



# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

15 March 27, 2012

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

Los Angeles County  
Board of Supervisors

March 20, 2012

Gloria Molina  
First District

Mark Ridley-Thomas  
Second District

Zev Yaroslavsky  
Third District

Don Knabe  
Fourth District

Michael D. Antonovich  
Fifth District

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Director

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

Christina Ghaly, M.D.  
Strategic Planning Deputy Director

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 ACCEPT GRANT AWARDS FROM BLUE SHIELD OF CALIFORNIA FOUNDATION, APPROVE APPROPRIATION ADJUSTMENT AND DELEGATE AUTHORITY FOR AN AGREEMENT WITH THE NATIONAL HEALTH FOUNDATION (ALL SUPERVISORIAL DISTRICTS) (4 VOTES)**

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

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

[www.dhs.lacounty.gov](http://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.*

[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

## SUBJECT

Request acceptance of two grant awards from Blue Shield of California Foundation in the amounts of \$500,000 to support the eConsult Specialty Guideline Development Project and \$150,000 to support the Low Income Health Program implementation and enrollment; approve an appropriation adjustment; and delegate authority to execute an Agreement with National Health Foundation for fiscal intermediary and project management services related to both grants.

## **IT IS RECOMMENDED THAT YOUR BOARD:**

1. Delegate authority to the Director of Health Services (Director), or his designee, to accept and sign a Grant Agreement in the amount of \$500,000 from Blue Shield of California Foundation (BSCF), for a period of 12 months, effective January 1, 2012 through December 31, 2012, for the eConsult Specialty Guideline Development Project (eConsult).
2. Delegate authority to the Director, or his designee, to accept and sign a Grant Agreement in the amount of \$150,000 from BSCF, for a period of 12 months, effective January 1, 2012 through December 31, 2012, for Low Income Health Program (LIHP) Implementation and Enrollment Project.



3. Approve the attached Request for Appropriation Adjustment to recognize \$650,000 in grant funding from BSCF in Fiscal Year (FY) 2011-12 and increase Health Services Administration's appropriation in Services and Supplies by the same amount.
4. Authorize the Director, or his designee, to execute a sole source Agreement with the National Health Foundation (NHF) for fiscal intermediary and project management services for both grant-funded projects (e-Consult Specialty Guideline Development and LIHP Implementation) for one year, effective upon execution, with a maximum obligation not to exceed \$650,000 subject to final review and approval by County Counsel and notification to your Board and the Chief Executive Office).
5. Delegate authority to the Director, or his designee, to execute future amendments to the Grant Agreements and NHF Agreement to: a) revise or incorporate provisions consistent with all applicable State and/or federal law and regulations, County Ordinances and Board policy; b) make adjustments in project tasks and deliverables, program budget categories, and other project scope adjustments, as needed; and c) extend the term of each Agreement for a period not to exceed six months with no change to the maximum obligation.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the first two recommendations will authorize the Director, or his designee, to accept and sign Grant Agreements (substantially similar to Exhibits I and II) from BSCF in the amounts of \$500,000 and \$150,000, respectively. The third recommendation is necessary to increase Health Services Administration's services and supplies budget appropriation by the total grant award amount of \$650,000. The BSCF funds will be used to support the two critical projects in the Department of Health Services (DHS).

In late fall of 2011, BSCF released a Request for Proposals for projects specifically related to improving enrollment and access to care for health systems that needed additional temporary support to enhance and accelerate the system-wide transformation needed to enroll and care for the influx of new LIHP (a.k.a. Healthy Way LA) enrollees. DHS submitted two proposals to BSCF and both were approved to support the important departmental initiatives.

#### **LIHP Implementation and Enrollment**

DHS has made it a department-wide priority to enroll every eligible patient into the LIHP, which early estimates suggested may be as high as 175,000. Furthermore, DHS has not put a cap on LIHP enrollment and has a broader goal to enroll any and all potentially eligible residents in LA County, which estimates suggest may be as high as 550,000. Under the previous 1115 Waiver, DHS and the Community Partners (CP) had 62,000 patients enrolled as of June 30, 2011 with average monthly enrollment of approximately 1,700. At the previous pace of enrollment, it would have taken years for DHS to achieve these goals.

As previously described in its monthly status report on HWLA and the 1115 Waiver, DHS employed a number of strategies to increase enrollment, including Operation Full Enrollment. As a result, HWLA membership has almost doubled in the past seven months, increasing at almost a four-fold pace. While the results have been exciting, these efforts have not adequately addressed shortcomings in the DHS Websphere platform, which is used by the CPs for program eligibility and

enrollment.

As a result, DHS has partnered with the Department of Public Social Services to create a replacement Healthy Way LA enrollment platform through LEADER, which will be known as "Your Benefits Now"(YBN) to improve the process for both staff and patients. A roll-out date of early summer is anticipated. As we shift to this new enrollment system, it is critical to engage stakeholders and end-users in the testing process and implement well-developed, flexible and innovative training strategies.

DHS anticipates a potential universe of over 800 end-users at almost 300 sites in 62 CP agencies, as well as DHS and Department of Mental Health facilities. To assist with implementation, DHS sought additional resources through a grant application to BSCF for \$150,000. The CCALAC also provided a letter of support. This grant will fund critical stakeholder engagement in the roll-out and training of YBN/LEADER over the next few months, as well as the post-implementation feedback and communication.

