COUNTY OF LOS ANGELES

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BOARD OF SUPERVISORS
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DEPARTMENT OF MENTAL HEALTH

http://dmh.co.la.ca.us

October 30, 2003

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

Dear Supervisors:

APPROVAL OF AMENDMENTS TO THE DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY AGREEMENTS WITH ASSOCIATED LEAGUE OF MEXICAN-AMERICANS, INC. DBA ALMA FAMILY SERVICES AND WRAP FAMILY SERVICES FOR FISCAL YEARS 2003-2004, 2004-2005, AND 2005-2006 (SUPERVISORIAL DISTRICTS 1 AND 4) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute Amendments, substantially similar to Attachment I, to the existing Legal Entity Agreements with Associated League of Mexican-Americans, Inc. dba ALMA Family Services and WRAP Family Services, to technically correct the Maximum Contract Amounts (MCA) for these two existing Legal Entity Agreements by adding Early and Periodic Screening Diagnosis and Treatment (EPSDT) State General Funds and FFP Medi-Cal for Fiscal Years (FYs) 2003-2004, 2004-2005 and 2005-2006 for EPSDT services. The increase in the amount of $1,500,000 will revise the MCA for ALMA Family Services from $3,352,482 to $4,852,482 each for FYs 2003-2004, 2004-2005 and 2005-2006. The increase in the amount of $528,514 will revise the MCA for WRAP Family Services from $1,451,314 to $1,979,828 for FY 2003-2004. Both Amendments will be effective upon Board approval.

2. Delegate authority to the Director of Mental Health to prepare, sign and execute future amendments to the Department of Mental Health (DMH) Legal Entity

Agreements with Associated League of Mexican-Americans, Inc. dba ALMA Family Services and WRAP Family Services and establish as a new Maximum Contract Amount the aggregate of the original contract and all amendments through and including these amendments provided that: 1) the County's total payments to contractor under each Agreement for each fiscal year shall not exceed a change of twenty percent from applicable revised Maximum Contract Amount; 2) any increase shall be used to provide additional services or to reflect program and/or policy changes; 3) the Board of Supervisors has appropriated sufficient funds for all changes; 4) approval of County Counsel and the Chief Administrative Officer or his designee is obtained prior to any such Amendment; 5) the parties may by written Amendment mutually agree to reduce programs or services without reference to the twenty percent limitation; and 6) the Director of Mental Health shall notify the Board of Supervisors of Agreement changes in writing within 30 days after execution of each Amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

After the supersession Board Letter which your Board adopted on June 17, 2003, to make DMH contracts uniform in their terms and conditions, it was determined that the Maximum Contract Amounts stated in the supersession Board Letter did not accurately reflect the actual programs for these providers. County Counsel advises that an amendment is needed to technically correct the amounts. Because the correction exceeds delegated authority, approval by your Board is necessary.

ALMA Family Services

Board approval is requested to approve an Amendment to technically correct the MCA for the existing Legal Entity Agreement with ALMA Family Services. This will allow DMH to continue the current level of EPSDT-funded mental health services to achieve a more comprehensive and integrated system of care for Case Management/ Brokerage, Mental Health Services, Medication Support and Crisis Intervention services in Service Area 7.

WRAP Family Services

Board approval is requested to approve an Amendment to technically correct the MCA for the existing Legal Entity Agreement with WRAP Family Services. This will allow DMH to continue the current level of EPSDT-funded mental health services to achieve a more comprehensive and integrated system of care for Case Management/ Brokerage,

Mental Health Services, Medication Support and Crisis Intervention services in Service Area 4.

Implementation of Strategic Plan Goals

The recommended Board action is consistent with the County's Third Goal – "Organizational Effectiveness" and the County's Fifth Goal – "Children and Families' Well-Being" within the Countywide Strategic Plan. These services will be integrated into a comprehensive service delivery system through the collaboration of government agencies, private agencies and community-based agencies.

FISCAL IMPACT/FINANCING

There is no net County cost.

The Amendment for ALMA, in the amount of $1,500,00, is fully funded with $750,000 EPSDT State General Funds and $750,000 FFP Medi-Cal revenues, which are included in the FY 2003-2004 Adopted Budget. For FY 2004-2005 and FY 2005-2006, this amount will be requested during the respective fiscal years' budget process.

The Amendment for WRAP, in the amount of $528,514, is fully funded with $264,257 EPSDT State General Funds and $264,257 FFP Medi-Cal revenues, which are included in the FY 2003-2004 Adopted Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

County Counsel advised that these amendments are necessary to technically correct the MCA's for both agencies, because amounts involved exceed previous delegated authority. Approval of this action will result in the contracts accurately reflecting the full scope of the programs at these agencies.

CONTRACTING PROCESS

Upon Board approval, DMH will amend the existing Legal Entity Agreements with ALMA Family Services and WRAP Family Services for EPSDT services.

ALMA Family Services

ALMA Family Services has an existing Agreement with DMH, which expires June 30, 2004, with two automatic one-year renewal periods.

