COUNTY OF LOS ANGELES
Public Health

CYNTHIA A. HARDING, M.P.H.
Interim Director

JEFFREY D. GUNZENHAUSER, M.D., M.P.H.
Interim Health Officer

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BOARD OF SUPERVISORS

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March 18, 2016

TO: Each Supervisor

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

SUBJECT: **NOTIFICATION OF THE USE OF DELEGATED AUTHORITY TO AMEND SIX 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 and/or provide an internal reallocation of funds between budgets, subject to review and approval by County Counsel, and notification to your Board and the Chief Executive Office.

Under this authority, I will execute amendments to six (6) DMC contracts as identified in Attachment A, for the term of July 1, 2013 through June 30, 2014; 100 percent offset by State Realignment revenues as authorized under Assembly Bill 118 and federal Medicaid matching funds.

Under the terms of the DMC contract, contractors are reimbursed based on a provisional fee-for-service rate for the services provided. The provisional fee-for-service rate is a temporary rate established to permit funding, claiming, and reporting. At the end of the contract term, actual costs are then submitted by the contractor to the Department of Public Health (DPH) in the annual cost report. DPH compares the provisional payments made throughout the contract term to determine a cost report settlement. These funding and corresponding service adjustments are based on the cost report settlements of these six (6) DMC contractors.

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

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

CAH:nb
#03548

Attachment

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

Attachment A

DEPARTMENT OF PUBLIC HEALTH
DRUG MEDI-CAL SERVICES
DELEGATED AUTHORITY AMENDMENT ACTIONS
CONTRACT TERM: JULY 1, 2011 – JUNE 30, 2014

	AGREEMENT #	CONTRACTOR	ANNUAL FUNDING INCREASE	ANNUAL OBLIGATION		TOTAL MAXIMUM OBLIGATION		IMPACTED SERVICE(S)
				FROM	TO	FROM	TO	
1.	PH-001875-6	Aegis Treatment Centers, LLC	$0	$3,053,390	$3,053,390	$9,160,170	$9,160,170	Internal reallocation of Narcotic Treatment Program funds of $2,333 from one service site to another service site based on the needs of the service area
2.	PH-001762-6	Maxin Health Care Services, Inc.	$7,029	$50,000	$57,029	$150,000	$157,029	Provide additional Day Care Habilitative Services/Intensive Outpatient Treatment (DCH/IOT) based on the needs of the service area
3.	PH-001844-4	Prototypes, Centers for Innovation in Health, Mental Health, and Social Services	$0	$42,385	$42,385	$127,155	$127,155	Internal funding reallocation of $399 from Perinatal Day Care Habilitative Services/Intensive Outpatient Treatment (PDCH/IOT) to provide additional Perinatal Outpatient Drug Free Treatment (PODF) based on the needs of the service area
4.	PH-001771-5	Southwest Care, Inc.	$0	$228,338	$228,338	$698,804	$698,804	Internal funding reallocation of $12,604 from PODF to provide additional DCH/IOT based on the needs of the service area

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				FROM	TO	FROM	TO	
5.	PH-001854-6	Tarzana Treatment Centers, Inc.	$0	$720,826	$720,826	$1,832,478	$1,832,478	Internal funding reallocation of $11,076 from Outpatient Drug Free Treatment (ODF) to provide additional ODF to another service site, and additional DCH/IOT based on the needs of the service area
6.	PH-001782-5	You Can Health Services	$13,677	$50,000	$63,677	$174,819	$188,496	Provide additional ODF and PDCH/IOT based on the needs of the service area