#### eConsult

The \$500,000 BSCF grant will fund facilitation, development, and implementation of clinical guidelines and co-management strategies (clinical content) for an innovative web-based electronic referral and consultation management system known as eConsult. Implementation of this a critical tool will help DHS meet specialty access standards mandated under the Waiver for the LIHP and Seniors and Persons with Disabilities populations. eConsult is an innovative model for improving access to, and the quality of, specialty care by tightly linking primary and specialty care providers.

Currently, DHS and its CPs rely on the Referral Processing System (RPS), paper referral documents, and patients to communicate important clinical information to specialists. The present specialty referral system does not support robust communication of information, inefficiently leverages specialists' expertise, contributes to delays in specialty referrals, leads to duplication of diagnostic testing, and results in overall poor coordination of care.

The eConsult system will replace RPS and give providers a secure application through which primary care and specialty physicians can share clinical information and coordinate care for their patients. Primary care physicians will use the system to send patient-specific clinical information and care questions to specialists. Specialists will use the system to review the clinical information and provide "electronic consultations" back to the primary care physicians. When a patient needs a face-to-face specialist visit, the system can be used to process the referral request and authorization for scheduling.

The grant funds will be used to convene clinical champions (primary care and specialty care providers in the DHS and CP system) who will work to develop essential content and the infrastructure for the eConsult system. This will include referral and discharge guidelines that are consistent with community resources and practice. NHF will be responsible for convening the champions and paying them for their participation. BSCF funds will enable DHS to have the resources needed to support physicians and consultants to come together and develop the clinical guidelines needed to manage referrals; including the development of a single set of medical protocols for a series of disease conditions so that patients can be more efficiently given specialty care.

#### NHF Agreement

Approval of the fourth recommendation will enable DHS to enter into a sole source agreement with NHF as the fiscal intermediary and project manager for the both grant-funded projects to ensure the grant funds are properly administered. With regards to the LIHP Implementation and Enrollment Project, NHF will be responsible for engaging consultants to work with DHS and other key stakeholders during the roll-out of YBN/LEADER and provide essential training to users during the transition process. For the eConsult Project, NHF will be responsible for convening the clinical champions and reimbursing them for their work on the development of the eConsult clinical guidelines, as well as engaging an evaluation contractor to monitor champion progress and report on how the process can be maintained in the future. The proposed eConsult project is the beginning of an ongoing process to maintain the clinical guidelines. Your Board was provided notice, on February 14, 2012, that DHS would be initiating sole source negotiations with NHF for program management of this project.

#### All Agreements

The fifth recommendation will provide DHS with the flexibility to make necessary changes to the Grant and MHF Agreements in a timely fashion and allow for amendments to extend the term of any Agreement in order to complete the projects with no change to the maximum obligation of each.

#### **Implementation of Strategic Plan Goals**

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

#### **FISCAL IMPACT/FINANCING**

The total of the BSCF grant awards is \$650,000 for DHS. The Budget Adjustment will increase Health Services Administration's appropriation in the amount of \$650,000 for FY 2011-12 to be offset by two one-time grants.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

DHS is finalizing the Agreement with NHF. County Counsel will review and approve the final Agreement prior to execution.

#### **CONTRACTING PROCESS**

DHS notified your Board on February 14, 2012 of the intent to enter into sole negotiations with NHF for fiscal intermediary and project management services. Utilization of the same project manager for the two projects will provide continuity with the two projects. A Sole Source Checklist is attached in accordance with Board Policy 5.100.

#### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommended actions will allow DHS to obtain additional resources in an expedient manner in order to: 1) streamline the LIHP enrollment process and increase enrollment levels, and 2) develop clinical guidelines for the eConsult system to improve timely access to specialty care,

The Honorable Board of Supervisors

3/20/2012

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enhance the quality of specialty care, and facilitate important dialogue and relationship formation between primary care and specialty providers.

Respectfully submitted,

A handwritten signature in black ink, reading "Mitchell Katz". The signature is written in a cursive, slightly slanted style.

Mitchell H. Katz, M.D.

Director

MHK:kh

Enclosures

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors  
Auditor-Controller

## SOLE SOURCE CHECKLIST

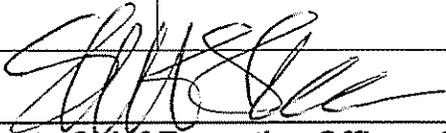
Check (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS <i>Identify applicable justification and provide documentation for each checked item.</i>
	➤ Only one bona fide source for the service exists; performance and price competition are not available.
	➤ Quick action is required (emergency situation).
	➤ Proposals have been solicited but no satisfactory proposals were received.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
	➤ Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is in the best interest of the County, e.g., administrative cost savings, excessive learning curve for a new service provider, etc.
X	➤ <b>Other reason. Please explain:</b> Department of Health services (DHS) applied for and received two grants from Blue Shield of California Foundation (BSCF) to support the department's activities under the LIHP: a \$500,000 grant from BSCF to support the eConsult Specialty Guidelines Development Project (eConsult); and a \$150,000 grant to support Low Income Health Plan (LIHP) implementation and enrollment related projects. The grants were awarded effective January 1, 2012 and it is critical that these projects begin as soon as possible. DHS needs a contractor to administer the grant funds and fulfill project staffing needs in support of the underlying projects.

