



County of Los Angeles Health and Mental Health Services

FESIA A. DAVENPORT
Acting Chief Executive Officer

DATE: Wednesday, September 16, 2020
TIME: 10:00 a.m.

**DUE TO CLOSURE OF ALL COUNTY BUILDINGS,
MEETING WILL BE HELD BY PHONE.
TO PARTICIPATE IN THE MEETING, PLEASE CALL AS FOLLOWS:
DIAL-IN NUMBER: 1 (323) 776-6996
CONFERENCE ID: 495545110#**

AGENDA

Members of the Public may address the Health and Mental Health Services Meeting on any agenda item. Three (3) minutes are allowed for each item.

- I. Call to order
- II. **NOTICE OF CLOSED SESSION – (Set for 9:30 am)**
 - CS-1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Government Code Section 54956.9(a)
Claim of A. M.
Department of Health Services
- III. **Information Item(s)** (Any Information Item is subject to discussion and/or presentation at the request of two or more Board offices):
 - a. **DPH:** Approval to Execute a New Sole Source Contract with Community Clinic Association of Los Angeles County for the Innovative Solutions for Healthier Communities (#05317)
- IV. **Presentation Item(s):**
 - a. **DHS:** Fiscal Year 2019-20 Year-End Appropriation Adjustments

- b. **DHS:** Authorize Use of Tax-Exempt Commercial Paper Notes to Finance Project Costs for Various Capital Projects and Approve Related Appropriation Adjustment
- c. **DMH:** Approval to Enter into a Sole Source Contract with Los Angeles County + University of Southern California Medical Center Foundation, Inc, for Patient Health Navigation Service
- d. **CEO:** Fiscal Year 2020-21 Supplemental Changes Budget Recommendations

Mental Health
Public Health
Health Services
Diversion and Re-Entry

- V. Items Continued from a Previous Meeting of the Board of Supervisors or from the Previous Agenda Review Meeting
- VI. Items not on the posted agenda for matters requiring immediate action because of an emergency situation, or where the need to take immediate action came to the attention of the Department subsequent to the posting of the agenda
- VII. Public Comment
- VIII. Adjournment

BOARD LETTER FACT SHEET

DRAFT

Agenda Review Date:

Board Meeting Date:

Sup. Dist. / SPA No.:

DEPARTMENT:

SUBJECT:

I. PUBLIC BENEFIT (precise description, mandated or non-mandated)

II. RECOMMENDED ACTIONS (summarized)

III. COST AND FUNDING SOURCES

Cost:

Funding:

IV. BACKGROUND (critical and/or insightful)

V. POTENTIAL ISSUE(S)

VI. DEPARTMENT & COUNTY COUNSEL CONTACTS



BARBARA FERRER, Ph.D., M.P.H., M.Ed.
Director

MUNTU DAVIS, M.D., M.P.H.
Health Officer

MEGAN McCLAIRE, M.S.P.H.
Acting Chief Deputy Director

313 North Figueroa Street, Room 806
Los Angeles, California 90012
TEL (213) 288-8117 • FAX (213) 975-1273

www.publichealth.lacounty.gov



BOARD OF SUPERVISORS

Hilda L. Solis
First District

Mark Ridley-Thomas
Second District

Sheila Kuehl
Third District

Janice Hahn
Fourth District

Kathryn Barger
Fifth District

DRAFT

September 29, 2020

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 EXECUTE A NEW SOLE SOURCE CONTRACT WITH COMMUNITY
CLINIC ASSOCIATION OF LOS ANGELES COUNTY FOR THE INNOVATIVE
SOLUTIONS FOR HEALTHIER COMMUNITIES
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

SUBJECT

Request approval to execute a new sole source contract with Community Clinic Association of Los Angeles County to support the Department of Public Health's Division of Chronic Disease and Injury Prevention continued implementation of the Innovative Solutions for Healthier Communities effective upon date of execution through September 29, 2023 and authority to execute future amendments and change notices, as appropriate.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Director of the Department of Public Health (DPH), or designee, to execute a new sole source contract, substantially similar to Exhibit I, with Community Clinic Association of Los Angeles County (CCALAC) to support the continued implementation of the Innovative Solutions for Healthier Communities (SHC), effective upon date of execution for the period September 30, 2020 through September 29, 2023, at a maximum obligation of \$950,000 (comprised of \$350,000 for the period of September 30, 2020 through September 29, 2021 and \$300,000 annually thereafter through September 29, 2023); 100 percent offset by a grant from Centers for Disease Control and Prevention (CDC), Catalog of Federal Domestic Assistance Number 93.435.

