COUNTY OF LOS ANGELES
Public Health

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September 11, 2015

TO: Each Supervisor

FROM: Cynthia A. Harding, M.P.H.
Interim Director

SUBJECT: **NOTIFICATION OF INTENT TO REQUEST DELEGATED AUTHORITY TO APPROVE INCREASES OR DECREASES OF GREATER THAN 10 PERCENT OF THE ANNUAL CONTRACT AMOUNT**

This is to notify you that the Department of Public Health (DPH) intends to request delegated authority to increase and extend six contract amendments with Alliance for Housing and Healing, Project New Hope, Safe Refuge, and Tarzana Treatment Centers, Inc. for the provision of residential care facilities for the chronically ill (RCFCI), transitional residential care facility (TRCF) and substance abuse transitional housing (STH) services, and request delegated authority to increase or decrease funding up to 25 percent above or below the contract's annual base maximum obligation.

This notice is being sent in accordance with Board Policy 5.120, which states that prior Board notice is required for any department requesting delegated authority to increase Board-approved contracts by over 10 percent.

Background

RCFCI provides licensed care in a non-institutional, home-like environment to adults 18 years of age and older with HIV or AIDS, who require assistance that supports activities of daily living. TRCF is designed to provide interim housing with ongoing supervision and assistance with independent living skills for homeless individuals living with HIV/AIDS in a non-institutional, home-like environment that facilitates movement toward a more traditional and permanent living situation.

STH services provide interim housing with supportive services for up to one year to recently homeless persons living with HIV/AIDS in various stages of recovery from substance abuse addiction. The purpose of the service is to facilitate continued recovery from substance abuse and movement toward more traditional, permanent housing through assessment of the individual's needs, counseling and case management.

On the September 29, 2015 Board agenda, DPH will recommend that your Board approve six contract amendments for the above-referenced services to revise the reimbursement rates in order to better capture costs previously supported under the federal Housing Opportunities for Persons With AIDS (HOPWA) program administered by the City of Los Angeles, and revise service delivery goals to reflect the additional beds and bed-days supported by this action. HOPWA provides services for people living with

HIV/AIDS that are homeless or unstably housed. As part of a coordination effort between DPH and the Los Angeles Countywide HOPWA Advisory Committee (LACHAC), programs and services funded under the local Ryan White Program (RWP) and HOPWA programs were reviewed to identify gaps and overlaps in investments. Subsequent to a planning process with the Commission on HIV, HOPWA, and LACHAC, it was determined that local RWP funds would be re-aligned to fully cover the investments needed to sustain, and where possible expand, RCFCI, TRCF, and STH services. The local HOPWA program will redirect investments previously allocated to support these services to increase and expand housing case management and rental assistance to people living with HIV/AIDS in Los Angeles County.

Approval will allow DPH to continue to coordinate and re-align services and investments supported by the DPH-administered RWP and the HOPWA program. The increase in delegated authority will allow DPH to expedite the process of increasing capacity to serve the homeless. The total number of beds supported by this action will increase from 110 to 144, and the number of bed-days supported will increase from 40,509 to 52,919.

Justification for Delegated Authority to Increase or Decrease Funding Amounts

DPH is requesting a 25 percent delegated authority for the six service agreements. Based on consumer and provider input, and ongoing needs assessments, the Commission on HIV is poised to allocate additional investments to this cluster of residential care services with a primary focus on addressing the needs of young HIV positive men who have sex with men, women and transgender persons of color who are out of care, intermittently in care, or are not thriving despite care because they are homeless or unstably housed. Therefore, DPH is requesting a delegated authority of 25 percent to accommodate the additional planned increased investments to this service without requiring multiple Board approvals and potential delays in service provision. If approved, the 25 percent delegated authority will enable DPH to amend the contracts to allow for the provision of additional units of funded services that are above the service level identified in the current contracts and/or the inclusion of unreimbursed eligible costs, based on the availability of grant funds and grant funder approval.

While DPH is under no obligation to pay a contractor beyond what is identified in the original executed agreement, DPH may determine that the contractor has provided evidence of eligible costs for qualifying contracted services, and that it is in the County's best interest to increase the maximum contract obligation as a result of receipt of additional grant funds or a determination that funds should be reallocated.

This recommendation has no impact on net County cost. DPH will continue to seek County Counsel review and approval on all delegated authority actions, with notification to your Board and the Chief Executive Office.

Timeline

The Board letter requesting approval to enter into the agreement and delegated authority is projected for the Board meeting on September 29, 2015.

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

CAH:mjp

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