COUNTY OF LOS ANGELES
Public Health

JONATHAN E. FIELDING, M.D., M.P.H.
Director and Health Officer

JONATHAN E. FREEDMAN
Chief Deputy Director

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January 20, 2012

TO: Each Supervisor

FROM: for Jonathan E. Fielding, M.D., M.P.H.
Director and Health Officer

SUBJECT: **NOTIFICATION OF THE USE OF DELEGATED AUTHORITY TO AMEND CONTRACT NUMBER PH-001859 WITH THE SOLUTION ALCOHOL & DRUG RECOVERY FOUNDATION, INC. FOR THE PROVISION OF DRUG/MEDI-CAL SERVICES**

This is to notify you that I am exercising the delegated authority approved by your Board on June 7, 2011, to execute amendments to Drug/Medi-Cal (DMC) agreements that increase or decrease the contractual maximum obligations, pursuant to the federal ruling of Sobky v. Smoley, subject to review and approval by County Counsel, and notification to your Board and the Chief Executive Office.

Pursuant to both State legislation and the federal ruling of Sobky v. Smoley, counties are required to enter into agreements with all State-certified DMC service providers who request service contracts and who demonstrate the ability to comply with all local requirements. Moreover, when these agencies request additional funds necessary to provide services to persons eligible for DMC program services, counties are required to amend the DMC agreements to reflect the additional services and funding. Under the federal ruling, counties have no basis to deny reimbursement for services if the contractor is in full compliance with contractual requirements.

Under the delegated authority referenced above, I will execute an amendment to the DMC Agreement Number PH-001859 with The Solution Alcohol & Drug Recovery Foundation, Inc. to increase the annual funding by $180,000, increasing the annual obligation from $1,516,359 to $1,696,359, and the total maximum obligation from $4,549,077 to $5,089,077, to provide Day Care Habilitative Services for the term of July 1, 2011 through June 30, 2014; 100 percent offset by federal and State funds.

County Counsel has reviewed and approved the amendment as to form and this delegated authority action.

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

JEF: acv
#02108

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