COUNTY OF LOS ANGELES

MARVIN J. SOUTHARD, D.S.W.
Director

SUSAN KERR
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

BOARD OF SUPERVISORS
GLORIA MOLINA
YVONNE B. BURKE
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DEPARTMENT OF MENTAL HEALTH

http://dmh.lacounty.info

Reply To: (213) 738-4601
Fax: (213) 386-1297

October 5, 2006

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

Dear Supervisors:

AUTHORIZATION TO NEGOTIATE AMENDMENTS TO 33 EXISTING DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY AGREEMENTS TO PROVIDE FULL SERVICE PARTNERSHIP PROGRAMS FOR FISCAL YEAR 2006-2007 (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Director of Mental Health or his designee to negotiate amendments to Legal Entity agreements (LE) with 33 existing Department of Mental Health (DMH) providers (Attachment I) identified through a Request for Services (RFS) process to provide Full Service Partnership (FSP) Programs for Fiscal Year (FY) 2006-2007.

2. Approve and instruct the Director of Mental Health or his designee to prepare, sign, and execute amendments, substantially similar to Attachment II, to existing DMH Legal Entity agreements with 33 providers at the conclusion of successful negotiations. These amendments will increase each Maximum Contract Amount (MCA) to provide FSP Programs for FY 2006-2007 in funding amounts that will not exceed a program-wide total of $32 million and will approximate the estimates in Attachment I. Funding for each provider will be finalized during negotiations and may be decreased by any amount and increased up to 10 percent for any individual provider during the negotiation process. These FSP amendments are fully funded by Federal Financial Participation (FFP) Medi-Cal, Early and Periodic Screening, Diagnosis, and Treatment-State General Funds (EPSDT-SGF), and Mental Health Services Act (MHSA)-Community Services and Supports (CSS) Plan funds included in the Department's Adopted FY 2006-2007 Budget.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The purpose of the requested actions are to implement the first MHSA-funded, direct client services by contract service providers in the County. These amendments will enable existing contract service providers, selected through a competitive RFS process, to provide FSP services to children, Transition Age Youth (TAY), adults, and older adults throughout the County. Consistent with the MHSA Stakeholders' recommendations and the CSS Plan, the FSP programs will enroll consumers from specific ethnic and focal populations who meet the eligibility requirements to participate in these programs. These community-based agencies will provide a broad array of services and a "whatever it takes" commitment to assist consumers succeed in their recovery.

Implementation of Strategic Goals

The recommended Board actions are consistent with the principles of the Countywide Strategic Plan's Organizational Goal No. 1, "Service Excellence," Goal No. 3, "Organizational Effectiveness," and Programmatic Goal No. 7, "Health and Mental Health." Board approval will allow for the implementation of the first component of services included in the MHSA-CSS Plan which will initiate efforts to improve the efficiency and effectiveness of mental health operations across the entire service delivery system. As designed, development of these services will significantly improve the capacity of the system to provide outcomes-driven, evidence-based models of care that support clients with necessary services.

FISCAL IMPACT/FINANCING

The requested action will have no impact on net County cost.

The total cost of the proposed amendments will not exceed $32 million, which is fully funded by FFP Medi-Cal, EPSDT-SGF, and MHSA-CSS Plan funds included in the Department's Adopted FY 2006-2007 Budget. Attachment I shows proposed Amendment amounts by Legal Entity provider which may be decreased by any amount and increased up to 10 percent for any individual provider during the negotiation process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The focus of the State approved MHSA-CSS Plan is on recovery-oriented services for people who are diagnosed with severe and persistent mental illness or serious emotional problems, including children and families, TAY, adults, and older adults. Special emphasis is placed upon individuals who are or are at risk of homelessness,

incarceration, or placement in long-term locked mental health facilities because of their mental illnesses, and on adequately and appropriately serving the unique needs of the diverse ethnic and racial groups in our County.

Consistent with the MHSA and State guidelines, over 50 percent of Los Angeles County's CSS Plan funding is devoted to development of FSP programs. FSPs are programs in which mental health consumers create their own plans for recovery and partner with professionals and peers for support in implementing the plans. In this setting, consumers receive mental health services as well as a wide array of other services including medication support; peer support and mentoring; assistance with achieving educational, employment, housing, and social/recreational goals; assistance with accessing preventative and remedial physical health care; and 24 hours per day/7 days per week availability for emergencies and specialized programming. FSPs support consumers' efforts to make their plans become reality and do "whatever it takes" to bridge gaps for clients and help them to obtain the services they need. In short, FSPs promote recovery, wellness, and growth among consumers.

