COUNTY OF LOS ANGELES

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

ROBIN KAY, Ph.D.
Acting 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.gov

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

September 9, 2008

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:

AMEND AN EXISTING LEGAL ENTITY AGREEMENT WITH EMOTIONAL HEALTH ASSOCIATION, DOING BUSINESS AS SHARE! THE SELF-HELP AND RECOVERY EXCHANGE FOR FISCAL YEAR 2008-09 (SUPERVISORIAL DISTRICTS 1 AND 2) (3 VOTES)

SUBJECT

Request approval to amend an existing Legal Entity Agreement with Emotional Health Association, doing business as SHARE! The Self-Help and Recovery Exchange, to implement an adult client-run Wellness Center located in the Skid Row area consistent with the Mental Health Services Act – Community Services and Supports Plan.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and authorize the Director of Mental Health, or his designee, to prepare, sign, and execute an Amendment, substantially similar to the Attachment, to an existing Department of Mental Health (DMH) Legal Entity (LE) Agreement No. MH120157 with Emotional Health Association, doing business as (dba) SHARE! The Self-Help and Recovery Exchange (SHARE), for the implementation of an adult client-run Wellness Center under the Mental Health Services Act (MHSA) – Community Services and Supports (CSS) Plan in the Skid Row area of Service Area 4 (Skid Row). The cost for Fiscal Year (FY) 2008-09 is $400,000 fully funded by MHSA CSS funds. The Amendment will be effective upon Board approval through June 30, 2009.

2. Delegate authority to the Director of Mental Health, or his designee, to prepare, sign, and execute future amendments to the Agreement and establish as a new Maximum Contract Amount (MCA) the aggregate of the original Agreement and all amendments through and including this Amendment, provided that: 1) the County's total payments to the contractor under this Agreement for FY 2008-09 do not exceed an increase of 20 percent from the applicable Board-approved MCA; 2) any such increase is 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 Executive Officer (CEO), or their designee, 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 notifies the CEO's office of Agreement changes within 30 days after execution of each Amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Board approval of the recommended actions will enable SHARE to implement an adult client-run Wellness Center in Skid Row consistent with the MHSA - CSS Plan approved by your Board on October 11, 2005.

This adult client-run Wellness Center is designed to offer options to clients who no longer need the intensive services offered by Full Service Partnership (FSP) programs or traditional adult outpatient services and who are ready to take increased responsibility for their own wellness and recovery. It will also help meet DMH's overall commitment to facilitate a comprehensive, coordinated network of community based services in Skid Row resulting from the recommendations made by the Skid Row Homeless Healthcare Initiative Mental Health Workgroup (SRHHI) and the DMH Skid Row Community Advisory Board (SRCAB), which includes City, County and Skid Row social service agencies.

As noted in the CSS Plan, client-run Wellness Centers are 100 percent staffed and managed by mental health consumers and, potentially, family members, with a wide array of self-help groups, peer-supported services, educational/recreational activities, and linkage services. In addition to furthering the goals of the MHSA, the recommended actions will fill a longstanding gap in the service delivery system by serving clients who are in advanced stages of recovery, thus offering a cost-effective alternative to ongoing maintenance visits at outpatient clinics. Also, development of the client-run Wellness Center will free up DMH's outpatient resources to those in need of that level of care. The ultimate goal of client-run Wellness Center is to reduce reliance

on the mental health system by building a sustaining network of community-based support programs for adult clients no longer requiring traditional care.

Implementation of Strategic Plan Goals

The recommended Board actions are consistent with the County Strategic Plan, Goal 1, "Services Excellence," Goal 3, "Organizational Effectiveness," and Goal 7, "Health and Mental Health."

FISCAL IMPACT/FINANCING

The FY 2008-09 cost for operating the adult client-run Wellness Center is $400,000, funded entirely with MHSA CSS funds, and is included in DMH's FY 2008-09 budget request. There is no increase in net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The focus of the State-approved MHSA CSS Plan is on recovery-oriented services for people who are diagnosed with severe and persistent mental illness. In order to support the work of the FSPs, to provide options for clients no longer requiring intensive or traditional outpatient care, and to promote client-directed care and community integration, the County's CSS Plan included funding for client-run Wellness Centers. Since the submission and approval of the County's CSS plan, it has become increasingly evident that expanded client-run Wellness Center programming is critical to support clients as they advance in their recovery and to provide a cost-effective alternative for clients who currently utilize traditional clinic-based maintenance services.