SOLE SOURCE CHECKLIST

DHS has identified National Health Foundation (NHF) as an appropriate contractor for these critical services. Utilization of the same fiscal intermediary and project manager will provide continuity with the two projects. NHF has a history of addressing healthcare issues of the underserved for more than 35 years with strategic initiatives focused on addressing uninsured children and families, chronic disease prevention and management, and healthcare delivery systems. NHF works with Community Partners (CP) and hospitals to help improve healthcare delivery systems using advanced web-based technologies, research, evaluation, e-surveys and operational leadership on pilot projects. NHF charges a 5% administrative fee which is favorable compared to the typical fees of 10-20% charged by other fiscal intermediaries.

DHS and NHF have a long history of working together to transform the County's health care delivery systems. NHF previously spearheaded a number of research, service, and publication projects as part of assisting to restructure DHS in 2002 and has established relationships with CP. NHF is also the founding member of the Chronic Disease Management Consortium of which Harbor UCLA Medical Center is a member.

Based on NHF's experience and existing relationships, the low administrative fee and the short timeframe to implement the grant funded projects, a sole source agreement with MHF is recommended.



Deputy Chief Executive Officer, CEO

2/28/12

Date

**Los Angeles County Chief Administrative Office  
Grant Management Statement for Grants Exceeding \$100,000**

Department:		Health Services	
Grant Project Title and Description			
Acceptance of two grant awards from Blue Shield of California Foundation to support the eConsult Specialty Guideline Development Project in the amount of \$500,000.00 and for the Low Income Health Program Implementation and Enrollment Project in the amount of \$150,000.00.			
Funding Agency	Program (Fed. Grant #/State Bill or Code #)	Grant Acceptance Deadline	
Blue Shield of California Foundation	Grant # 5962705 for the amount of \$150,000.00 Grant # 5986648 for the amount of \$500,000.00	None	
Total Amount of Grant Funding: \$650,000.00			County Match Requirements: \$0
Grant Period:	Begin Date: January 1, 2012	End Date: December 31, 2012	
Number of Personnel Hired Under this Grant:		Full Time: N/A	Part Time: N/A
<b><u>Obligations Imposed on the County When the Grant Expires</u></b>			
Will all personnel hired for this program be informed this is a grant funded program?	Yes	N/A	No
Will all personnel hired for this program be placed on temporary ("N") items?	Yes	N/A	No
Is the County obligated to continue this program after the grant expires?	Yes	N/A	No
If the County is not obligated to continue this program after the grant expires, the Department will:			
a). Absorb the program cost without reducing other services	Yes	N/A	No
b). Identify other revenue sources	Yes	N/A	No
(Describe)			
c). Eliminate or reduce, as appropriate, positions/program costs by this grant.	Yes	N/A	No
Impact of additional personnel on existing space:	N/A		
Other requirements not mentioned above	None		

for   
Department Head Signature

3/7/12  
Date

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPT'S. NO. 110

DEPARTMENT OF HEALTH SERVICES

February 15, 2012

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY 2011-12

4 - VOTES

SOURCES

USES

HEALTH SERVICES - HEALTH SERVICES ADMINISTRATION
A01-HS-92-9552-20000
MISCELLANEOUS
INCREASE REVENUE

HEALTH SERVICES - HEALTH SERVICES ADMINISTRATION
A01-HS-2000-20000
SERVICES & SUPPLIES
INCREASE APPROPRIATION

SOURCES TOTAL: \$ 650,000

USES TOTAL: \$ 650,000

JUSTIFICATION

The Budget Adjustment of \$650,000 is necessary to increase Health Services Administration Appropriation and Revenue to reflect two one-time grant awards from Blue Shield of California Foundation (BSCF). The BSCFs grant will support \$500,000 in the eConsult Specialty Guideline Development Project and \$150,000 in the Low Income Health Program implementation & enrollment.

ADOPTED
BOARD OF SUPERVISORS

Mela Guerrero
AUTHORIZED SIGNATURE MELA GUERRERO, CONTROLLER

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

15

MAR 27 2012

SACHI A. HAMAI
EXECUTIVE OFFICER

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR ---

- ACTION
RECOMMENDATION

- APPROVED AS REQUESTED
APPROVED AS REVISED

AUDITOR-CONTROLLER

BY Koun Shikuma

CHIEF EXECUTIVE OFFICER

BY [Signature]

B.A. NO. 124

March 5 2012

March 6, 20 12

blue  of california  
foundation

50 Beale Street  
San Francisco, CA 94102  
Fax 415 229 6268  
[blue-shield-of-california.org](http://blue-shield-of-california.org)

December 14, 2011

Dr. Mitchell Katz  
Director, Department of Health Services  
Los Angeles County - DHS  
313 N Figueroa  
Los Angeles, CA 90012

Re: Agreement for Grant #5962705

Dear Dr. Katz:

It is my pleasure to inform you that the Blue Shield of California Foundation Board of Trustees has approved a \$150,000 grant to Los Angeles County - DHS, to support the project, *Low Income Health Program Implementation*.

Attached is a document outlining the terms and conditions of the grant award. Review, have an appropriate officer of your organization sign the agreement, and return one signed copy to the following address. Grant payment(s) will be sent via electronic transfer to your organization's bank account as per the information outlined in your completed ACH form.

