Health Services
LOS ANGELES COUNTY

August 18, 2016

Los Angeles County Board of Supervisors

Hilda L. Solis
First District

Mark Ridley-Thomas
Second District

Sheila Kuehl
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

Christina R. Ghaly, M.D.
Chief Operations Officer

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: (213) 240-8101
Fax: (213) 481-0503

www.dhs.lacounty.gov

To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.

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TO: Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: Mitchell H. Katz, M.D.
Director

SUBJECT: **NOTIFICATION OF DEPARTMENT OF HEALTH SERVICES' USE OF DELEGATED AUTHORITY TO EXECUTE A MASTER AGREEMENT WITH FUSE CORPS FOR A FELLOWSHIP PROGRAM**

This is to advise the Board that the Department of Health Services (DHS) has exercised its delegated authority, approved by the Board on July 19, 2016 (attached), authorizing the Director of Health Services, or his authorized designee, to execute a Fellowship Master Agreement with the non-profit Fuse Corps, with the ability to modify certain of the County's standard contract terms and conditions, subject to notification to the Board and the Chief Executive Office.

At the time the Board letter was presented to the Board for approval DHS had not concluded negotiations with Fuse Corp and was unsure if the non-profit firm would take exceptions to the County's standard contract terms and conditions. It should be noted that Fuse Corps didn't request any exceptions or deviations to the County's agreement and as a result it contains all required County provisions. In addition, due to the short time before the start of the Fellowship cohort in September 2016, there was uncertainty as to whether Fuse Corps would be able to provide Fellows for one or two projects. Fuse Corps accepted one project for the September cohort. The executed agreement will enable DHS to obtain one Fellow for a one-year work session in DHS to help the department develop a comprehensive supervisor management training program and a strategic plan for rolling out the program over the coming years.

County Counsel reviewed and approved the agreement as to form prior to execution.

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

MHK:kh

Attachment

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

Health Services
LOS ANGELES COUNTY

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

20 July 19, 2016

LORI GLASGOW
EXECUTIVE OFFICER

Los Angeles County
Board of Supervisors

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July 19, 2016

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

APPROVAL OF MASTER AGREEMENT WITH FUSE CORPS FOR A FELLOWSHIP PROGRAM AND DELEGATE AUTHORITY TO ENTER INTO SIMILAR FUTURE MASTER AGREEMENTS WITH OTHER ORGANIZATIONS
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)

SUBJECT

Request approval to execute a Master Agreement with Fuse Corps, a non-profit organization that operates Fellowship Programs to provide highly skilled, entrepreneurial leaders to local governments for specific projects; and authorize the Department of Health Services to enter into similar Master Agreements with other organizations who offer local government and community based Fellowship Programs.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Director of Health Services (Director), or his designee to: (a) execute a Fellowship Master Agreement with Fuse Corps (Fuse), a California non-profit corporation, effective upon execution through September 30, 2021, to initially place up to two Fellows at the Department of Health Services (DHS), each for a one year work-session with an estimated annual cost of $150,000, with a total estimated annual cost of $300,000 for the two Fellows; (b) modify County's standard contract terms and conditions with respect to indemnification and insurance and/or exclude certain non-applicable terms and conditions such as "Consideration of Hiring Gain/Grow Participants", and "Consideration of Hiring County Employees Targeted for Layoff or

Reemployment List"; and (c) delegate authority to accept Fellows in future periods of the Fellowship Master Agreement at a similar annual estimated cost per Fellow for placement within DHS and/or the Departments of Public Health (DPH) and Mental Health (DMH) and the Health Agency, subject to available funding, with notice to the Chief Executive Office (CEO) and the Board.

2. Delegate authority to the Director, or his designee to: (a) execute Fellowship Master Agreements with additional non-profit organizations offering fellowship programs that are identified as qualified by DHS, effective upon execution through September 30, 2021, to allow for placement of Fellows in DHS, DPH, DMH, and the Health Agency with any compensation for placed Fellows estimated at $150,000 per Fellow annually; (b) modify County's standard contract terms and conditions with respect to indemnification and insurance and/or exclude certain non-applicable terms and conditions such as "Consideration of Hiring Gain/Grow Participants", and "Consideration of Hiring County Employees Targeted for Layoff or Reemployment List"; and (c) terminate Fellowship Master Agreements in accordance with the termination provisions therein; with all actions subject to prior approval by County Counsel and with notice to the CEO and the Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the first recommendation will allow the Director to execute a Fellowship Master Agreement with Fuse for up to two Fellows who will be participating in the Fuse cohort starting in September 2016 and assigned to DHS. Additionally, authority will be delegated to the Director to expand the number of Fellows placed in future periods with DHS, DPH, DMH and the Health Agency. This opportunity to participate in the Fuse Fellowship Program recently presented itself. DHS opted to propose projects for the September 2016 start date; DPH and DMH are very interested in participating in the Program but opted to commence in September 2017. Fellowship opportunities are also being considered to support projects in the Health Agency beginning in September 2017.

DHS is partnering with FUSE to host executive-level Fellows for one year who will: (a) help the Department develop a comprehensive supervisor management training program and a strategic plan for rolling out those services over the coming years; and (b) conduct a study on the feasibility of lab consolidation. These Fellows will play a major role in helping to change the culture of DHS, improve the quality of its care, increase operating efficiency, and establish its facilities as providers of choice throughout the County.

