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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April 19, 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 14 CONTRACTS 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 14 DMC amendments as identified in Attachment A, for the term July 1, 2011 through June 30, 2014; 100 percent offset by State Realignment revenues as authorized under Assembly Bill 118 and federal Medicaid matching funds.

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

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

JEF:nb
#02206

Attachment

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

Attachment A

DEPARTMENT OF PUBLIC HEALTH
DRUG/MEDI-CAL SERVICES
DELEGATED AUTHORITY AMENDMENT ACTIONS

	AGREEMENT #	CONTRACTOR	ANNUAL FUNDING INCREASE	ANNUAL OBLIGATION		TOTAL MAXIMUM OBLIGATION		IMPACTED SERVICE(S)
				FROM	TO	FROM	TO	
1.	PH-001871-1	Able Family Support, Inc.	$212,080	$1,388,788	$1,600,868	$4,166,364	$4,802,604	Provide additional Day Care Habilitative Services
2.	PH-001873-1	Absolute Rehabilitation Center, Inc.	$487,000	$425,000	$912,000	$1,275,000	$2,736,000	Provide additional Outpatient Drug Free Services
3.	PH-001791-1	Bernie's Lil Women Center	$140,000	$325,000	$465,000	$975,000	$1,395,000	Provide additional Outpatient Drug Free Services and additional Day Care Habilitative Services
4.	PH-001795-2	California Drug Consultants, Inc.	$250,000	$1,526,314	$1,776,314	$4,578,942	$5,328,942	Provide additional Outpatient Drug Free Services
5.	PH-001813-1	Glorious Manor, Inc. II	$570,000	$950,000	$1,520,000	$2,850,000	$4,560,000	Provide additional Outpatient Drug Free Services and additional Day Care Habilitative Services
6.	PH-001817-1	Ideal Care & Health Services, Inc.	$300,000	$350,000	$650,000	$1,050,000	$1,950,000	Provide additional Day Care Habilitative Services
7.	PH-001820-1	Life Health Services, Inc.	$100,000	$350,000	$450,000	$1,050,000	$1,350,000	Provide additional Outpatient Drug Free Services and additional Day Care Habilitative Services

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	AGREEMENT #	CONTRACTOR	ANNUAL FUNDING INCREASE	ANNUAL OBLIGATION		TOTAL MAXIMUM OBLIGATION		IMPACTED SERVICE(S)
				FROM	TO	FROM	TO	
8.	PH-001822-1	Los Angeles Centers for Alcohol and Drug Abuse	$144,842	$208,054	$352,896	$624,162	$1,058,688	Provide additional Outpatient Drug Free Services
9.	PH-001829-2	Narcotic Addiction Treatment Agency, Inc.	$50,000	$400,000	$450,000	$1,200,000	$1,350,000	Provide additional Narcotic Treatment Program Services
10.	PH-001832-1	New Horizons Housing and Independent Living, DBA: New Horizon's Advancement Center	$159,000	$430,000	$589,000	$1,290,000	$1,767,000	Provide additional Outpatient Drug Free Services
11.	PH-001833-1	New Resources Institute DBA: Clear Path (Counseling Center)	$150,000	$152,000	$302,000	$456,000	$906,000	Provide additional Outpatient Drug Free Services
12.	PH-001840-2	Plaza Community Center	$30,000	$132,276	$162,276	$396,828	$486,828	Provide additional Outpatient Drug Free Services
13.	PH-001850-2	Singleton Housing Project	$100,000	$335,000	$435,000	$1,005,000	$1,305,000	Provide additional Outpatient Drug Free Services and additional Day Care Habilitative Services
14.	PH-001741-1	Western Pacific Med-Corp	$132,352	$2,957,996	$3,090,348	$8,873,988	$9,271,044	Provide additional Narcotic Treatment Program Services