2. Delegate authority to the Director of DPH, or designee, to execute future amendments to the contract that: a) extend the term through September 29, 2024, at an estimated annual maximum obligation of \$300,000 as allowed by the grant; b) allow a no-cost adjustment to the term through March 31, 2025; c) allow the rollover of unspent contract funds; and/or d) provide an increase or decrease in funding up to 10 percent above or below each term's annual base maximum obligation, and make corresponding service adjustments, as necessary, subject to review and approval by County Counsel, and notification to your Board and the Chief Executive Office (CEO).
3. Delegate authority to the Director of DPH, or designee, to execute change notices to the contracts that permit revisions to the scope of work, as necessary; authorize budget modifications, and corresponding service adjustments, as necessary; changes to hours of operation and/or service locations; and/or corrections of errors in the contract's terms and conditions.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Approval of Recommendation 1 will enable DPH to enter into a sole source contract with CCALAC to support the continued implementation of the SHC, funded by the CDC. The SHC brings together DPH, the Department of Health Services, local federally qualified health centers, and community-focused partners to improve the health of adults in Los Angeles County (LAC). The SHC partnership employs evidence-based strategies and innovative approaches to better prevent and manage diabetes and cardiovascular disease. Through institutional policies, organizational practices, trainings and technical assistance, and leveraging of key interventions such as telehealth, culturally/ linguistically tailored communication/messaging for target adult audiences and use of pharmacists and community health workers, SHC is designed to scale programs and disseminate best practices that have proven efficacy and impact.

In response to the CDC's Funding Opportunity Announcement (FOA) CDC-RFA-DP18-1817 for Diabetes and Heart Disease & Stroke Prevent Program – Innovative State and Local Public Health Strategies to Prevent and Manage Diabetes and Heart Disease and Stroke, DPH submitted an application proposing the implementation of SHC and identified CCALA as a critical partner to implement SHC in LAC. The application was submitted for a five-year project term through September 29, 2023.

DPH named CCALAC as a partner for the CDC grant because of their extensive experience in successfully leading clinical change initiatives related to quality improvement, diabetes prevention programs, hypertension, and health care disparities. CCALAC's extensive network of safety-net partner clinics will allow for lessons learned from the proposed collaboration to easily be spread and shared with other clinics and further advance population health improvement efforts and activities for low-income communities who suffer from poor health outcomes. CCALAC will serve as the main vehicle for achieving key SHC objectives, as described in the CDC-approved scope of

work to launch in Year 2 of the project. CCALAC's infrastructure and experience will bring invaluable resources and supports to the partnership, including developed staff expertise, program implementation capacity, and a network of engaged clinic partners ready to meet the grant objectives in a timely and effective manner. CCALAC is also the only association of community clinics in LAC.

As a partner in the grant, CCALAC will draw from its robust partner clinic network to recruit five community clinics based on identification of opportunities to engage in meaningful improvement projects (e.g., develop clinical decision support workflows and tools, create dashboards) that will drive improvements in key patient outcome areas – diabetes, hypertension, cholesterol, chronic kidney disease, and undiagnosed hypertension. Ultimately, selected projects will help the clinics establish sustainable infrastructure or capacity to more effectively and efficiently address chronic disease management needs. CCALAC will accomplish this work through a team of coaches who have experience performing quality improvement activities and designing and implementing practice management tools and processes. Coaches will assist clinics in collecting data and tracking measures and performing Plan Do Study Act (PDSA) cycles/other improvement strategies to enhance the overall care of their patient populations. To demonstrate progress and fulfill CDC-mandated reporting requirements, CCALAC will work with each clinic partner to create an annual clinic-specific project report that summarizes data and progress made and describes the quality improvement project(s)/PDSA cycle(s) that were undertaken.