Blue Shield of California Foundation  
Attention: Gwyneth Tripp, Grants Administrator  
50 Beale Street, 14th Floor  
San Francisco, CA 94105

Once countersigned, a final copy of the agreement will be posted to our online system and a notice will be sent to the grantseeker for download at any time using the link and grantseeker credentials noted below:

[http://www.cybergrants.com/BSCF/post\\_award](http://www.cybergrants.com/BSCF/post_award)  
Email Address: [sdoi@dhs.lacounty.gov](mailto:sdoi@dhs.lacounty.gov)  
Password: Health80

This link and associated grantseeker credentials will also be needed to access, complete, and submit grant reports to our Foundation per the reporting requirements outlined in section two of the grant agreement. The link to complete grant reports will become active one month prior to the report due date noted in the grant agreement, at which time the grantseeker will also receive an email reminder of the upcoming grant report deadline.

We look forward to a long, rewarding relationship with your organization, and we are proud to partner with you in this work that is so critical to the community.

Sincerely,



Peter V. Long, Ph.D.  
President and CEO  
Blue Shield of California Foundation

Blue Shield of California Foundation is a 501(c)(3) non-profit organization. For more information, please contact us at 415.229.6268 or [blue-shield-of-california.org](http://blue-shield-of-california.org).

## Blue Shield of California Foundation Grant Agreement

Date: December 14, 2011

Grant #: 5962705

Grantee: Los Angeles County - DHS  
313 N Figueroa  
Los Angeles, CA 90012

Grant Amount: \$150,000

Grant Term: 12 months, 1/1/2012 to 12/31/2012

Payment Schedule: Payment in full of \$150,000 Issued upon receipt of signed grant agreement

Reporting Schedule Interim 6/1/12  
Final 2/1/13

Grant Title: Low Income Health Program Implementation

Purpose of Grant: To be a catalyst for reform implementation and coverage expansion by supporting the implementation of Low Income Health Programs (LIHPs) by California counties.

Key Objectives:

- By February 29, 2012, identify and hire a consultant to work with the Los Angeles Department of Health Services (LADHS) team to analyze the Healthy Way LA enrollment process and develop recommendations for workflow improvements and other changes to maximize enrollment.
- By March 31, 2012, implement an automated enrollment process for Low Income Health Program (LIHP)-eligible general relief recipients in order to seamlessly enroll this population in the LIHP.
- By April 30, 2012, develop at least two new marketing tools to promote enrollment in Healthy Way LA.
- By June 30, 2012, and throughout the grant period, participate in the Regents of the University of California, Los Angeles (UCLA) LIHP evaluation by responding to requests for data and information from the UCLA evaluation team.
- By June 30, 2012, and throughout the grant period, engage with a Blue Shield of California Foundation-sponsored safety net learning network.
- By September 30, 2012, identify and disseminate best practices for enrollment within Los Angeles County and community clinic facilities that support achieving a target to sustain enrollment levels at 300 percent of the enrollment average for the county's coverage initiative under the previous Section 1115 Medicaid waiver (the pre-July 1, 2011 average).

## Blue Shield of California Foundation Grant Agreement

This is a legally binding agreement ("Agreement"). It will be effective upon our receipt of an original of this Agreement, signed by an authorized representative of your organization. We will arrange for payment of the first installment of the grant within 30 days of our receipt of a signed original.

Review the terms and conditions of this Agreement very carefully, including its reporting requirements. The Foundation will not consider grant renewals for grantees who fail to meet reporting requirements.

### TERMS AND CONDITIONS

1. **Use of Funds.** Grantee shall use the grant funds only for the purposes of the specific project described above and substantially in accordance with the approved budget included with Grantee's proposal. Grantee shall repay to the Foundation any portion of the grant funds which are not spent or committed, or which are not used for the specific project described in this Agreement. Any significant changes in the purpose for which grant funds are spent or in the budget or grant period must be approved in writing by the Foundation before the funds are spent.
2. **Reporting.** Report(s) are to be furnished to the Foundation no later than the date(s) indicated above.

In addition to the required report(s), BSCF may contact you mid-course of the grant term to inquire about the status of the project.

The purpose of these report(s) is to permit the Foundation to learn from its experience as a grantmaker and to meet its obligations under federal and state regulations. Failure to submit these report(s) may disqualify Grantee from receiving future funding from the Foundation.

3. **Evaluation and Monitoring.** The Foundation may monitor and conduct an evaluation of operations under this grant. This may include a visit from Foundation staff, Trustees, and/or Foundation advisors, to observe Grantee's program, discuss the program with Grantee's personnel, and review financial and other records and materials connected with the activities financed by this grant. In addition, Grantee shall provide to the Foundation copies of any publications or other materials produced, in full or in part, with Foundation funds.
4. **Recordkeeping.** Grantee shall keep adequate records to substantiate expenditures from grant funds. Grantee shall make its books and records pertaining to the grant funds available to the Foundation at reasonable times for review and audit, and shall comply with all reasonable requests of the Foundation for information and interviews regarding use of grant funds. Grantee shall keep copies of all books and records related to this grant and all reports to the Foundation for at least four years after Grantee has expended the last of the grant funds.
5. **Sub-grantees.** Grantee shall retain full discretion and control over the selection of any sub-grantees or sub-contractors to carry out Grantee's charitable purposes and shall act completely independently of the Foundation. The Foundation and Grantee acknowledge that there is no agreement, written or oral, by which the Foundation may cause Grantee to choose any particular sub-grantee or sub-contractor. Grantee shall require that any sub-grantee or sub-contractor be subject to the requirements of Paragraphs 1, 2, 3, 4, 7, 10, 11, 12 and 13 of this Agreement, substituting Grantee for the Foundation and the sub-grantee or sub-contractor for Grantee, as applicable. All obligations of Grantee under these Paragraphs shall remain in full force and effect.
6. **Funds Not Earmarked; Grantee Representation.** The grant funds are not earmarked to be used in any attempt to influence legislation within the meaning of Internal Revenue Code ("IRC") Section 4945(e). The Foundation and Grantee have made no agreement, oral or written, to that effect. Grantee represents that the statements made in Grantee's grant request and proposed

