14,108				67,638	31,121	112,867	27,285,300	112,867	27,398,167
FY 07-08 Total									280,000			

FY 2008-09				Probation Camp						Maximum Contract Allocation		
Name of Agency	Sup District	Service Area	One Time	Camp Glenn Rocky	Challenger Memorial Youth Center	Camp Scott/Scudder	Camp Karl Holton	Camp David Gonzales	Total	Latest MCA	Increase to MCA	Revised MCA
Associated League of Mexican Americans	1	7	0	88,600					88,600	6,136,000	88,600	6,224,600
Gateways Hospital	1	4	0		105,750	56,350			162,100	16,624,200	162,100	16,786,300
San Fernando Valley CMHC, Inc.	3	2	0				115,950	53,350	169,300	27,235,300	169,300	27,404,600
FY 08-09 Total									420,000			