



BOBBY D. CAGLE
Director

BRANDON T. NICHOLS
Chief Deputy Director

**County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

425 Shatto Place, Los Angeles, California 90020
(213) 351-5602

Board of Supervisors

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BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

19 December 5, 2017

LORI GLASGOW
EXECUTIVE OFFICER

December 05, 2017

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:

**REQUEST TO APPROVE A RATE INCREASE TO THE
THREE RESIDENTIALLY BASED SERVICES CONTRACTS
(ALL DISTRICTS) (3 VOTES)**

SUBJECT

The Department of Children and Family Services (DCFS) requests your Board's approval to increase the Residentially Based Services (RBS) rate effective January 1, 2017. The California Department of Social Services (CDSS) has authorized a new RBS rate of \$12,036 to be effective January 1, 2017.

IT IS RECOMMENDED THAT THE BOARD:

1. Delegate authority to the Director of DCFS, or his designee, to execute amendments, substantially similar to Attachment A, to increase the RBS rate for the three RBS contractors listed on Attachment B. The new rate will be effective on January 1, 2017, through December 31, 2018. The estimated total maximum obligation for the three RBS contract amendments is \$13,882,804. A portion of the RBS rate will be funded through Title IV-E waiver capped allocation funds and the other portion will be funded with the Multi-Agency County Pool. Sufficient funding is included in the DCFS Fiscal Year (FY) 2017-18 Budget and will be included in the FY 2018-19 Budget Request.
2. Delegate authority to the Director of DCFS, or his designee, to execute amendments to the RBS contracts when necessary to incorporate required program changes or to implement a new payment rate authorized by CDSS; and to terminate the RBS contracts as the agencies obtain new licenses and contracts in compliance with the State's Continuum of Care Reform. Approval from County Counsel will be obtained prior to executing such amendments or terminating any contracts; and the Director of DCFS, or his designee will notify the Board and the CEO in writing within ten (10) business days after execution of renewal options or amendments to the RBS contracts.

3. Direct DCFS and the Department of Mental Health to continue to prepare and submit comprehensive quarterly reports beginning 90 days after execution of the contract amendments and every 90 days thereafter for the duration of RBS. Quarterly reports will include, but not limited to Federal Early Periodic Screening Diagnostic Treatment billings for mental health services, RBS enrollment and placement status, detail of youth in RBS in excess of ten months, and the status of all RBS youth in Bridge (Intensive Treatment Foster) Care. This report shall be presented to the Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The recommended actions continues the implementation of the County's Open Doors Demonstration Project Memorandum of Understanding (MOU) with the State under Assembly Bill (AB) 1453 passed in 2007, and is now part of the Continuum of Care Reform in AB 403 passed in 2015. The CDSS amended the MOU to extend the demonstration project through December 31, 2018. The recommended actions will increase the RBS rate as authorized by CDSS effective January 1, 2017 through December 31, 2018.

Implementation of Strategic Plan Goals

These contract amendments are consistent with the principles of the Countywide Strategic Plan, Goal 1: Make Investments That Transform Lives, by increasing focus on prevention initiatives; enhancing delivery of comprehensive interventions, and reforming service delivery within the justice systems. This goal promotes supportive parenting by increasing the number of vulnerable children and families touched by the County referred to the community based network of Prevention/Aftercare providers.

FISCAL IMPACT/FINANCING

The estimated total maximum obligation for the three RBS contract amendments is \$13,882,804 utilizing \$12,624,401 of Title IV-E Waiver capped allocation funds at 36 percent Federal revenue (\$4,544,784), 33 percent State revenue (\$4,166,052), and 31 percent Net County Cost (\$3,913,564), and \$1,258,403 of the Multi-Agency County Pool. Funding is included in the DCFS FY 2017-18 Budget and will be included in the FY 2018-19 Budget Request.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

DCFS has evaluated and determined that the Amendments are in compliance with CDSS Contracting Policies Manual 23-604.38 (i) which requires all contracts to have a provision for amendments. These amendments comply with CDSS Contracting Policies Manual (MPP) 23-604.4.41.