## Blue Shield of California Foundation Grant Agreement

budget, as to the amount budgeted by Grantee for project activities that are not attempts to influence legislation are accurate. In reliance on such representation, the Foundation has determined that this grant is not earmarked for influencing legislation within the meaning of IRC Section 4945(e), and the Foundation and Grantee have made no agreement, oral or written, to that effect. Thus, any use of grant funds by Grantee for such activities constitutes a decision of Grantee that is wholly independent of the Foundation.

7. **Prohibited Uses.** Grantee shall not use any portion of the funds granted:
  - a. To influence the outcome of any specific election for candidates to public office, or to carry on, directly or indirectly, a voter registration drive within the meaning of IRC Section 4945(d)(2), as interpreted by its accompanying regulations;
  - b. To undertake an activity for any purpose other than a religious, charitable, scientific, literary, educational, or other purpose specified in IRC Section 170(c)(2)(B); or
  - c. To induce or encourage violations of law or public policy, to cause any private inurement or improper private benefit to occur, or to take any other action inconsistent with IRC Section 501(c)(3).
8. **Grant Announcements.** Grantee shall submit in advance to the Foundation, for review and revision at the sole discretion of the Foundation, any announcements Grantee intends to make regarding the grant, and any publications referring to the grant Grantee intends to publish other than in its annual reports or tax returns. The Foundation may include information on the grant in its periodic public reports and may also refer to the grant in a press release. If there are special considerations concerning the public announcement of this grant, or if Grantee would like to coordinate a public announcement of the grant with the Foundation, Grantee may contact the Foundation to discuss Grantee's plans.
9. **Representation and Warranty Regarding Tax Status.** By entering into this Agreement, Grantee represents and warrants that Grantee is exempt from federal income tax under IRC Section 501(c)(3) or in the absence of such a determination, that Grantee is a state or any political subdivision thereof within the meaning of Code Section 170(c)(1), or a state college or university within the meaning of Code Section 511(a)(2)(B) (referred to hereafter as a "Public Charity") and that it is not a private foundation as defined in IRC Section 509(a) (i.e., that it is a "Public Charity"). Such representation and warranty shall continue through the completion date of this grant.
10. **Publications; License.** Any information contained in publications, studies, or research funded by this grant shall be made available to the public following such reasonable requirements or procedures as the Foundation may establish from time to time. Grantee grants to the Foundation an irrevocable, nonexclusive license to publish any publications, studies, or research funded by this grant at its sole discretion.
11. **Violation of Terms; Change of Status.** In the case of any violation by Grantee of the terms and conditions of the grant, including but not limited to not executing the work of the grant in substantial compliance with the proposal, or in the event of any change in or challenge by the Internal Revenue Service of Grantee's status as a Public Charity, the Foundation reserves the right in its absolute discretion to terminate the grant as provided in Paragraph 16. The Foundation's determination will be final and will be binding and conclusive upon Grantee. Grantee shall give the Foundation immediate written notice of any change in Grantee's tax exempt or Public Charity status. If final or interim reports are not received in a timely manner, the Foundation may withhold payment until the outstanding report is received, and may terminate the grant as provided in Paragraph 16 if any such report is not received within a reasonable time (no more than sixty [60] days) following the date on which it was due.