DMH invited community-based agencies to pre-qualify prior to applying for MHSA funds by submitting a Statement of Qualifications (SOQ). The SOQ process was to ensure that each agency demonstrated a basic level of capability (e.g., financial viability, proof of liability insurance, registration as a County vendor). Agencies also identified the types of services, age groups to be served, and geographic locations in which they want to provide services. If agencies met MHSA requirements, DMH processed LE Agreement amendments with current DMH providers and MHSA agreements with new agencies that placed them on the Department's MHSA Master Agreement List, making them eligible to receive RFSs related to their service provision capabilities and interest.

In early April 2006, the Department released Request for Services No. 1 (RFS No. 1) to solicit competitive bids for FSP programs to serve children and TAY in Service Areas 2, 3, 4, 5, and 8, and adults and older adults in all Service Areas (RFS No. 2 for children and TAY in Service Areas 1, 6, and 7 was issued in June 2006). Attachment I provides details about the results of the process with recommended service slots and corresponding dollar amounts to be used as the basis for negotiations. A total of $32 million was recommended to be awarded to 33 contract agencies. Upon full implementation of the programs, it is estimated that 3,324 mental health consumers will be enrolled for services when these FSPs reach full capacity.

Consistent with State guidelines and the specialized clinical and program requirements for FSP programs, the Department will allow two (2) months of funding to providers serving children, adults and/or older adults, and three (3) months of funding for providers serving TAY to be used to cover allowable one-time costs. Providers may distribute such funding as allowable by the State, among several allowable one-time non-Medi-Cal billable costs including 1) intensive outreach and engagement of hard to

reach clients, 2) client supportive services such as housing, and 3) specialized program expenses including, but not limited to, recruitment of new FSP staff.

The Chief Administrative Office, County Counsel, and Auditor-Controller, have reviewed the proposed actions. The Amendment has been approved as to form by County Counsel.

CONTRACTING PROCESS

On April 10, 2006, DMH issued RFS No. 1 to 70 qualified bidders on the Master Agreement list for FSP services. In order to meet timely implementation requirements, applicants were limited to agencies that currently have Legal Entity agreements with DMH to provide mental health services.

DMH sent agencies who expressed interest in providing FSP services a notice of the release of the RFS along with a compact disc of the RFS and invited them to attend a mandatory Proposers' Conference on April 18, 2006. The Proposers' Conference was attended by representatives from 64 contract agencies and 9 directly-operated clinics; a second mandatory Proposers' Conference was held on May 9, 2006 for six (6) contract agencies who did not receive adequate notification of the April 18, 2006 Proposers' conference.

Proposals were required to demonstrate that the agencies have either:

- Recent experience providing culturally and linguistically appropriate FSP type programs with successful outcomes;
- Significant recent experience in the delivery of FSP type programs with one (1) or more of the identified focal age groups, but have not had sufficient time to demonstrate successful outcomes;
- Experience in the delivery of services to children pre-natal to five (5), to TAY, and/or to older adults, which may not have involved FSP type programs, but demonstrate a readiness to immediately implement a FSP program; or
- Experience in the delivery of specialized integrated interventions (e.g., individuals and families with co-occurring mental health and substance abuse disorders) and have current experience working with the County mental health system and demonstrate a readiness to immediately implement a FSP program.

Single or multiple proposals per age group were submitted by 43 contract agencies and 8 directly operated clinics by the deadline of May 18, 2006. Two (2) proposals - one (1) from a contract agency and one (1) from a directly-operated clinic - were disqualified due to non-responsiveness.

During April 2006, the Department began soliciting volunteer reviewers for MHSA funding proposals. A total of 40 individuals, who were ethnically diverse and play different roles in the local mental health system (e.g., family member, consumer, Mental Health Commissioner, staff of DMH, and other County departments), evaluated proposals for FSP services to children, TAY, adults, or older adults. These review panels assessed and scored proposals individually and then met to discuss and determine consensus scores for each. Simultaneously, reviews of budgets, proposed staffing, quality assurance processes, and reference contacts were conducted by DMH staff. Total scores were then reviewed by the Department's Executive Management Team, which finalized recommendations on the number of slots to award to each agency by carefully analyzing the equity and balance of slots for each Service Area.

