COUNTY OF LOS ANGELES

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

ROBIN KAY, Ph.D.
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director

BOARD OF SUPERVISORS

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DEPARTMENT OF MENTAL HEALTH

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550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601
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September 07, 2010

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#16 SEPTEMBER 7, 2010

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

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 TO AMEND THREE LEGAL ENTITY AGREEMENTS FOR MENTAL HEALTH SERVICES (SUPERVISORIAL DISTRICTS 1, 2 and 4) (3 VOTES)

SUBJECT

Request approval to amend three Legal Entity agreements for the provision of mental health services to increase their maximum contract amounts.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and authorize the Director of Mental Health (Director), or his designee, to prepare, sign and execute amendments, substantially similar to Attachment I, to the existing Department of Mental Health (DMH) Legal Entity (LE) agreements with Asian American Drug Abuse Program, Inc. (AADAP); Helpline Youth Counseling, Inc.; and United American Indian Involvement, Inc., to provide mental health services. The amendments will be effective upon Board approval and will increase the Maximum Contract Amounts (MCAs) for the three contract providers, as shown on Attachment II. The total increase of $8,090, the portion exceeding DMH's delegated authority, for the three contract providers will be funded with Federal Financial Participation (FFP) Medi-Cal; Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) - State General Funds (SGF); and Sales Tax Realignment revenue.

2. Delegate authority to the Director, or his designee, to prepare, sign, and execute future amendments to these LE agreements and establish as a new MCA the aggregate of the original agreements and all amendments for each contract provider, provided that: 1) the County's total payments to a contract provider under each agreement for the applicable fiscal year will not exceed

an increase of 20 percent from the applicable Board-approved MCA; 2) any increase will be used to provide additional services or to reflect program or Board policy changes; 3) your Board has appropriated sufficient funds for all changes; 4) approval of County Counsel and the Chief Executive Officer (CEO), or their designees, is obtained prior to any such amendments; 5) County and contract provider may, by written amendments, reduce programs or services and revise the applicable MCA, provided that any amendments which reduce programs or services are consistent with principles agreed to in the DMH stakeholders process; and 6) the Director notifies your Board of agreement changes in writing within 30 days after execution of each amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended actions will allow DMH to increase the MCA of the three contract providers by restoring a portion of previously curtailed funds used to support outpatient services. The original curtailment amount was the result of an initial estimate for the Fiscal Year (FY) 2010-11 Sales Tax Realignment revenue shortfall provided by the Chief Executive Office. In April 2010, DMH received revised estimates from the Chief Executive Office which reduced the estimated revenue shortfall. As a result, DMH is restoring a portion of the previously curtailed Sales Tax Realignment revenue to contract providers. DMH has Board delegated authority to amend LE agreements up to 20 percent of the MCA. The three contract provider agreements require Board approval because the amendments exceed DMH's Board delegated authority.

Implementation of Strategic Plan Goals

The recommended actions support the County's Strategic Plan Goal 4, Health and Mental Health.

FISCAL IMPACT/FINANCING

There is no increase in net County cost.

The amendments for the three contract providers in a total amount of $8,090 are fully funded with FFP Medi-Cal, EPSDT-SGF, and Sales Tax Realignment revenue. Sufficient appropriation is included in DMH's FY 2010-11 Adopted Budget for these amendments. Funding for future fiscal years will be requested through DMH's annual budget process.

The new MCAs for AADAP, Helpline Youth Counseling, Inc., and United American Indian Involvement, Inc., for FY 2010-11 will be $413,652, $192,185, and $1,219,132, respectively.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

These three contract providers are located in three Supervisorial Districts and provide services in four different Service Areas of the County; they provide vital and a broad range of mental health services to severely and persistently mentally ill adults, seriously emotionally disturbed (SED) children, adolescents, and their families.

The attached amendment format has been approved as to form by County Counsel. The CEO has reviewed the proposed actions. Clinical and administrative staff of DMH will continue to administer and monitor these agreements, evaluate programs to ensure that quality services are being provided to clients, and ensure that agreement provisions and Departmental policies are followed.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This action will provide funds for the three contract providers for additional services in FY 2010-11 by partially restoring the funds that were previously curtailed.

Respectfully submitted,

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

MJS:RK:MM:RK

Enclosures

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors
Chairperson, Mental Health Commission

ATTACHMENT I

CONTRACT NO. _____

AMENDMENT NO. _____

THIS AMENDMENT is made and entered into this ___ day of ____, 2010, 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._____, (hereafter "Agreement"); and

WHEREAS, for Fiscal Year (FY) 2010-11 and any subsequent fiscal year(s) during the term of this Agreement **(if applicable)**, County and Contractor intend to amend Agreement only as described hereunder; and

WHEREAS, County and Contractor intend to amend the Agreement to increase the Maximum Contract Amount (MCA) to restore a portion of previously curtailed funds; and

WHEREAS, for FY 2010-11 and any subsequent fiscal year(s) during the term of this Agreement **(if applicable)**, County and Contractor intend to amend Agreement to **increase** Other Mental Health Services for Clients Under the Age of 21 Years Medi-Cal/Healthy Families Funded Program in the amount of $_____; and

WHEREAS, for FY(s) 2010-11, 2011-12 **(if applicable)**, and 2012-13, **(if applicable)** the revised MCA(s) will be $_____, $_____, and $_____, respectively **(if applicable)**.