### Blue Shield of California Foundation Grant Agreement

12. **No Agency.** Grantee is solely responsible for all activities supported by the grant funds, the content of any product created with the grant funds, and the manner in which such products may be disseminated. This Agreement shall not create any agency relationship, partnership, or joint venture between the parties, and Grantee shall make no such representation to anyone.
13. **Terrorist Activity.** Grantee agrees that the grant funds will be used in compliance with all applicable anti-terrorist financing and asset control laws, regulations, rules and executive orders.
14. **Further Assurances.** Grantee acknowledges that it understands its obligations imposed by this Agreement, including but not limited to those obligations imposed by reference to the IRC. Grantee agrees that if Grantee has any doubts about its obligations under this Agreement, including those incorporated by reference to the IRC, Grantee will promptly contact the Foundation or legal counsel.
15. **Indemnification.** Grantee irrevocably and unconditionally agrees, to the fullest extent permitted by law, to defend, indemnify, and hold harmless the Foundation, its officers, directors, employees, and agents, from and against any and all claims, liabilities, losses, and expenses (including reasonable attorneys' fees) directly, indirectly, wholly, or partially arising from or in connection with any act or omission of Grantee, its employees, or agents, in applying for or accepting the grant, or in expending or applying the grant funds or carrying out any project or program to be supported by the grant, except to the extent that such claims, liabilities, losses, or expenses arise from or in connection with any act or omission of the Foundation, its officers, directors, employees, or agents.
16. **Remedies.** If the Foundation determines, in its sole discretion, that Grantee has substantially violated or failed to carry out any provision of this Agreement, including but not limited to failure to submit reports when due, the Foundation may, in addition to any other legal remedies it may have, refuse to make any further grant payments to Grantee under this or any other grant agreement, and the Foundation may demand the return of all or part of the grant funds not properly spent or committed to third parties, which Grantee shall immediately repay to the Foundation. The Foundation may also avail itself of any other remedies available by law.
17. **Captions.** All captions and headings in this Agreement are for the purposes of reference and convenience only. They shall not limit or expand the provisions of this Agreement.
18. **No Waivers.** The failure of the Foundation to exercise any of its rights under this Agreement shall not be deemed to be a waiver of such rights.
19. **Entire Agreement.** This Agreement supersedes any prior or contemporaneous oral or written understandings or communications between the parties and constitutes the entire agreement of the parties with respect to its subject matter. This Agreement may not be amended or modified, except by written mutual agreement by both parties.
20. **Governing Law; Venue.** This Agreement shall be governed by the laws of the State of California applicable to contracts to be performed entirely within the State. For the purpose of any action or proceeding arising out of or relating to this Agreement, each of the parties hereto irrevocably (a) submits to the exclusive jurisdiction of the state courts of California and to the jurisdiction of the United States District Court for the District of Northern California and (b) agrees that all claims in respect of such action or proceeding shall be heard and determined exclusively in any California state or U.S. federal court sitting in the City and County of San Francisco, California.

### Blue Shield of California Foundation Grant Agreement

Have one copy of this agreement reviewed and signed where indicated by an authorized officer of Grantee and returned to the attention of **Grants Administrator, Gwyneth Tripp**. Once countersigned, a final copy of the agreement will be posted to our online system and a notice emailed to the grantseeker for download at any time, using the link and grantseeker credentials noted in the letter accompanying this agreement. If, during the life of this grant you have questions or if changes in circumstance arise, contact **Program Officer, Richard Thomason**.

#### ACCEPTED AND AGREED:

Grantee: Los Angeles County - DHS

EIN:

By:

\_\_\_\_\_  
Signature of person authorized to sign on behalf of the grantee

Printed  
Name:

\_\_\_\_\_

Title:

\_\_\_\_\_

Date:

\_\_\_\_\_

Foundation:

By:

\_\_\_\_\_

Name:

Peter V. Long, Ph.D.

Title:

President and CEO

Date:

\_\_\_\_\_

NOTE: Payment(s) on this grant will be delivered to your organization's bank account by electronic funds transfer, using the information your organization provides in the required ACH form. Once funds have been transmitted, a notice will be emailed to the contact indicated on the completed form.

December 14, 2011

Dr. Mitchell Katz  
Director, Department of Health Services  
Los Angeles County - DHS  
313 N Figueroa  
Los Angeles, CA 90012

Re: Agreement for Grant #5986648

Dear Dr. Katz:

It is my pleasure to inform you that the Blue Shield of California Foundation Board of Trustees has approved a \$500,000 grant to Los Angeles County - DHS, to support the project, *eConsult Specialty Guideline Development*.

Attached is a document outlining the terms and conditions of the grant award. Review, have an appropriate officer of your organization sign the agreement, and return one signed copy to the following address. Grant payment(s) will be sent via electronic transfer to your organization's bank account as per the information outlined in your completed ACH form.

Blue Shield of California Foundation  
Attention: Gwyneth Tripp, Grants Administrator  
50 Beale Street, 14th Floor  
San Francisco, CA 94105

Once countersigned, a final copy of the agreement will be posted to our online system and a notice will be sent to the grantseeker for download at any time using the link and grantseeker credentials noted below:

[http://www.cybergrants.com/BSCF/post\\_award](http://www.cybergrants.com/BSCF/post_award)  
Email Address: [cghaly@dhs.lacounty.gov](mailto:cghaly@dhs.lacounty.gov)  
Password: cghaly

This link and associated grantseeker credentials will also be needed to access, complete, and submit grant reports to our Foundation per the reporting requirements outlined in section two of the grant agreement. The link to complete grant reports will become active one month prior to the report due date noted in the grant agreement, at which time the grantseeker will also receive an email reminder of the upcoming grant report deadline.

We look forward to a long, rewarding relationship with your organization, and we are proud to partner with you in this work that is so critical to the community.

Sincerely,



Peter V. Long, Ph.D.  
President and CEO  
Blue Shield of California Foundation

## Blue Shield of California Foundation Grant Agreement

Date: December 14, 2011

Grant #: 5986648

Grantee: Los Angeles County - DHS  
313 N Figueroa  
Los Angeles, CA 90012

Grant Amount: \$500,000

Grant Term: 12 months, 1/1/2012 to 12/31/2012

Payment Schedule: First payment of \$250,000 Issued upon receipt of signed grant agreement

Second and final payment of \$250,000 Issued upon receipt and review of interim report

Reporting Schedule Interim 6/1/12

Final 2/1/13

Grant Title: eConsult Specialty Guideline Development

Purpose of Grant: To improve the ability of California's healthcare safety net to coordinate care for low-income populations through implementation of new strategies that strengthen the integration of community clinic and county-operated safety net providers.