Approval of Recommendation 2 will allow DPH to execute amendments to the contract to extend and/or adjust the term of the contract as allowed by the grant; rollover unspent funds; and/or increase or decrease funding up to 10 percent above or below the annual base maximum obligation, and make corresponding service adjustments, as necessary. This recommended action will also enable DPH to amend the contract to adjust the term at no cost for a period of up to six months beyond the expiration date. Such amendments will only be executed if and when there is an unanticipated extension of the term of the applicable grant funding to allow additional time to complete services and utilize grant funding. This authority is being requested to enhance DPH's efforts to expeditiously maximize grant revenue, consistent with Board Policy 4.070: Full Utilization of Grant funds.

Approval of Recommendation 3 will allow DPH to execute change notices to the contract that permit revisions to the scope of work, as necessary; authorize modifications to or within budget categories within each budget, and corresponding service adjustments, as necessary; changes to hours of operation and/or service locations; and/or corrections of errors in the contract's terms and conditions.

Implementation of Strategic Plan Goals

The recommended actions support Strategy II.2, Support the Wellness of Our Communities; Objective II.2.4, Promote Active and Healthy Lifestyles, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The total maximum obligation for the CCALAC contract effective date of execution for the period of September 30, 2020 through September 29, 2023 is \$950,000 (comprised of \$350,000 for the period September 30, 2020 through September 29, 2021, and \$300,000 annually thereafter for two additional one-year terms through September 29, 2023); 100 percent offset by funding from CDC Grant Number NU58DP006619.

There is no net County cost associated with this action.

Funding is included in DPH's Adopted Budget for fiscal year (FY) 2020-21, and will be included in future FYs, as necessary.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Since 2014, DPH has implemented the Chronic Disease Prevention Strategy (CDPS) in Los Angeles. CDPS is a multi-pronged approach to prevent diabetes and identify and manage hypertension among underserved populations in LAC. CDPS developed critical mechanisms to identify adults at high risk of cardiovascular disease and provide linkage to preventive services.

As noted above, in response to CDC's FOA CDC-RFA-DP18-1817, DPH submitted an application proposing the implementation of SHC and identified CCALAC as a critical partner to implement the SHC in LAC. The application was for a five-year project term through September 29, 2023.

Using CDPS as a base, SHC implements a multi-pronged, comprehensive model of chronic disease prevention and control by employing evidence-based strategies and innovative approaches to better prevent and manage diabetes and cardiovascular disease in LAC.

The CDC approved DPH's application including the partnership with CCLAC and issued Notice of Award for Grant Number 1 NU58DP006619-01-00 to support SHC. Subsequently on January 9, 2019 and on July 23, 2019, DPH notified your Board that it was exercising the delegated authority approved by your Board on October 16, 2018 to accept Grant Number 1 NU58DP006619-01-00 to support Year 1 (September 30, 2018 through September 29, 2019) activities and to accept Grant Number 5 NU58DP006619-02-00 to support Year 2 (September 30, 2019 through September 29, 2020) activities, respectively.

Since the launch of SHC on September 30, 2018, DPH has worked closely with CDC to ensure successful implementation of the SHC scope of work. As part of the CDC-approved work plan, DPH slated activities with CCALAC to launch in Year 2 of the project to ensure the needs of the community could be fully met. Building off the work implemented thus far, CCALAC will facilitate SHC's efforts to support community clinics improve their systems and better address the needs of patients at risk for or diagnosed with diabetes and cardiovascular disease.

As required by Board Policy 5.100, DPH notified your Board on July 29, 2020, of its intent to negotiate a sole source contract with CCALAC.

County Counsel has approved Exhibit I as to form. Attachment A is the sole source contract checklist signed by the CEO.

CONTRACTING PROCESS

DPH is recommending execution of a sole source contract with CCALAC as its partner to fully implement SHC as approved by the CDC.