The Department evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply as the contracts were not awarded under the provisions of Chapter 2.121. These services cannot be effectively performed by County employees because they require the development and utilization of resources that are not available in the County system.

The RBS contractors are in compliance with all Federal, State, County and Board contract qualification requirements.

The CEO has reviewed the Board Letter and County Counsel has reviewed the Board Letter and the attached form amendment.

CONTRACTING PROCESS

There are no additional contracting processes involved in increasing the RBS rate to the three RBS contracts mentioned above.

CONTRACTOR PERFORMANCE

On-site technical and administrative reviews of these three RBS contractors were completed on July 26, 2017. The RBS contractors were found to be in compliance with the RBS contracts.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended action will allow the Department to continue to provide RBS services at the new established rate as a component of its Out-of-Home placement service array combining Wraparound services with Family Finding in a residential setting.

CONCLUSION

Upon Board approval, the Executive Officer, Board of Supervisors, is requested to return one adopted stamped Board Letter and the approved Form Amendment to the Department of Children and Family Services.

The Honorable Board of Supervisors

12/5/2017

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "for" followed by a stylized signature.

BOBBY D. CAGLE

Director

BDC:KR

LTI:EO:eav

Enclosures

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



AMENDMENT NUMBER X

TO

RESIDENTIALLY BASED SERVICES (RBS)

CONTRACT NUMBER 09-021-03

WITH

AGENCY'S NAME

**AMENDMENT NUMBER X
RESIDENTIALLY BASED SERVICES (RBS)
CONTRACT NUMBER XX-XXX-XX**

This Amendment Number X ("Amendment") to Residentially Based Services (RBS) Contract No. xx-xxx-xx ("Contract") with Agency's Name ("CONTRACTOR"), one of three RBS contracts adopted by the Board of Supervisors on July 6, 2010, amended on December 2, 2012, December 2, 2013, November 26, 2014, January 8, 2016, and June 30, 2017 is made and entered into by and between the County of Los Angeles, ("COUNTY"), and CONTRACTOR this _____ day of _____, 2017.

WHEREAS, pursuant to Government Code Sections 26227, 31000 and 53703, COUNTY is permitted to contract for services; and

WHEREAS, pursuant to the provisions of the Welfare and Institutions (WIC) Section 11460, the California Department of Social Services (CDSS) is designated to administer a statewide system for establishing rates in the Aid to Families with Dependent Children – Foster Care (AFDC-FC) program, under the Catalog for Federal Domestic Assistance Number 93.658; and

WHEREAS, the State and COUNTY have mutually agreed to establish an RBS Pilot Demonstration Project under AB 1453 (Chapter 12.87, Section 18987.71 to 18987.72) to serve youth with complex behavioral and mental health needs, who are in or at risk of being placed in group homes, with a continuum of care both inside and outside of placement; and

WHEREAS, COUNTY has selected CONTRACTOR as one of the agencies to provide the RBS program; and

WHEREAS, COUNTY and CONTRACTOR are parties to the Contract and CONTRACTOR has been providing the RBS program to youth enrolled by the COUNTY in the RBS program; and

WHEREAS, the COUNTY desires and has the duty to provide care and protection for children placed in its charge pursuant to the provisions of the WIC Section 16500 et seq; and

WHEREAS, CONTRACTOR warrants that it possesses the competence, expertise and personnel necessary to provide the RBS program also to Probation foster youth in the care of the Department of Probation pursuant to the WIC, Sections 601 and 602 ("Probation youth"), and for purposes of this Contract considers itself a sub-recipient insofar as compliance with Office of Management and Budget (OMB) 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; and

WHEREAS, this Amendment is prepared pursuant to the provisions set forth in Part II, Standard Terms and Conditions, Section 7.0, Changes and Amendments;

NOW, THEREFORE, COUNTY and CONTRACTOR agree to modify the RBS Contract as follows:

1. Part I, Unique Terms and Conditions, Section 8.0 Contract Sum, Sub-section 8.1.1.4 is added to read as follows:
 - 8.1.1.4 The maximum contract sum effective upon execution of Amendment X is \$XXX. The maximum contract sum for the one year period July 1, 2016 through June 30, 2017 is \$XXX. The maximum contract sum for the one year period July 1, 2017 through June 30, 2018 is \$XXX. The maximum contract sum for the six-month period July 1, 2018 through December 31, 2018 is \$XXX.
2. Exhibits A-2E and A-2F are deleted in their entirety and replaced by Exhibits: A-2E-1, Line Item Budget for the one six-month period July 1, 2016 through December 31, 2016; Exhibit A-2F-1, Line Item Budget for the one six-month period January 1, 2017 through June 30, 2017; Exhibit A-2G, Line Item Budget for the one year period July 1, 2017 through June 30, 2018; and Exhibit A-2H, Line Item Budget for the one six-month period July 1, 2018 through December 31, 2018, attached hereto and made part of Exhibit A-1.
3. Part I, Unique Terms and Conditions, Section 9.0 Payment Rates, Sub-section 9.1.2 is added to read as follows:
 - 9.1.3 CONTRACTOR will be paid the RBS Residential Rate as set by the California Department of Social Services for each RBS enrolled youth placed in RBS.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT SHALL REMAIN IN FULL FORCE AND EFFECT.

**AMENDMENT NUMBER X
TO RESIDENTIALLY BASED SERVICES (RBS)
CONTRACT NUMBER XX-XXX-XX**

IN WITNESS WHEREOF, the Board of Supervisors of the COUNTY of Los Angeles has caused this Amendment Number X to be subscribed on its behalf by the Director of the Department of Children and Family Services and the CONTRACTOR has caused this Amendment Number X to be subscribed on its behalf by its duly authorized officer(s) as of the day, month and year first above written. The person(s) signing on behalf of the CONTRACTOR warrants under penalty of perjury that he or she is authorized to bind the CONTRACTOR in this Contract.

COUNTY OF LOS ANGELES

CONTRACTOR

By: _____
BOBBY D. CAGLE, DIRECTOR
Department of Children and
Family Services

By: _____

Name: _____

Title _____

By: _____

Name: _____

Title _____

Tax Identification Number

APPROVED AS TO FORM:
BY THE OFFICE OF COUNTY COUNSEL
MARY C. WICKHAM

By: _____
David Beaudet, Senior Deputy County Counsel

ATTACHMENT B

List of RBS Contractors and Corresponding Estimated Contract Sums

	Name of Contractor	Corporate Address	City	State	Zip Code	Service Planning Area	Supervisory District	Estimated Contract Sum		
								January 1, 2017 - June 30, 2017 6 Months	July 1, 2017 - June 30, 2018 12 Months	July 1, 2018 - December 31, 2018 6 Months
1	Five Acres - The Boys' and Girls' Aid Society of Los Angeles County	760 West Mountain View Street	Altadena	CA	91001	3	5	\$ 1,169,899	\$ 2,339,798	\$ 1,169,899
2	Hathaway-Sycamores Child and Family Services	210 South Delacey Avenue	Pasadena	CA	91105	3	5	\$ 1,039,910	\$ 2,079,821	\$ 1,039,910
3	Hillside	940 Avenue 64	Pasadena	CA	91105	3	5	\$ 1,260,891	\$ 2,521,783	\$ 1,260,891
								\$ 3,470,701	\$ 6,941,402	\$ 3,470,701

Fact Sheet: Residentially Based Services (RBS) September 2017

BACKGROUND

In 2007, AB 1453 “Residentially-Based Services (RBS)” was passed. AB 1453 authorizes the selection of four counties which, with private partners, will implement alternative program and funding models to transform group homes from long-term placements to planned, short-term and individualized interventions, that combine needs specific treatment with integrated “follow along community-based services” to reconnect youth with their families, schools and communities. Los Angeles was one of the counties selected along with San Bernardino, San Francisco and Sacramento. The lessons learned from the four counties will inform planning for statewide implementation of RBS reform that is due to the Legislature in 2015.

RBS combines enhanced mental health services and family finding in a short term intensive residential care, with the same service delivery team providing continued mental health and social services to the youth and family while in a community care.