Key Objectives: By February 29, 2012, identify at least five key specialties for which to develop clinical guidelines for referrals through the eConsult system.

By March 31, 2012, identify staff and a consultant team to create a workplan for the development of guidelines for each specialty and identify specialists and primary care physicians to participate in each specialty project team.

By June 30, 2012, and throughout the grant period, engage with a Blue Shield of California Foundation-sponsored safety net learning network.

By September 30, 2012, complete guidelines for each specialty and embed them within the eConsult application.

By September 30, 2012, implement standards for management of specific conditions by primary care providers and agreed-on standards for specialist response time to referrals.

By December 31, 2012, implement dashboards to track and trend specialist response time, wait time for face-to-face visits, and the number of eConsults completed.

By December 31, 2012, develop and disseminate a report documenting early results demonstrating the impact of the LADHS eConsult system to improve coordination of specialty consults and improve access to timely and appropriate specialty care.

## Blue Shield of California Foundation Grant Agreement

This is a legally binding agreement ("Agreement"). It will be effective upon our receipt of an original of this Agreement, signed by an authorized representative of your organization. We will arrange for payment of the first installment of the grant within 30 days of our receipt of a signed original.

Review the terms and conditions of this Agreement very carefully, including its reporting requirements. The Foundation will not consider grant renewals for grantees who fail to meet reporting requirements.

### TERMS AND CONDITIONS

- 1. Use of Funds.** Grantee shall use the grant funds only for the purposes of the specific project described above and substantially in accordance with the approved budget included with Grantee's proposal. Grantee shall repay to the Foundation any portion of the grant funds which are not spent or committed, or which are not used for the specific project described in this Agreement. Any significant changes in the purpose for which grant funds are spent or in the budget or grant period must be approved in writing by the Foundation before the funds are spent.
- 2. Reporting.** Report(s) are to be furnished to the Foundation no later than the date(s) indicated above.

In addition to the required report(s), BSCF may contact you mid-course of the grant term to inquire about the status of the project.

The purpose of these report(s) is to permit the Foundation to learn from its experience as a grantmaker and to meet its obligations under federal and state regulations. Failure to submit these report(s) may disqualify Grantee from receiving future funding from the Foundation.

- 3. Evaluation and Monitoring.** The Foundation may monitor and conduct an evaluation of operations under this grant. This may include a visit from Foundation staff, Trustees, and/or Foundation advisors, to observe Grantee's program, discuss the program with Grantee's personnel, and review financial and other records and materials connected with the activities financed by this grant. In addition, Grantee shall provide to the Foundation copies of any publications or other materials produced, in full or in part, with Foundation funds.
- 4. Recordkeeping.** Grantee shall keep adequate records to substantiate expenditures from grant funds. Grantee shall make its books and records pertaining to the grant funds available to the Foundation at reasonable times for review and audit, and shall comply with all reasonable requests of the Foundation for information and interviews regarding use of grant funds. Grantee shall keep copies of all books and records related to this grant and all reports to the Foundation for at least four years after Grantee has expended the last of the grant funds.
- 5. Sub-grantees.** Grantee shall retain full discretion and control over the selection of any sub-grantees or sub-contractors to carry out Grantee's charitable purposes and shall act completely independently of the Foundation. The Foundation and Grantee acknowledge that there is no agreement, written or oral, by which the Foundation may cause Grantee to choose any particular sub-grantee or sub-contractor. Grantee shall require that any sub-grantee or sub-contractor be subject to the requirements of Paragraphs 1, 2, 3, 4, 7, 10, 11, 12 and 13 of this Agreement, substituting Grantee for the Foundation and the sub-grantee or sub-contractor for Grantee, as applicable. All obligations of Grantee under these Paragraphs shall remain in full force and effect.
- 6. Funds Not Earmarked; Grantee Representation.** The grant funds are not earmarked to be used in any attempt to influence legislation within the meaning of Internal Revenue Code ("IRC") Section 4945(e). The Foundation and Grantee have made no agreement, oral or written, to that effect. Grantee represents that the statements made in Grantee's grant request and proposed

## Blue Shield of California Foundation Grant Agreement

budget, as to the amount budgeted by Grantee for project activities that are not attempts to influence legislation are accurate. In reliance on such representation, the Foundation has determined that this grant is not earmarked for influencing legislation within the meaning of IRC Section 4945(e), and the Foundation and Grantee have made no agreement, oral or written, to that effect. Thus, any use of grant funds by Grantee for such activities constitutes a decision of Grantee that is wholly independent of the Foundation.

