COUNTY OF LOS ANGELES

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

SUSAN KERR
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director

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DEPARTMENT OF MENTAL HEALTH

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

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601
Fax No.: (213) 386-1297

November 6, 2003

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:

APPROVAL OF AMENDMENT TO MENTAL HEALTH SERVICES CONTRACT RATE-ACUTE PSYCHIATRIC INTENSIVE INPATIENT HOSPITAL SERVICES AGREEMENT WITH COLLEGE HOSPITAL - CERRITOS FOR FISCAL YEAR 2003-2004 (SUPERVISORIAL DISTRICT 4) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Director of Mental Health to prepare, sign, and execute Amendment No. 3 (substantially similar to Attachment I) to the Agreement with College Hospital – Cerritos to purchase two additional acute hospital beds for minors. The Amendment adds $215,701 to the Maximum Contract Amount (MCA) making the revised MCA $1,146,451 for Fiscal Year (FY) 2003-2004. The increase in the MCA will be fully funded with Realignment funds included in the FY 2003-2004 Adopted Budget. The Amendment will be effective upon Board approval.

2. Delegate authority to the Director of Mental Health to prepare, sign and execute future amendments to the Agreement and establish as a new MCA 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 the Agreement for each fiscal year shall not exceed a change of twenty percent from the applicable revised MCA; 2) any increase shall be used to provide additional services or 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 the execution of each Amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Board approval is requested to amend the Agreement with College Hospital - Cerritos. The amendment will increase funding by $215,701, which will allow the Department of Mental Health (DMH) to purchase two additional acute hospital beds for minors.

In March 2003, immediately prior to the closure of MacLaren Children's Center (MCC), the Directors for DMH and the Department of Children and Family Services (DCFS) agreed to develop appropriate psychiatric hospitalization alternatives for minors who previously might have gone to MCC. With the closing of MCC, there was strong concern about resource availability for children who previously had multiple placements at MCC, and who no longer had Medi-Cal. Specifically, it was feared that when acute hospitalization was needed but hospital beds were not available, and a bed at MCC was no longer available, children might have to stay overnight at the DCFS command post or in DCFS regional offices or in inappropriately low-level group homes.

In response, DMH developed the plan to add two beds for minors at College Hospital – Cerritos. The purchase of two additional beds at College Hospital - Cerritos will ensure immediate availability of a bed when an emergent need arises, as described above. In this way hospital beds will be kept readily available for children in need of emergency psychiatric hospitalization, whether or not they are Medi-Cal eligible. The two additional acute hospital beds will be reimbursed at the Medi-Cal rate.

Implementation of Strategic Plan Goals

The recommended Board action is consistent with the County's Fifth Goal "Children and Families' Well Being" within the County Strategic Plan. This action will enable DMH to purchase two additional acute hospital beds for minors who may have had previous multiple placements at MCC and who are in need of emergency psychiatric hospitalization.

FISCAL IMPACT/FINANCING

There is no impact on net County cost. The increased amount of $215,701 in Realignment funding is included in the FY 2003-2004 Adopted Budget. The revised MCA is $1,146,451 for FY 2003-2004.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

College Hospital – Cerritos is a non-profit acute psychiatric hospital providing inpatient hospital services in a licensed, certified, and locked facility for 24 hours/seven days per week. DMH currently contracts with College Hospital – Cerritos for Fee-For-Services inpatient services.

The proposed action has been reviewed and approved by County Counsel, the Chief Administrative Office, Fiscal and Program staff. The attached format has been approved as to form by County Counsel.

CONTRACTING PROCESS

College Hospital - Cerritos was chosen for this specialized project for the following reasons: This hospital has had a contract since January 2001 with the County of Los Angeles Department of Probation to provide psychiatric hospitalization for Probation minors. This hospital has an existing track record and specialized staffing and expertise in place to deal with the specialized needs of a population similar to the population we need to serve. This hospital has previously demonstrated, through their existing relationship with Probation, the ability to effectively serve a specialized population of minors who are the responsibility of a County department. The Probation minors with serious mental health needs would otherwise be inappropriately detained in Juvenile Halls or other Probation facilities if the College Hospital - Cerritos beds were not available.

There is an acute and pressing need to expedite the purchase of these additional acute psychiatric hospital beds. DMH is receiving daily requests from DCFS for help in placing hard-to-place DCFS children who previously would have gone to MCC. As previously mentioned, these children more frequently spend time at the DCFS Command Post or regional DCFS offices or in inappropriately low-level group homes. Adding these hospital beds would help alleviate these unfortunate and acute problems since the closing of MCC.