IMPACT ON CURRENT SERVICES

Board approval of the proposed Amendments and allocations is expected to initiate the first large scale effort among contract agencies to transform service delivery to a Recovery Model approach. Implementation of FSP services in all Service Areas will significantly enhance the availability of a broad array of mental health services throughout the County.

CONCLUSION

The Department of Mental Health will need one (1) copy of the adopted Board's actions. It is requested that the Executive Officer of the Board notifies the Department of Mental Health's Contracts Development and Administration Division at (213) 738-4684 when this document is available.

Respectfully submitted,

Susan Kerr for

Marvin J. Southard, D.S.W.
Director of Mental Health

MJS:SK:BB:RK

Attachments (2)

c: Chief Administrative Officer
County Counsel
Chairperson, Mental Health Commission

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
FULL SERVICE PARTNERSHIP RECOMMENDED AWARDS BY LEGAL ENTITY

Attachment I

	Sup Dist. (HQ)	NAME OF AGENCY	Number of Slots Awarded by Age Group					Estimated Dollars Awarded by Age Group Service Area and Provider					MCA Information			
			Children (0-15)	TAY (16-25)	Adult (26-59)	Older Adult (60 & +)	Slot Total	Children (0-15)	TAY (16-25)	Adult (26-59)	Older Adult (60 & +)	Dollar Total	Last Board Adopted MCA	Latest MCA	Revised MCA with this Board letter	% Increase from last Board Adopted MCA
1	2	Children's Institute, Inc.	87	-	-	-	87	$ 811,281	$ -	$ -	$ -	$ 811,281	8,789,001	8,989,686	$ 9,800,967	12%
2	1	California Hispanic Commission, Inc.	-	-	50	-	50	-	-	503,054	-	503,054	1,136,300	1,256,300	$ 1,759,354	55%
3	5	Heritage Clinic and the Community Assistance Program	-	-	-	57	57	-	-	-	524,400	524,400	564,418	564,418	$ 1,088,818	93%
4	3	Child & Family Guidance Center	30	-	-	-	30	279,752	-	-	-	279,752	17,069,423	17,403,423	$ 17,683,175	4%
5	5	Child & Family Center	26	15	-	-	41	242,452	127,975	-	-	370,427	6,622,621	6,619,621	$ 6,990,048	6%
6	3	Children's Hospital Los Angeles	45	-	-	-	45	419,626	-	-	-	419,626	8,058,002	9,282,402	$ 9,702,028	20%
7	5	David & Margaret Home	30	-	-	-	30	279,752	-	-	-	279,752	1,000,000	1,000,000	$ 1,279,752	28%
8	2	Didi Hirsch Psychiatric Service	-	80	66	17	163	-	682,532	664,031	156,400	1,502,963	16,005,834	16,219,442	$ 17,722,405	11%
9	2	Exodus Recovery, Inc.	-	-	123	-	123	-	-	1,237,512	-	1,237,512	2,217,185	2,217,185	$ 3,454,697	56%
10	5	Foothill Family Service.	60	-	-	-	60	559,504	-	-	-	559,504	6,648,860	6,648,860	$ 7,208,364	8%
11	4	Sunbridge Harborview Rehabilitation Center	50	-	-	-	50	466,253	-	-	-	466,253	3,691,837	4,191,837	$ 4,658,090	26%