7. **Prohibited Uses.** Grantee shall not use any portion of the funds granted:
  - a. To influence the outcome of any specific election for candidates to public office, or to carry on, directly or indirectly, a voter registration drive within the meaning of IRC Section 4945(d)(2), as interpreted by its accompanying regulations;
  - b. To undertake an activity for any purpose other than a religious, charitable, scientific, literary, educational, or other purpose specified in IRC Section 170(c)(2)(B); or
  - c. To induce or encourage violations of law or public policy, to cause any private inurement or improper private benefit to occur, or to take any other action inconsistent with IRC Section 501(c)(3).
8. **Grant Announcements.** Grantee shall submit in advance to the Foundation, for review and revision at the sole discretion of the Foundation, any announcements Grantee intends to make regarding the grant, and any publications referring to the grant Grantee intends to publish other than in its annual reports or tax returns. The Foundation may include information on the grant in its periodic public reports and may also refer to the grant in a press release. If there are special considerations concerning the public announcement of this grant, or if Grantee would like to coordinate a public announcement of the grant with the Foundation, Grantee may contact the Foundation to discuss Grantee's plans.
9. **Representation and Warranty Regarding Tax Status.** By entering into this Agreement, Grantee represents and warrants that Grantee is exempt from federal income tax under IRC Section 501(c)(3) or in the absence of such a determination, that Grantee is a state or any political subdivision thereof within the meaning of Code Section 170(c)(1), or a state college or university within the meaning of Code Section 511(a)(2)(B) (referred to hereafter as a "Public Charity") and that it is not a private foundation as defined in IRC Section 509(a) (i.e., that it is a "Public Charity"). Such representation and warranty shall continue through the completion date of this grant.
10. **Publications; License.** Any information contained in publications, studies, or research funded by this grant shall be made available to the public following such reasonable requirements or procedures as the Foundation may establish from time to time. Grantee grants to the Foundation an irrevocable, nonexclusive license to publish any publications, studies, or research funded by this grant at its sole discretion.
11. **Violation of Terms; Change of Status.** In the case of any violation by Grantee of the terms and conditions of the grant, including but not limited to not executing the work of the grant in substantial compliance with the proposal, or in the event of any change in or challenge by the Internal Revenue Service of Grantee's status as a Public Charity, the Foundation reserves the right in its absolute discretion to terminate the grant as provided in Paragraph 16. The Foundation's determination will be final and will be binding and conclusive upon Grantee. Grantee shall give the Foundation immediate written notice of any change in Grantee's tax exempt or Public Charity status. If final or interim reports are not received in a timely manner, the Foundation may withhold payment until the outstanding report is received, and may terminate the grant as provided in Paragraph 16 if any such report is not received within a reasonable time (no more than sixty [60] days) following the date on which it was due.

## Blue Shield of California Foundation Grant Agreement

12. **No Agency.** Grantee is solely responsible for all activities supported by the grant funds, the content of any product created with the grant funds, and the manner in which such products may be disseminated. This Agreement shall not create any agency relationship, partnership, or joint venture between the parties, and Grantee shall make no such representation to anyone.
13. **Terrorist Activity.** Grantee agrees that the grant funds will be used in compliance with all applicable anti-terrorist financing and asset control laws, regulations, rules and executive orders.
14. **Further Assurances.** Grantee acknowledges that it understands its obligations imposed by this Agreement, including but not limited to those obligations imposed by reference to the IRC. Grantee agrees that if Grantee has any doubts about its obligations under this Agreement, including those incorporated by reference to the IRC, Grantee will promptly contact the Foundation or legal counsel.
15. **Indemnification.** Grantee irrevocably and unconditionally agrees, to the fullest extent permitted by law, to defend, indemnify, and hold harmless the Foundation, its officers, directors, employees, and agents, from and against any and all claims, liabilities, losses, and expenses (including reasonable attorneys' fees) directly, indirectly, wholly, or partially arising from or in connection with any act or omission of Grantee, its employees, or agents, in applying for or accepting the grant, or in expending or applying the grant funds or carrying out any project or program to be supported by the grant, except to the extent that such claims, liabilities, losses, or expenses arise from or in connection with any act or omission of the Foundation, its officers, directors, employees, or agents.
16. **Remedies.** If the Foundation determines, in its sole discretion, that Grantee has substantially violated or failed to carry out any provision of this Agreement, including but not limited to failure to submit reports when due, the Foundation may, in addition to any other legal remedies it may have, refuse to make any further grant payments to Grantee under this or any other grant agreement, and the Foundation may demand the return of all or part of the grant funds not properly spent or committed to third parties, which Grantee shall immediately repay to the Foundation. The Foundation may also avail itself of any other remedies available by law.
17. **Captions.** All captions and headings in this Agreement are for the purposes of reference and convenience only. They shall not limit or expand the provisions of this Agreement.
18. **No Waivers.** The failure of the Foundation to exercise any of its rights under this Agreement shall not be deemed to be a waiver of such rights.
19. **Entire Agreement.** This Agreement supersedes any prior or contemporaneous oral or written understandings or communications between the parties and constitutes the entire agreement of the parties with respect to its subject matter. This Agreement may not be amended or modified, except by written mutual agreement by both parties.
20. **Governing Law; Venue.** This Agreement shall be governed by the laws of the State of California applicable to contracts to be performed entirely within the State. For the purpose of any action or proceeding arising out of or relating to this Agreement, each of the parties hereto irrevocably (a) submits to the exclusive jurisdiction of the state courts of California and to the jurisdiction of the United States District Court for the District of Northern California and (b) agrees that all claims in respect of such action or proceeding shall be heard and determined exclusively in any California state or U.S. federal court sitting in the City and County of San Francisco, California.

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### **ACCEPTED AND AGREED:**

Grantee: Los Angeles County - DHS

EIN:

By:

\_\_\_\_\_  
Signature of person authorized to sign on behalf of the grantee

Printed  
Name:

\_\_\_\_\_

Title:

\_\_\_\_\_

Date:

\_\_\_\_\_

Foundation:

By:

\_\_\_\_\_

Name:

Peter V. Long, Ph.D.

Title:

President and CEO

Date:

\_\_\_\_\_

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