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

1. Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, Paragraphs C (Reimbursement for Initial Period) and D (1) and (2) (Reimbursement If Agreement is Automatically Renewed) **(if applicable)** shall be deleted in their entirety and the following substituted therefore:

"C. REIMBURSEMENT FOR INITIAL PERIOD

(1) The Maximum Contract Amount for the Initial Period of this Agreement as described in Paragraph 1 (TERM) of the Legal Entity Agreement shall not exceed _____ DOLLARS ($_____) and shall consist of Funded Programs as shown on the Financial Summary.

D. REIMBURSEMENT IF AGREEMENT IS AUTOMATICALLY RENEWED

(1) Reimbursement For First Automatic Renewal Period: The Maximum Contract Amount for the First Automatic Renewal Period of this Agreement as described in Paragraph 1 (TERM) of the DMH Legal Entity Agreement shall not exceed _____ _____ DOLLARS ($_____) and shall consist of Funded Programs as shown on the Financial Summary **(if applicable)**.

(2) Reimbursement For Second Automatic Renewal Period: The Maximum Contract Amount for the Second Automatic Renewal Period of this Agreement as described in Paragraph 1 (TERM) of the DMH Legal Entity Agreement shall not exceed _____

_____ DOLLARS ($_____) and shall consist of Funded Programs as shown on the Financial Summary **(if applicable)**."

2. Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, Paragraph N (Cash Flow Advance in Expectation of Services/Activities to be Rendered), subparagraph (8) (Business Rules for the Determination of the Maximum Amount of the Cash Flow Advance Request) shall be deleted in its entirety and the following substituted therefore:

"(8) Business Rules for the Determination of the Maximum Amount of the Cash Flow Advance Request:

(a) For each of the first three months of each period that this Agreement is in effect, Contractor may request in writing from County a monthly County General Fund CFA for any funds which may be part of the Maximum Contract Amount for such period as identified in the Financial Summary. Contractor shall specify in its request the amount of the monthly CFA it is requesting, not to exceed $_____ per month. The total CFA for the three (3) months shall not exceed $_____. In no event shall the monthly CFA requested by Contractor exceed 1/12th of Maximum Contract Amount as identified on the Financial Summary, or 1/12th of the annualized Maximum Contract Amount if the period includes only a partial fiscal year.

(b) In addition to the amounts in Paragraph N (8)(a) above, if Contractor provides EPSDT Short-Doyle/Medi-Cal services as part of this Agreement, Contractor may request in writing from County a monthly County General Fund CFA for any EPSDT Title XIX Medi-Cal funds that may be part of the Maximum Contract Amount for such fiscal year for two additional months.

Contractor shall specify in its request the amount of the monthly CFA it is requesting, not to exceed $_____ per month for each of the two (2) additional consecutive months. The total CFA for the two (2) additional consecutive months shall not exceed $_____."

3. Financial Summary - _ for FY 2010-11 shall be deleted in its entirety and replaced with Financial Summary - _ for FY 2010-11 attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - _ for FY 2010-11 shall be deemed amended to state "Financial Summary - _ for FY 2010-11."

4. Financial Summary - _ for FY 2011-12 shall be deleted in its entirety and replaced with Financial Summary - _ for FY 2011-12 attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - _ for FY 2011-12 shall be deemed amended to state "Financial Summary - _ for FY 2011-12." **(if applicable)**

5. Financial Summary - _ for FY 2012-13 shall be deleted in its entirety and replaced with Financial Summary - _ for FY 2012-13 attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - _ for FY 2013-13 shall be deemed amended to state "Financial Summary - _ for FY 2011-12." **(if applicable)**

6. Contractor shall provide services in accordance with Contractor's FY _____ Negotiation Package for this Agreement and any addenda thereto approved in writing by director.

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

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused 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

COUNTY OF LOS ANGELES
DEPARTMENT OF MENTAL HEALTH
Fiscal Year (FY) 2010-11 and Subsequent FY(s) Restoration Amendment Amounts

			1	2=1*20%	3=1+2	4	5=4-2	6=4+5
Supervisorial District	Service Areas	ORGANIZATION NAME	FY 2010-11 and Subsequent FY(s) Board Approved MCA	20% Delegated Authority based on Board Approved MCA	Revised MCA after Amendments under 20%Delegated Authority	Total Restoration Amounts	Board Letter Amendment Amount	Revised MCA after Restoration Amendment
2	6, 8	ASIAN AMERICAN DRUG ABUSE PROGRAM, INC. (AADAP)	344,207	68,841	413,049	69,445	604	413,652
4	7	HELPLINE YOUTH COUNSELING, INC.	159,995	31,999	191,994	32,190	191	192,185
1	4	UNITED AMERICAN INDIAN INVOLVEMENT, INC.	1,009,864	201,973	1,211,837	209,268	7,295	1,219,132
		Total	**1,514,066**	**302,813**	**1,816,880**	**310,903**	8,090	**1,824,969**