Failure to execute a sole source contract with CCALAC would jeopardize DPH's ability to fully implement SHC under the terms of the grant, impact the amount of grant funding received, and possibly result in the termination of SHC.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will allow DPH to partner with CCALAC to ensure that SHC objectives are implemented in LAC.

Respectfully submitted,

Barbara Ferrer, Ph.D., M.P.H., M.Ed.
Director

BH:rh
#05317

Enclosures

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors

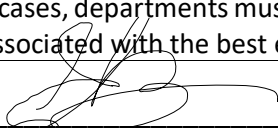
SOLE SOURCE CHECKLIST

Department Name: Department of Public Health (DPH)

- ☒ New Sole Source Contract
- ☐ Sole Source Amendment to Existing Contract
- ☐ Date Existing Contract First Approved

Community Clinic Association of Los Angeles County (CCALAC)

Check (v)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS
	Identify applicable justification and provide documentation for each checked item.
	➤ Only one bona fide source (monopoly) for the service exists; performance and prices competition are not available. A monopoly is an <i>"Exclusive control of the supply of any service in a given market. If more than one source in a given market exists, a monopoly does not exist."</i>
	➤ Compliance with applicable statutory and/or regulatory provisions.
	➤ Compliance with State and/or federal programmatic requirements.
	➤ Services provided by other public or County-related entities.
	➤ Services are needed to address an emergent or related time-sensitive need.
✓	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement. <i>The partnership between DPH and CCALAC is required for the execution and successful implementation of the grant. The CDC's Funding Opportunity Announcement (FOA) recommended that applicants name key partnerships and include Letters of Support/MOUs to demonstrate commitment between the parties and to ensure that the reach and impact of funding resources would be maximized. Named partners were considered necessary for a competitive application. As a named partner, CCALAC is a required service provider under the provisions of the grant award, without which the grant deliverables simply will not be met.</i>
	➤ 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.
	➤ Services are needed during the time period required to complete a solicitation for replacement services; provided services are needed for no more than 12 months from the expiration of an existing contract with has no available option periods.
	➤ Maintenance and support services are needed for an existing solution/system during the time to complete a solicitation for a new replacement solution/system; provided the services are needed for no more than 24 months from the expiration of an existing maintenance and support contract which has no available options periods.
	➤ Maintenance and service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is in the best economic interest of the County (e.g., significant costs to replace an existing system or infrastructure, administrative cost savings and excessive learning curve for a new service provider, etc.) In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County.



 Chief Executive Office

9/9/20

 Date

September 29, 2020

**Los Angeles County
Board of Supervisors**

Hilda L. Solis
First District


Mark Ridley-Thomas
Second District

Sheila Kuehl
Third District

Janice Hahn
Fourth District

Kathryn Barger
Fifth District

TO: Supervisor Kathryn Barger, Chair
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Janice Hahn

FROM: Christina R. Ghaly, M.D. 
Director

SUBJECT: **FISCAL YEAR 2019-20 YEAR-END APPROPRIATION
ADJUSTMENTS (ALL DISTRICTS) (4 VOTES)**

Christina R. Ghaly, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Deputy Director, Clinical Affairs

Nina J. Park, M.D.
Chief Deputy Director, Population Health

Request approval of Fiscal Year (FY) 2019-20 year-end appropriation adjustments for the Department of Health Services (DHS).

IT IS RECOMMENDED THAT THE BOARD:

1. Approve the FY 2019-20 year-end appropriation adjustment (Attachment I) for DHS to adjust its Enterprise Fund obligated fund balance to \$1,062.9 million as of June 30, 2020;
2. Approve the FY 2019-20 appropriation adjustment (Attachment II) to realign funding for the Measure B Special Revenue Fund;
3. Approve the FY 2019-20 appropriation adjustment (Attachment III) to adjust long-term receivables for the Cost Based Reimbursement Clinics (CBRC) revenue at various DHS facilities;
4. Approve the FY 2019-20 appropriation adjustment (Attachment IV) to adjust long-term receivables for the Enhanced Payment Program (EPP) and Quality Incentive Program (QIP) revenues at various DHS facilities; and