WRAP Family Services

WRAP Family Services has an existing Agreement with DMH, which expires on June 30, 2004.

IMPACT ON CURRENT SERVICES

With Board approval, DMH will authorize continuation of the current levels of services being provided by ALMA Family Services and WRAP Family Services.

CONCLUSION

The Department of Mental Health will need one (1) copy of the adopted Board's action. 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 these documents are available.

Respectfully submitted,

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

MJS:RK:CK:VA

Attachment

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

ATTACHMENT I

CONTRACT NO._____

AMENDMENT NO. _____

THIS AMENDMENT is made and entered into this _____day of _____, 2003, 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. DMH-_____, and any subsequent amendments (hereafter "Agreement"); and

WHEREAS, for Fiscal Years 2003-2004, 2004-2005 and 2005-2006 County and Contractor intend to amend Agreement only as described hereunder; and

WHEREAS, the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) program is funded by State General Funds (SGF) allocated by the State Department of Mental Health and administered by the County of Los Angeles – Department of Mental Health to provide local match dollars to Federal Financial Participation (FFP) Medi-Cal dollars used to fund services for full-scope Medi-Cal beneficiaries under 21 years of age and eligible for EPSDT specialty mental health services that maintain severely emotionally disturbed children and adolescents in the community and/or the least restrictive setting; and

WHEREAS, for Fiscal Years 2003-2004, 2004-2005 and 2005-2006 County and Contractor intend to amend Agreement to add EPSDT-SGF funds in the amount of $_____ and EPSDT-FFP Medi-Cal funds in the amount of $_____ to the Maximum Contract Amount for the redirection and

expansion of countywide, community-based children's mental health care services.

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

1. Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph B (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 in 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.

C. 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) shall not exceed

_____DOLLARS ($_____) and shall consist of County, State, and/or Federal funds as shown in the Financial Summary. This Maximum Contract Amount includes the Cash Flow Advance which is repayable through cash and/or appropriate 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 First Automatic Renewal Period.

(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) shall not exceed _____DOLLARS ($_____) and shall consist of County, State, and/or Federal funds as shown in the Financial Summary. This Maximum Contract Amount includes the Cash Flow Advance which is repayable through cash and/or appropriate 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 Second Automatic Renewal Period."

2. Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph K (Cash Flow Advance in Expectation of Services/Activities To Be Rendered) Subsection (1) shall be deleted in its entirety and the following substituted therefore:

"(1) Each month of each fiscal year not to exceed three (3) consecutive months, or portion thereof, that this Agreement is in effect, Contractor may request, separately for each month, in writing from County a monthly County General Fund Cash Flow Advance for any funds which may be part of the Maximum Contract Amount for such fiscal year as identified on the Financial Summary Page. Contractor shall specify in their request the amount of the monthly Cash Flow Advance not to exceed $_____ per month and the total Cash Flow Advance for the three (3) months shall not exceed $_ _____. The Cash Flow Advance monthly amount is 1/12th of Maximum Contract Amount as identified on the Financial Summary Page, annualized Maximum Contract Amount if a partial year.

(2) A Contractor providing EPSDT Short-Doyle Medi-Cal services as part of this Agreement, may for two (2) additional consecutive months, or portion thereof, that this Agreement is in effect, request, separately for each month, in writing from County a monthly County General Fund Cash Flow Advance for any FFP and/or EPSDT-SGF funds designated for clients less than 21 years of age which may be part of the Maximum Contract Amount for such fiscal year as shown on the Financial

Summary Page. Contractor shall specify in their request the amount of the monthly Cash Flow Advance not to exceed $_____ per month for each of the two (2) additional consecutive months and the total Cash Flow Advance for the two (2) additional consecutive months shall not exceed $_____.

3. Financial Summary - _____ for FY 2003-2004, shall be deleted in its entirety and replaced with Financial Summary - _____ for FY 2003-2004, attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - _____ for FY 2003-2004, shall be deemed amended to state Financial Summary - _____ for FY 2003-2004.

4. Financial Summary - _____ for FY 2004-2005, shall be deleted in its entirety and replaced with Financial Summary - _____ for FY 2004-2005, attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - ____ for FY 2004-2005, shall be deemed amended to state Financial Summary - _____ for FY 2004-2005.

5. Financial Summary - ____ for FY 2005-2006, shall be deleted in its entirety and replaced with Financial Summary - _____ for FY 2005-2006, attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - ____ for FY 2005-2006, shall be deemed amended to state Financial Summary - _____ for FY 2005-2006.

6. Contractor shall provide services in accordance with Contractor's Fiscal Year 2003-2004 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 Agreement to be subscribed by County's Director of Mental Health, and Contractor has caused this Agreement to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

APPROVED AS TO FORM:

LLOYD W. PELLMAN
County Counsel

By _____
Principal Deputy County Counsel

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 CONTRACT ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By _____
Chief, Contracts Development and
Administration Division