12	5	Hathaway-Sycamores Child & Family Services	45	45	-	-	90	419,628	383,924	-	-	803,552	24,075,174	24,040,714	$ 24,844,266	3%
13	3	The Help Group Child & Family Center	72	-	-	-	72	671,405	-	-	-	671,405	8,258,971	8,258,971	$ 8,930,376	8%
14	5	Hillsides	80	72	-	-	152	746,005	614,278	-	-	1,360,283	7,180,269	7,180,269	$ 8,540,552	19%
15	3	Hillview Mental Health Center	-	40	25	-	65	-	341,266	251,527	-	592,793	7,320,390	7,320,390	$ 7,913,183	8%
16	2	Institute for Multicultural Counseling & Education	-	-	50	-	50	-	-	503,054	-	503,054	848,600	848,600	$ 1,351,654	59%
17	5	Institute for the Redesign of Learning	30	-	-	-	30	279,752	-	-	-	279,752	6,119,498	6,389,499	$ 6,669,251	9%
18	5	Kedren Community Health Center, Inc.	-	-	37	-	37	-	-	372,260	-	372,260	21,117,505	21,117,505	$ 21,489,765	2%
19	2	The Los Angeles Child Guidance Center	45	-	-	-	45	419,628	-	-	-	419,628	11,979,408	11,681,976	$ 12,101,604	1%
20	4	Counseling & Research Assoc., Inc. (Masada Homes)	50	-	-	-	50	466,253	-	-	-	466,253	7,054,736	7,054,736	$ 7,520,989	7%
21	4	National Mental Health Assn of Greater L.A.	-	54	62	-	116	-	460,709	623,787	-	1,084,496	11,398,329	11,398,329	$ 12,482,825	10%
22	5	Pacific Clinics	164	97	164	50	475	1,529,310	827,569	1,650,016	460,000	4,466,895	48,744,504	48,706,904	$ 53,173,799	9%
23	2	Portals House	-	50	84	50	184	-	426,582	845,130	460,000	1,731,712	11,618,177	11,618,177	$ 13,349,889	15%
24	2	Prototypes	-	47	101	-	148	-	400,987	1,016,168	-	1,417,155	3,198,020	3,198,020	$ 4,615,175	44%
25	3	San Fernando Vally Community Mental Health Center	78	40	76	40	234	727,355	341,266	764,642	368,000	2,201,263	21,777,038	21,777,038	$ 23,978,301	10%
26	2	South Central Health & Rehabilitation Program (SCHARP)	-	-	22	-	22	-	-	221,344	-	221,344	5,833,375	5,786,375	$ 6,007,719	3%
27	1	Special Service for Groups	50	75	202	30	357	466,253	639,873	2,032,337	276,000	3,414,463	16,942,361	20,142,361	$ 23,556,824	39%
28	1	St. Anne's Maternity Home	40	-	-	-	40	373,003	-	-	-	373,003	1,437,600	1,437,600	$ 1,810,603	26%
29	4	Star View Adolescent Center, Inc.	92	93	-	-	185	857,906	793,443	-	-	1,651,349	19,344,951	19,400,767	$ 21,052,116	9%
30	3	Step Up on Second Street, Inc..	-	-	25	-	25	-	-	251,527	-	251,527	2,294,844	2,294,844	$ 2,546,371	11%
31	3	Tarzana Treatment Center	-	-	50	-	50	-	-	503,054	-	503,054	825,300	506,300	$ 1,009,354	22%
32	n/a*	Telecare Corporation	-	-	166	22	188	-	-	1,670,138	202,400	1,872,538	6,384,101	6,784,101	$ 8,656,639	36%
33	5	Verdugo Mental Health Center	-	-	16	-	16	-	-	160,977	-	160,977	4,607,812	4,607,812	$ 4,768,789	3%
		NGA Total	1,074	708	1,319	266	3,367	10,015,118	6,040,404	13,270,558	2,447,200	31,773,280				