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The Board's approval of these appropriation adjustments (Attachments I, II, III, and IV) for FY 2019-20 will:

1. Establish an obligated fund balance of \$1,062.9 million in the DHS Enterprise Fund as of June 30, 2020, resulting from a \$168.2 million FY 2019-20 operating surplus, and a prior-year balance of \$555.3 million, increased by the net reduction in

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

Tel: (213) 288-8050
Fax: (213) 481-0503

www.dhs.lacounty.gov

*"To advance the health of our
patients and our communities by
providing extraordinary care"*



www.dhs.lacounty.gov

DHS' set aside reserve funds of \$339.4 million for CBRC, EPP and QIP long-term receivables; and align certain appropriations and revenues within DHS to the Department's FY 2019-20 financial experience;

2. Align appropriations within the Measure B Special Revenue Fund in accordance with the Department's FY 2019-20 financial experience;
3. Adjust long-term receivables for CBRC revenue that was accrued in FY 2019-20 for FYs 2017-18 through 2019-20, but expected to be collected after June 30, 2021;
4. Release the Enterprise Funds long-term receivables for EPP and QIP revenues that were accrued in FY 2018-19; and

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended actions support Strategic Plan Goal III, Realize Tomorrow's Government Today; Strategy 3 – Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.

FISCAL IMPACT/FINANCING

The recommended actions will adjust various departmental budgets to reflect DHS' FY 2019-20 financial experience and also adjust the DHS Enterprise Fund obligated fund balance to \$1,062.9 million as of June 30, 2020. DHS's obligated fund balance set aside for the reserve funds is \$229.7 million. DHS's total obligated fund balance, including the reserve funds is \$1,292.6 million.

As part of recommendation number one in this Board letter, there is an increase of \$30.0 million in Other Charges related to higher than anticipated intergovernmental transfers (IGT). The State provided DHS with revised IGT estimates, which are higher than the estimates that were included in the FY 2019-20 Final Adopted Budget.

During FY 2009-10, the County set aside reserve funds to establish long-term receivables for CBRC revenue to offset accounts receivable owed by the State to DHS facilities. The long-term receivables are adjusted each year during the closing process and are made up of outstanding accounts receivable from the State for multiple fiscal years. In the FY 2019-20 year-end closing process, as part of recommendation number three in this Board letter, there is a net decrease in the long-term receivables of \$21.4 million. Overall, the net balance of the CBRC long-term receivables has been reduced to \$55.6 million, fully funded by DHS' obligated fund balance for FY 2019-20 (see Attachment V).

As part of recommendation number four in this Board letter, there is a reclassification of \$318.0 million in the Enterprise Funds for EPP and QIP from long-term receivables to short-term accruals based on the updated projections and estimate time of collection.

Overall, the net balance of the EPP and QIP long-term receivables has been reduced to \$174.1 million, fully funded by DHS's obligated fund balance (see Attachment V).

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Not applicable.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

These FY 2019-20 year-end appropriation adjustments have no impact on current services.

CRG:fl

Attachments

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

PINK

BA FORM 03/13

BOARD OF
SUPERVISORS
OFFICIAL COPY

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPT'S. NO. 110

DEPARTMENT OF HEALTH SERVICES

September 29, 2020

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 2019-20****4 - VOTES****SOURCES**

BA DETAIL - SEE ATTACHMENT PAGES I-B

USES

BA DETAIL - SEE ATTACHMENT PAGES I-B

SOURCES TOTAL: \$ 2,212,398,000**USES TOTAL: \$ 2,212,398,000****JUSTIFICATION**

This budget adjustment is necessary to increase the Department of Health Services (DHS) Enterprise Fund Obligated Fund Balance to \$1,062.9 million, and to align certain appropriations and revenues within DHS with the Department's FY 2019-20 financial experience.