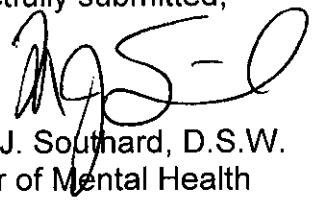
IMPACT ON CURRENT SERVICES

Board approval will ensure that children in need of hospitalization that were formerly placed at MCC will have a hospital bed available to them when needed.

CONCLUSION

The Department of Mental Health will need one (1) copy of the adopted Board 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:OC:RK:LQ

Attachment

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

ATTACHMENT I

CONTRACT NO. DMH-00936

AMENDMENT NO. 3

THIS AMENDMENT is made and entered into this _____ day of _____, 2003, by and between the COUNTY OF LOS ANGELES (hereafter "County") and College Hospital - Cerritos (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written agreement, dated May 29, 2001, identified as County Agreement No. DMH-00936, and any subsequent Amendments (hereafter collectively "Agreement"); and

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

WHEREAS, for Fiscal Year 2003-2004, it is the intent of County and Contractor to amend the Agreement to add $215,701 to the Maximum Contract Amount to purchase two additional acute inpatient hospital beds for minors; and

WHEREAS, for Fiscal Year 2003-2004, the revised Maximum Contract Amount shall be $1,146,451.

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

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

"C. 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 ONE MILLION ONE HUNDRED FORTY SIX THOUSAND FOUR HUNDRED FIFTY ONE DOLLARS ($1,146,451) and shall consist of County, State, and/or Federal (excluding Medicare for partial hospitalization services) funds as shown on the applicable Financial Summary. 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. Financial Summary 1 for Fiscal Year 2003-2004 shall be deleted in its entirety and replaced with Financial Summary 3 for Fiscal Year 2003-2004, attached hereto and incorporated herein be reference. All references in Agreement to Financial Summary 1 for Fiscal Year 2003-2004 shall be deemed amended to state Financial Summary 3 for Fiscal Year 2003-2004.

3. Contractor shall provide services in accordance with Contractor's Fiscal Year 2001-2002 Contract Package for this Agreement and any addenda thereto approved in writing by Director.

4. 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 this Amendment to be subscribed by County's Director of Mental Health, 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

APPROVED AS TO FORM:

LLOYD PELLMAN
County Counsel

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

By_____
Principal Deputy County Counsel

College Hospital - Cerritos
CONTRACTOR

By _____

Name Stephen Witt

Title Chief Executive Officer
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO CONTRACT ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By _____
Chief, Contracts Development
and Administration Division

EM:College Hospital Cerritos Amend 3

Contractor Name : College Hospital - Cerritos
Legal Entity No : 00666
Period : July 1, 2003 through June 30, 2004

Los Angeles County - Department of Mental Health
Financial Summary 3
Fiscal Year: 2003-2004

Categories		Cash Flow Loan	Inpatient Hospital Services													
Provider Number (s)			7299 (8 Beds)													Sources of Funding Totals
Reimbursement Method			CR													
Financial Exhibits (FE):			A													
Sources of Funding:	Eligible Match for FFP															
CASH FLOW LOAN FUNDS	No															$ -
COUNTY GENERAL FUND:																
Realignment	Yes		$ 1,146,451													$ 1,146,451
CSOC	Yes															$ -
AB1733/AB2994	Yes															$ -
Family Preservation	Yes															$ -
Kidstep	Yes															$ -
Other (Specify)																$ -
STATE SEP(AB3632)	Yes															$ -
AB 34	Yes															$ -
SAMHSA (CFDA No.)	No															$ -
PATH (CFDA No.)	No															$ -
STATE HIV-AIDS	Yes															$ -
CalWORKS	No															$ -
GROW	No															$ -
OTHER *																$ -
OTHER*																$ -
Maximum Contract Amount		$ -	$ 1,146,451	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,146,451

For PARTNERS/ISA only:

Revenue (including FFP) :													
Gross Program Amounts (MCA+Revenue):													
1. Annual Negotiated Rate per enrolled member:													
2. Number of Members :													

*See Page 3

Contractor Name : College Hospital - Cerritos
Legal Entity No : 00666
Period : July 1, 2003 through June 30, 2004

Los Angeles County - Department of Mental Health
Financial Summary 3
Fiscal Year: 2003-2004