Approval of the second recommendation will allow the Director to execute additional Fellowship Master Agreements with non-profit organizations for similar programs to receive Fellows at DHS, DPH, DMH and the Health Agency with payment to the non-profits estimated at $150,000 annually for each Fellow. Fellowship programs for mid-career executive-level professionals tend to be available at the Federal level, with some expansion of programs into local government. DHS believes that there will be more opportunities for Fellowship programs with non-profit organizations and with the recommended Master Agreement will be able to take advantage of other programs. All Master Agreements will be approved as to form by County Counsel prior to execution and notice will be provided to CEO and the Board.

Background

Fuse is a California based nonprofit organization dedicated to empowering local government with innovative talent and approaches needed to effectively respond to our nation's most pressing social

issues. Initially envisioned as a "White House Fellows Program for Cities", Fuse was founded in 2011 by a cross-sector coalition of partners, including McKinsey, Points of Light, Stanford University, and the White House. Fuse achieves community project successes by partnering with civic leaders to identify pressing strategic challenges.

Fuse Fellows are mid-career professionals with 15+ years of private sector experience who are looking to transition their careers for greater social impact. They are data-driven, results-oriented individuals with strong track records of collaboration, success in setting and achieving goals, exceptional written and verbal communication skills, and creative resourcefulness in overcoming obstacles. Fuse provides intensive leadership development to prepare them for specific 12-month projects in local government working across issue areas such as education, healthcare, workforce, economic, and environmental changes. Upon completing the 12-month Fuse Fellowship, most Fellows continue to work in leadership roles in civic innovation. They also become part of robust alumni community of experienced civic entrepreneurs.

The City of Los Angeles accepted an inaugural Fellow from Fuse in 2014. As a result of that Fellow's impact, the City of Los Angeles approved expansion of the program in 2015 to receive placement of a minimum of five Fellows each year in City departments for three years. The City and County of San Francisco accepted two Fellows in 2013 and subsequently expanded to accept five to eight Fellows each year. Fuse projects in 2015-2016 included: (a) accelerating economic development in immigrant communities in the City of Los Angeles; (b) developing a coordinated approach to homelessness in the City of Los Angeles; (c) developing a human capital management plan for the San Francisco International Airport; (d) shaping proposed programs, policies and public/private initiatives to improve economic and social opportunities for women and families throughout the Bay Area region; (e) catalyzing public-private financing for economic development in the City of Fresno; and (f) establishing a statewide health innovation office for the State of California, among other projects.

A general guideline for a one-year Fellow engagement may include approximately three-months to a dedicated discovery process which includes conducting field observations, partnering with civic and community leaders, and learning operations of all departments effected. Thereafter, approximately one - three months may be dedicated to evaluation of other programs and models across the country and research of best practices in municipal government, which is often followed by an approximately six-month period of providing recommendations, getting buy-in of all stakeholders and facilitating implementation of best practices of a given project, with an evaluation of the assignment's success to conclude the project.

Fuse Fellowship Program impact has been demonstrated throughout the State with results such as: developing innovative solutions to pressing current challenges; building senior leadership capacity; exposing local government employees to new management tools and leadership approaches; infusing government agencies with private sector perspectives and expertise; expanding public-private partnerships through a wide variety of stakeholders; reducing costs through identification of potential operating effectiveness; making government culture more innovative, collaborative, responsive and results oriented; creating a pipeline for developing future local government leaders; and raising local government's profile of civic innovation.

Implementation of Strategic Plan Goals

The recommended actions support Goal 1, Operational Effectiveness/Fiscal Sustainability, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The estimated annual contract sum for Fuse for the inaugural Fellows is $300,000.

Funding is included in DHS' Fiscal Year (FY) 2016-17 Adopted Budget, and will be requested as continuing appropriation in future fiscal years as needed.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed Fellowship Master Agreements are unique in nature due to the placement of Fellows qualified for particular one-year or shorter projects and are not the typical services contract that the County enters into. The County's standard indemnification and insurance provisions may need to be modified and there are a number of provisions that are not applicable to the Fellowship Program such as "Consideration of Hiring Gain/Grow Participants", and "Consideration of Hiring County Employees Targeted for Layoff or Reemployment List". DHS will include all required County contract provisions that are applicable to the Fellowship Program. County Counsel will approve all Fellowship Master Agreements as to form prior to execution.

The Fellowship Master Agreement is not a Proposition A agreement because the Fellowship placements are temporary and of a technical or professional nature. Placements will not exceed one year per Fellow and all placements will be project specific.

CONTRACTING PROCESS

DHS identified Fuse as a non-profit fellowship organization partnering with civic leaders to identify pressing strategic challenges, with a focus on recruiting mid-career professionals interested in and dedicated to serving in community-based executive-level fellowships across local government. As DHS identifies and qualifies other non-profits offering similar Fellowship programs for projects within the mission of the Health Agency and the three departments, new firms will be asked to execute a Master Agreement.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will enhance DHS, DPH, DMH and Health Agency efforts to support Board strategic initiatives.

Respectfully submitted,

Mitchell H. Katz, M.D.

Director

MHK:kh

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors
Department of Public Health
Department of Mental Health