The infusion of residential care with Wraparound principles and practices has transformed the traditional residential milieu into a therapeutic community without walls. The RBS program in Los Angeles County consists of:

- Short term stabilization, treatment and support while in residential care;
- Wraparound support through established Child and Family Teams (CFT);
- Family Finding, Engagement, Preparation and Support (FFEPS);
- Parallel community based treatment interventions;
- Follow-along aftercare services.

The Los Angeles County Residentially Based Services (RBS) pilot demonstration project has served Three Hundred and ninety-two (392) youth since inception. On average, children/youth in RBS remained in residential care for an average of 9 months. Unique to LA County's RBS program is that some of the children/youth with significant mental health/behavioral needs are enrolled into the RBS program without an identified caregiver willing/able to care for the child once congregate care is no longer needed. Family finding efforts by the RBS providers have proven successful in transitioning many of these children to community placements within 10 months however this has not been true for all of the children. For a variety of reasons, a small percentage of children have required residential care beyond ten months. The decision for a child to remain in residential care does not rest solely with the RBS providers but rather is made by the Child and Family Team, which includes the RBS provider, County social worker, the child, family members, and other stakeholders.

Residentially Based Services 2010-2018 Contract Amendments

The original RBS contracts with Hillside, Five Acres and Hathaway-Sycamores were initially executed December 2, 2010 through December 1, 2011, with an option to extend the contracts through December 1, 2012. On March 29, 2012, the California Department of Social Services (CDSS) extended Los Angeles County RBS MOU until

Fact Sheet: Residentially Based Services (RBS) September 2017

December 21, 2014. On November 20, 2012, the Board adopted and approved to amend and extend the RBS contracts for DCFS' continued participation in the RBS pilot demonstration project for an additional two (2) years. The RBS contracts were extended for two one-year terms effective December 2, 2012 through December 1, 2014. On November 18, 2014, the Board adopted and approved to amend and extend the RBS pilot and contracts for an additional two (2) years; and supported our recommendation to eliminate the 10 month rate drop for children remaining in residential care, as it was expected that this would be the final year of the pilot program. The RBS contracts were extended for two one-year terms effective December 2, 2014, through December 1, 2015. On November 9, 2015, the Board was notified of the extension of the RBS contracts effective December 2, 2015 through June 30, 2016. On June 17, 2016, the Board was notified of the extension of the RBS contracts effective July 1, 2016 through June 30, 2017. On May 4, 2017, CDSS approved the extension of the RBS contracts effective July 1, 2017 through December 31, 2018. On June 30, 2017, the Board was notified of the extension of the RBS contracts effective July 1, 2017 through December 31, 2018. On August 11, 2017, CDSS approved an RBS pilot program rate increase from \$11,770 to \$12,036 effective as of January 1, 2017.

FISCAL ISSUES

The estimated total maxim obligation for the three RBS contract amendments effective January 1, 2017 through December 31, 2018 is \$13,882,804.

The RBS demonstration project will continue using a capped allocation of federal Title IV-E funds and the Multi-Agency County Pool. The capped federal funds and the Multi-Agency County Pool will be used to provide direct, individualized services to children and families without regard to their federal eligibility or placement in out-of-home care.

WHAT DO THESE CONTRACTS PAY FOR?

The RBS pilot project provides RBS services as a component of its Out-of-Home placement service array.

The project implementation focuses on:

- Prevention;
- Family engagement;
- Family centered practice;
- Aftercare services;
- Permanency; and
- Evidenced-based interventions

Fact Sheet: Residentially Based Services (RBS) September 2017

RECOMMENDATIONS FOR CONSIDERATION

The Department of Children and Family Services seek approval to amend the three RBS contracts to increase the RBS rate from \$11,770 to \$12,036 effective January 1, 2017 through December 31, 2018 and continue participation in the pilot project. The department also request delegated authority to amend the three RBS contracts, as needed, to incorporate required program changes, and to terminate the RBS contracts in accordance with the provisions of the RBS contracts.

IMPLEMENTATION PLANS/TIMELINE

Upon Board approval, DCFS will amend three RBS contracts to increase the RBS rate to \$12,036 effective January 1, 2017 through December 31, 2018

PENDING DECISIONS/ISSUES

There are no pending decision or issues at the present time.