* Telecare Corporation's HQ is located outside of L.A. County.

Attachment II

CONTRACT NO. _____

AMENDMENT NO. __

THIS AMENDMENT is made and entered into this ___ day of _____, 2006, by and between the COUNTY OF LOS ANGELES (hereafter "County") and_____ (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated_____, identified as County Agreement No._____, and any subsequent amendment(s) (**if applicable**) (hereafter collectively "Agreement" **or** hereafter "Agreement"); and

WHEREAS, for Fiscal Year (FY) 2006-2007 only, County and Contractor intend to amend Agreement only as described hereunder; and

WHEREAS, the Mental Health Services Act (MHSA), adopted by the California electorate on November 2, 2004, creates a new permanent revenue source, administered by the State Department of Mental Health (SDMH), for the transformation and expanded delivery of mental health services provided by State and County agencies and requires the development of integrated plans for prevention, innovation, and system of care services; and

WHEREAS, in order to qualify for MHSA funds, Contractor has experience and training in its specialized field and has submitted to the County a Proposal Package in response to County's Request For Services (RFS) for the provision of such services, and Contractor has been selected to deliver Full Service Partnerships (FSP) services as added to the Agreement's Service Exhibit listing; and

TRANSFORMATION:

WHEREAS, Contractor has the opportunity to "transform" a portion of its existing outpatient services and resources to MHSA - FSP services. This will involve eliminating general

outpatient services funded with non-MHSA and/or other State and/or County funds used to provide existing mental health services. Services and staff will be re-deployed to provide services prescribed and approved under the MHSA Community Services and Support models. "Transformation," under the MHSA model, will account for $_____ of the funds contained in this contract for MHSA FSP services; and

MHSA FUNDS BY AGE GROUP:

WHEREAS, for FY 2006-2007, County and Contractor intend to amend Agreement to add MHSA Children FSP funds in the amount of $_____; add Early and Periodic Screening, Diagnosis, and Treatment-Federal Financial Participation (EPSDT-FFP) in the amount of $_____; and add EPSDT State General Funds (SGF) in the amount of $_____, for a Children FSP total increase of $_____ to the Maximum Contract Amount (MCA); and

WHEREAS, for FY 2006-2007, County and Contractor intend to amend Agreement to add MHSA Transition Age Youth (TAY) FSP funds in the amount of $_____; add EPSDT-FFP in the amount of $_____; add non-EPSDT-FFP in the amount of $_____; and add EPSDT-SGF in the amount of $_____, for a TAY FSP total increase of $_____ to the MCA; and

WHEREAS, for FY 2006-2007, County and Contractor intend to amend Agreement to add MHSA Adult FSP funds in the amount of $_____, and add non EPSDT-FFP in the amount of $_____, for an Adult FSP total increase of $_____ to the MCA; and

WHEREAS, for FY 2006-2007, County and Contractor intend to amend Agreement to add MHSA Older Adult FSP funds in the amount of $_____, and add non EPSDT-FFP in the amount of $_____, for an Older Adult FSP increase of $_____ to the MCA; and

ONE-TIME COSTS:

WHEREAS, for FY 2006-2007, County and Contractor intend to amend Agreement whereby MHSA funds totaling $_____ can be used to cover MHSA allowable one-time costs. SDMH has not defined MHSA allowable one-time costs. Accordingly, anticipated MHSA allowable costs are identified in Attachment I, which represents County's best effort to identify allowable one-time costs. Such costs may ultimately be subject to disallowance by SDMH. For Children, Adults, and Older Adults, allowable one-time costs are to be allocated to 50% Client Supportive Services/Support Services and 50% Community Outreach Services; for TAY, allowable one-time costs are to be allocated to 67% Client Supportive Services/Support Services and 33% Community Outreach Services.

WHEREAS, County will determine allowable one-time amounts based on two months of FY 2006-2007 MHSA funding for Children, Adults, and Older

Adults, and three months of FY 2006-2007 MHSA funding for TAY; and

WHEREAS, if Contractor terminates its Agreement within 24 months of the effective date of this Amendment or execution of an Agreement that includes MHSA allowable one-time costs, or if Contractor fails to achieve a 75% enrollment level after 12 months, any or all of MHSA allowable one-time funds received by Contractor from County may be due by Contractor to County at the sole discretion of Director; and

WHEREAS, Contractor shall comply with all statutes, regulations, and directives pertaining to MHSA allowable one-time costs as they currently exist or as they may be modified by the State or County, and in no event shall County be obligated to pay contractor for one-time costs not claimable to the MHSA.

REVISED MCA:

WHEREAS, for FY 2006-2007, the total MCA will be increased by $_____ with a revised MCA of $_____; and

MHSA FUNDS:

WHEREAS, for FY 2006-2007, County and Contractor intend to amend Agreement to include Subparagraph FF. (1) under Paragraph 4 (FINANCIAL PROVISIONS) whereby in the event MHSA funds are not available to pay MHSA claims or if the State denies any or all of the MHSA claims submitted by County on behalf of Contractor, County is not responsible for any substantive payment obligation; and

MHSA FLEXIBILITY OF ONE-TIME FUNDS:

WHEREAS, for FY 2006-2007 only, County and Contractor intend to amend the Agreement to include language which will allow Contractors flexibility in serving FSP consumers. Subparagraph FF. (3) Shift of allowable one-time MHSA FSP Funds for FY 2006-2007 only shall be added to Paragraph 4 (FINANCIAL PROVISIONS). Under this provision, Contractors will be able to shift without prior DMH approval up to 100 percent of unspent MHSA funds within each age group - Children, TAY, Adults, and/or Older Adults – Client Supportive Services/Support Services funds as identified in the Agreement's Financial Summary to pay for MHSA mental health treatment services; and