In April 2007 your Board approved the implementation of a Crisis Resolution Services (CRS) Program at the Downtown Mental Health Center. The CRS Program also included provisions for a client-run Wellness Center. Program design and staffing patterns for this client-run Wellness Center are based on the needs, resources, and cultural/linguistic composition of the community served. Components will include self-help groups, peer support services, social/recreational activities, medication evaluation and support services, integrated services and supports for co-occurring disorders, physical health screening/assistance with accessing physical health care, and healthy living and health management activities. The client-run Wellness Center will also provide linkage to other services such as employment, education, housing, benefits maintenance, and short-term or crisis mental health services.

The attached Amendment format has been approved as to form by County Counsel. The CEO has reviewed the proposed actions. Clinical and administrative staff of DMH will continue to administer and supervise this adult client-run Wellness Center in Skid Row, evaluate the program to ensure that quality services are being provided to clients, and ensure that Agreement provisions and DMH policies are being followed.

CONTRACTING PROCESS

On October 10, 2007, DMH issued Request for Services (RFS) No. 15 to qualified bidders on DMH's MHSA Master Agreement list indicating an interest in providing client-run Wellness Center on their Statement of Qualifications. DMH sent agencies who expressed interest in providing Wellness Centers services a notice of the release of the RFS along with a compact disc of the RFS and invited them to the Mandatory Proposers' Conference, which was held on October 30, 2007. DMH received three client-run Wellness Center proposals from three agencies by the deadline of November 27, 2007.

During October 2007, DMH began soliciting volunteer reviewers for MHSA funding proposals. A total of six ethnically diverse individuals, who 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 client-run Wellness Center in Skid Row. The review panel assessed and scored proposals individually and then met to discuss and determine consensus scores for each. Simultaneously, review of program budgets and reference contacts were conducted by DMH staff. Total scores were then reviewed by DMH's Executive Management Team, which finalized the recommendation of the award for the adult client-run Wellness Center in Skid Row.

Neither of the two agencies not awarded a contract requested a Contractor Selection Review; therefore, no appeals are pending.

IMPACT ON CURRENT SERVICES

The proposed program is expected to improve the efficiency and effectiveness of mental health operations in Skid Row. Upon full implementation it is estimated that 400 adults will be served in the client-run Wellness Center. In addition to fostering clients' community integration and achievement of quality of life goals, the client-run Wellness Center will contribute to a significant reduction in the number of clients served by the area's outpatient clinics.

CONCLUSION

DMH will need one copy of the adopted Board actions. DMH requests that the Executive Officer of the Board of Supervisors notify DMH'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

Attachment

MJS:TB:RK:LH

c: County Counsel
Chief Executive Office
Chairperson, Mental Health Commission

Attachment

CONTRACT NO. MH120157

AMENDMENT NO. 4

THIS AMENDMENT is made and entered into this ___ day of _____, 2008, by and between the COUNTY OF LOS ANGELES (hereafter "County") and Emotional Health Association dba SHARE! The Self-Help and Recovery Exchange (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated June 12, 2007, identified as County Agreement No. MH120157, and any subsequent amendment(s) (hereafter collectively "Agreement"); and

WHEREAS, for Fiscal Year (FY) 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, 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 Adult Client-Run Wellness Center (CRWC) programs; and

WHEREAS, for FY 2008-09, County and Contractor intend to amend Agreement to add MHSA CRWC funds in the amount of $400,000; and

REVISED MCA:

WHEREAS, for FY 2008-09, the total Maximum Contract Amount (MCA) will be increased by $400,000 with a revised MCA of $811,600; and

MHSA FUNDS:

WHEREAS, for FY 2008-09, County and Contractor intend to amend Agreement to add Paragraph D, Subparagraph 5 (d) under Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, to include language regarding MHSA payment, whereby in the event 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; and

REDUCTION/REALLOCATION OF MHSA FUNDS:

WHEREAS, not withstanding the provisions set forth in Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, Paragraph U (Delegated Authority) of this Agreement, County shall evaluate Contractor utilization of MHSA funding allocated under this Agreement and shall adjust and reallocate amounts to any one or a combination of the following: 1) another Legal Entity contractor, 2) DMH directly operated clinics, and/or 3) the County DMH reserve of unallocated funding for MHSA services. Amounts to be reduced and reallocated will be based on County's projected underutilization of such MHSA funds; and

WHEREAS, County will perform its utilization review after the initial MHSA amendments are executed and annually thereafter, or as deemed necessary by County

based on County's review of utilization of such MHSA funds under this Agreement. Notification of such actions to Contractor will follow timeframes prescribed in Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, Paragraph U (Delegated Authority); and

WHEREAS, for FY 2008-09, County and Contractor intend to amend Agreement to add a new service delivery site located at (_____address_____), (__city__), CA (zip code), and new Provider Number **TBA**. The services to be provided at this site are Mental Health Promotion (Mode 45, Service Function Codes (SFC) 10-19) and Community Client Services (Mode 45, SFC 20-29); and

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

1. Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, Paragraph C (Reimbursement If Agreement Is Automatically Renewed) shall be deleted in its entirety and the following substituted therefor:

"C. Reimbursement If Agreement Is Automatically Renewed:

(1) Reimbursement For First Automatic Renewal Period: The Maximum Contract Amount for the First Automatic Renewal Period of this Agreement as described in Paragraph 1 (TERM) shall not exceed EIGHT HUNDRED ELEVEN THOUSAND SIX HUNDRED DOLLARS ($811,600) and shall consist of County, State, and/or Federal funds as shown on the Financial Summary.

(2) Reimbursement For Second Automatic Renewal Period: The Maximum Contract Amount for the Second Automatic Renewal Period of this

Agreement as described in Paragraph 1 (TERM) shall not exceed EIGHT HUNDRED ELEVEN THOUSAND SIX HUNDRED DOLLARS ($811,600) 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:

"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 Maximum Contract Amount 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 $67,633 per month and the total Cash Flow Advance for the three (3) months shall not exceed $202,900. The Cash Flow Advance monthly amount is 1/12th of Maximum Contract Amount as identified on the Financial Summary Page, annualized Maximum Contract Amount 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 Maximum Contract Amount 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 $N/A 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 $N/A."

3. For FY 2008-09, Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, Paragraph D (Billing and Payment Procedures and Limitations), Subparagraph 5 (d) (Special Claiming Conditions) shall be added in its entirety:

"(d) In the event the State or federal government deny any or all claims submitted by County on behalf of Contractor, County will not be responsible for any payment obligation and, accordingly, Contractor shall not seek any payment from County and shall indemnify and hold harmless County from any and all liabilities for payment of any or all of those specific denied claims, except for any claims which are denied due to the fault of the County. Any controversy or dispute arising from such State or federal denied claims shall be handled by Contractor in accordance with the applicable State and/or federal administrative appeal process."

4. Financial Summary - 1 for FY 2008-09 shall be deleted in its entirety and replaced with Financial Summary – 4 for FY 2008-09, attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - 1 for FY 2008-09 shall be deemed amended to state "Financial Summary – 4 for FY 2008-09."

5. Financial Summary - 1 for FY 2009-10 shall be deleted in its entirety and replaced with Financial Summary – 4 for FY 2009-10, attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - 1 for FY 2009-10 shall be deemed amended to state "Financial Summary – 4 for FY 2009-10."

6. Service Delivery Site Exhibit, Attachment IV, shall be deleted in its entirety and replaced with the revised Service Delivery Site Exhibit - 4, Attachment IV. All references in Agreement to Service Delivery Site Exhibit, Attachment IV, shall be deemed amended to state "Service Delivery Site Exhibit - 4, Attachment IV."

7. Contractor shall provide services in accordance with the Contractor's FY 2007-08 Negotiation Package for this Agreement and any addenda thereto approved in writing by Director.

8. 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

Emotional Health Association dba SHARE!
The Self-Help and Recovery Exchange
CONTRACTOR

By _____

Name Ruth Hollman

Title Executive Director
(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

MK:RFSs:RFS I5:Amend Format RFS #15 CRWC