MENTAL HEALTH SERVICES	Mode of Service	SFC RANGE	Rates	FE for 7299	FE for	FE for	FE for	FE for	FE for	FE for	FE for	FE for	FE for	IMD Patient Days
A. 24 - HOUR SERVICES :														
Hospital Inpatient	05	10 - 18	425.00	A										
Hospital Administrative Day	05	19	287.86	A										
Psychiatric Health Facility (PHF)	05	20 - 29												
SNF Intensive	05	30 -34												
IMD Basic (No Patch)	05	35												
IMD (With Patch)	05	36 - 39												
Adult Crisis Residential	05	40 - 49												
Transitional Residential	05	60 - 64												
Long Term Residential	05	65 - 79												
Semi - Supervised Living	05	80 - 84												
Independent Living	05	85 - 89												
MH Rehab Centers	05	90 - 94												
B. DAY SERVICES :														
Vocational Services	10	30 - 39												
Socialization	10	40 - 49												
SNF Augmentation	10	60 - 69												
Day Treatment Intensive: Half Day	10	81-84												
Day Treatment Intensive: Full Day	10	85-89												
Day Rehabilitative : Half Day	10	91-94												
Day Rehabilitative : Full Day	10	95-99												
C. OUTPATIENT SERVICES :														
Case Management, Brokerage	15	01 - 09												
Mental Health Services	15	10 - 19 /30-59												
Medication Support	15	60 - 69												
Crisis Intervention	15	70 - 79												
D. OUTREACH SERVICES :														
Mental Health Promotion	45	10 - 19												
Community Client Services	45	20 - 29												
E. SUPPORT SERVICES :														
Life Support/Board & Care	60	40 - 49												
Case Management Support	60	60 - 79												

Abbreviations: SFC - Service Function Code; FE - Financial Exhibit

Methods of Payment:

(1) Cash Flow Loan Funds :	See Agreement Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph M (Cash Flow Loan Funds).
(2) Contracted Rate : (CR)	See Agreement Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph G (Payment)
(3) Negotiated Rate - ISA **: (Capitated Rate)	See Agreement Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph L (Payment) and Subparagraph N (Maximum Monthly Payment). ** The ISA rate will be used for State Department of Mental Health Reporting and Reimbursement requirements for Short-Doyle/Medi-Cal services only.
(4) Cost Reimbursement : (CR)	See Agreement Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph L (Payment) and Subparagraph N (Maximum Monthly Payment).
(5) Patient Days - IMD : (Institutions for Mental Disease)	See Agreement Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph L (Payment) and Subparagraph N (Maximum Monthly Payment).

Note : Appropriated funds may not be transferred between financial exhibits identified on the Financial Summaries within this Agreement unless approved in writing by Director.

* Funding Source
(includes but not limited to)
STOP
START
SB 1095
SB 163

DMH Summary of Amendment Changes

LEGAL ENTITY NAME: College Hospital - Cerritos

Contract No.: DMH-00936 Legal Entity No.: N/A Amendment No.: 3

LISTING OF FUNDING SOURCES

1	Realignment	11	DPSS - Grow	21	DHS-ADPA-AB2034
2	AB2034	12	LAUSD	22	DHS-ADPA-Dual Diagnosis
3	DPSS-CalWORKs	13	State-ASOC	23	DHS-ADPA-Sidekick
4	CSOC	14	DCFS -STOP	24	DHS-LAMP
5	BEST	15	DCFS-Kidstep	25	DHS-Social Model
6	Tobacco Tax	16	DCFS-Family Pres.	26	FFP
7	Path McKinney Grant	17	DCFS-AB1733	27	EPSDT-SGF
8	HIV Aids Grant	18	DCFS-AB2994	28	SB90
9	SAMHSA	19	DCFS-Starview	29	
10	Probation Schiff-Cardenas	20	DCFS-Hillview Tran Indep Living	30	

FUNDING SOURCE(S): (Select from Funding Sources listed above)	**AMOUNT Increase(Decrease)**	**FISCAL YEAR**	**MCA**
Realignment	$ 215,701	2003-2004	$ 1,146,451

AMENDMENT ACTION(S)

The Amendment adds $215,701 to the MCA making the revised MCA $1,146,451 for Fiscal Year 2003-2004.

New Headquarters Address:

Sup. Dist.:

Svc. Area:

ADD OR DELETE SERVICE SITE(S):

Name	Address	Sup.Dist.	Svc. Area	Prov. No.