REDUCTION/REALLOCATION OF MHSA FUNDS:

WHEREAS, not withstanding the provisions set forth in Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph DD (Delegated Authority) of this Agreement, County shall evaluate Contractor utilization of MHSA funding allocated under this Agreement and shall adjust and reallocate amounts to any one or a combination of the following: 1) another Legal Entity contractor, 2) DMH directly operated clinics, and/or 3) the County DMH reserve of unallocated funding for MHSA services. Amounts to be reduced and reallocated will be based on County's projected underutilization of such MHSA funds; and

WHEREAS, County will perform its utilization review after the initial MHSA FSP amendments are executed and annually thereafter, or as deemed necessary by County based on County's review of utilization of such MHSA funds under this Agreement. Notification of such

actions to Contractor will follow timeframes prescribed in Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph DD (Delegated Authority).

NOW, THEREFORE, County and Contractor agree that Agreement shall be amended only as follows:

1. Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph C (Reimbursement For Initial Period) shall be deleted in its entirety and the following substituted therefore:

"B. Reimbursement For Initial Period: The Maximum Contract Amount for the Initial Period of this Agreement as described in Paragraph 1 (TERM) shall not exceed _____ DOLLARS ($_____) and shall consist of County, State, and/or Federal funds as shown on the Financial Summary. This Maximum Contract Amount includes Cash Flow Advance which is repayable through cash and/or appropriate Service Function Code (SFC) units and/or actual and allowable costs as authorized by other provisions of this Agreement. Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more than this Maximum Contract Amount for Contractor's performance hereunder during the Initial Period. Furthermore, Contractor shall inform County when up to 75 percent (75%) of the Maximum Contract Amount has been incurred. Contractor shall send such notice to those persons and addresses which are set forth in Paragraph 61 (NOTICES)."

2. For FY 2006-2007, Subparagraph FF (MHSA Funds) shall be added to Paragraph 4 (FINANCIAL PROVISIONS) of the Agreement:

"FF: Mental Health Services Act (MHSA) Funds:

(1) In the event that MHSA funds are not available to pay MHSA claims or that State denies any or all of the MHSA claims, including one-time costs, submitted by County on behalf of Contractor, Contractor understands and agrees that County is not responsible for any substantive payment obligation and, accordingly, Contractor shall not seek any payment from County and shall indemnify and hold

harmless County for any and all liability for payment of any or all of the denied MHSA claims or for the unavailability of MHSA funds to pay for MHSA claims.

(2) Payments to Contractor may be suspended if Director, for good cause, determines that Contractor is in default under any of the provisions of this Agreement. In the event that Contractor's Agreement is terminated within ___ months of the effective date of this Amendment or execution of an Agreement that includes MHSA one-time funds, or Contractor fails to achieve a 75% enrollment level after 12 months, any or all of MHSA One-time funds received by Contractor from County shall be due by Contractor to County."

(3) Shift of Allowable One-Time MHSA FSP Funds for FY 2006-2007 only: County and Contractor shall enter into a good faith negotiation prior to the implementation of MHSA Full Service Partnership (FSP) services regarding the allocation of MHSA for allowable one-time Client Supportive Services/Support Services and Community Outreach Services as identified on Attachment I. Once this allocation has been negotiated, based on actual services delivered, and without the prior approval of the Department, Contractor may shift up to 100 percent of the allowable one-time MHSA FSP Client Supportive Services/Support Services funding within each age group – Children, TAY, Adult, and Older Adults - as identified in the Financial Summary to MHSA FSP mental health treatment services within each age group, that may be used as EPSDT-FFP, non EPSDT-FFP and/or EPSDT-SGF match (Match), as long as the MCA is not exceeded and with the provision that at settlement, MHSA funds will be first used for Match if the amount needed for Match exceeds the amount projected by Contractor.

Any such shift of funds shall be in compliance with all County, State, and Federal regulations."

3. Financial Summary -__ for Fiscal Year 2006-2007 shall be deleted in its entirety and replaced with Financial Summary –__ for Fiscal Year 2006-2007, attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary -__ for Fiscal Year 2006-2007 shall be deemed amended to state "Financial Summary –__ for Fiscal Year 2006-2007.

4. Attachment IV, Service Exhibits, shall be deleted in its entirety and replaced with the revised Attachment IV, Service Exhibits dated _____. All referenced in Agreement to Attachment IV, Service Exhibits shall be deemed amended to state Attachment IV, Service Exhibits dated _____.

5. Contractor shall provide services in accordance with the Contractor's Fiscal Year _____ Negotiation Package for this Agreement and any addenda thereto approved in writing by Director.

6. Except as provided in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused used this Amendment to be subscribed by County's Director of Mental Health or his designee, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
MARVIN J. SOUTHARD, D.S.W.
Director of Mental Health

_____
CONTRACTOR

By _____

Name _____

Title _____
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM
OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By _____
Chief, Contracts Development
and Administration Division

AW:FY06-07 MHSA RFS AMENDMENT

Attachment I

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
MENTAL HEALTH SERVICES ACT
COMMUNITY SERVICES AND SUPPORTS
ONE-TIME COSTS FOR
FULL SERVICE PARTNERSHIP PROGRAMS

MODE	SERVICE FUNCTION CODE (SFC)*	ALLOWABLE ONE-TIME	JUSTIFICATION	EVALUATE APPROVAL/DENIAL
One-Time allocations will be made to agencies awarded Full Service Partnership contracts. These funds must be spent by June 30, 2007, and are limited to the following three (3) types of expenditures: Outreach and Engagement (Mode 45 SFC 20), Client Support (Mode 60 SFC 72) and Non-Medi-Cal Capital Assets (Mode 60 SFCs 75 & 78).				
45: Community Outreach Services	20: Community Client Services	Outreach and engagement services to potential Full Service Partnership (FSP) enrollees and their care givers.	Intensive outreach and engagement efforts will be needed to locate potential FSP consumers and assist them with enrollment into the program. These activities will be essential during the ramp up phase of the program.	Agencies will enter their service data into the Integrated System (IS) Community Outreach Services Screen, selecting and indicating the proper funding source (MHSA), services, recipient, staff hours (fifteen minute increments), etc. Agencies will claim according to their contractual agreements, e.g., Negotiated Rate or Cost Reimbursement.
60: Support Services	**72**: Client Flexible Support Expenditures	Provide supports to clients prior to their enrollment into a FSP program. Allowable costs may include vouchers, goods, items for daily living, transportation, etc.	These funds will be available to pre-enrolled consumers during outreach and engagement efforts to assist them with meeting their basic needs prior to FSP enrollment.	Allowable expenses will be clearly defined by State, County, and DMH policies and processed by the Service Area (SA) District Chiefs, FSP administrative staff, and DMH Provider Reimbursement.
60: Support Services	**75**: Non-Medi-Cal Capital Assets	Vehicles	These are field-based programs and programs that require staff to transport clients. Many agencies have policies that staff can only transport clients in an agency vehicle.	Must be pre-approved by the SA District Chief who will evaluate appropriateness of the type of vehicle and number of vehicles given the size of the FSP program.
60: Support Services	**78**: Other Non-Medi-Cal Client Support Expenditures	Orientation and training of new staff	These expenses will occur prior to the staff person's ability to bill for services.	Evaluate content of the staff trainings to ensure they include domains appropriate for the FSP Programs.
60: Support Services	**78**: Other Non-Medi-Cal Client Support Expenditures	Initial lease expenses including cost of cubicles/build-out of space	For those agencies that will be providing services in areas remote from where they currently provide services.	Appropriateness of the location. Does it meet the needs of the Service Area. Must be pre-approved by SA District Chief.
60: Support Services	**78**: Other Non-Medi-Cal Client Support Expenditures	Reconfiguration of existing space	Many of the providers received less slots than anticipated and, therefore, cannot afford to lease new space. They are going to need to reconfigure space/cubicles to accommodate this.	Must be pre-approved by SA District Chief. SA District Chief will visit site to determine appropriateness of the request given the number of new staff and clients.
60: Support Services	**78**: Other Non-Medi-Cal Client Support Expenditures	Computer hardware/software and printers	For e-mail, electronic progress notes, and data entry for newly hired staff.	Must be pre-approved by the SA District Chief who will evaluate the appropriateness of the number of computers given the size of the FSP Program.

* Based on the SFC's that were proposed at the State level and discussed at the CHMDA Finance Committee meetings.