 AUTHORIZED SIGNATURE Mela Guerrero, Controller, DHS

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

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR ---☐

ACTION

☐

RECOMMENDATION

AUDITOR-CONTROLLER

BY _____

B.A. NO. _____

20

☐

APPROVED AS REQUESTED

☐

APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY _____

20

DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT

FY 2019-20
4 - VOTES

SOURCES		USES	
LAC+USC Medical Center		LAC+USC Medical Center	
MN4-HG-1000-60010		MN4-HG-96-9911-60010	
Salaries and Employee Benefits		Operating Transfers In	
Decrease Appropriation	14,119,000	Decrease Revenue	47,372,000
LAC+USC Medical Center		LAC+USC Medical Center	
MN4-HG-2000-60010		MN4-HG-6100-60010	
Services and Supplies		Other Financing Uses	
Decrease Appropriation	48,254,000	Increase Appropriation	254,539,000
LAC+USC Medical Center			
MN4-HG-5500-60010			
Other Charges			
Decrease Appropriation	45,951,000		
LAC+USC Medical Center			
MN4-HG-96-9910-60010			
Operating Transfers In - Measure B			
Increase Revenue	3,446,000		
LAC+USC Medical Center			
MN4-HG-92-943P-60010			
Medi-Cal Managed Care			
Increase Revenue	190,141,000		
Subtotal LAC+USC Medical Center	\$ 301,911,000	Subtotal LAC+USC Medical Center	\$ 301,911,000
Harbor Care South		Harbor Care South	
MN1-HH-1000-60020		MN1-HH-96-9910-60020 Operating	
Salaries and Employee Benefits		Transfers In - Measure B	
Decrease Appropriation	10,191,000	Decrease Revenue	11,617,000
Harbor Care South		Harbor Care South	
MN1-HH-2000-60020		MN1-HH-96-9911-60020 Operating	
Services and Supplies		Transfers In	
Decrease Appropriation	29,200,000	Decrease Revenue	16,537,000
Harbor Care South		Harbor Care South	
MN1-HH-5500-60020		MN1-HH-6100-60020	
Other Charges		Other Financing Uses	
Decrease Appropriation	74,799,000	Increase Appropriation	147,960,000
Harbor Care South			
MN1-HH-92-943P-60020			
Medi-Cal Managed Care			
Increase Revenue	61,924,000		
Subtotal Harbor Care South	\$ 176,114,000	Subtotal Harbor Care South	\$ 176,114,000
Rancho Los Amigos National Rehabilitation Center		Rancho Los Amigos National Rehabilitation Center	
MN7-HR-1000-60040		MN7-HR-5500-60040	
Salaries and Employee Benefits		Other Charges	
Decrease Appropriation	6,371,000	Increase Appropriation	11,048,000
Rancho Los Amigos National Rehabilitation Center		Rancho Los Amigos National Rehabilitation Center	
MN7-HR-2000-60040		MN7-HR-96-9911-60040	
Services and Supplies		Operating Transfers In	
Decrease Appropriation	9,694,000	Decrease Revenue	76,259,000

DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT

FY 2019-20
4 - VOTES

SOURCES		USES	
Rancho Los Amigos National Rehabilitation Center MN7-HR-92-943H-60040 LA Care Managed Care Rate Supplement Increase Revenue		Rancho Los Amigos National Rehabilitation Center MN7-HR-6100-60040 Other Financing Uses Increase Appropriation	
	31,000,000		16,231,000
Rancho Los Amigos National Rehabilitation Center MN7-HR-92-943K-60040 Health Net Managed Care Rate Supplement Increase Revenue			
	56,473,000		
Subtotal Rancho Los Amigos NRC	\$ 103,538,000	Subtotal Rancho Los Amigos NRC	\$ 103,538,000
Olive View-UCLA Medical Center MN3-HO-1000-60050 Salaries and Employee Benefits Decrease Appropriation		Olive View-UCLA Medical Center MN3-HO-5500-60050 Other Charges Increase Appropriation	
	3,994,000		10,149,000
Olive View-UCLA Medical Center MN3-HO-2000-60050 Services & Supplies Decrease Appropriation		Olive View-UCLA Medical Center MN3-HO-96-9911-60050 Operating Transfers In Decrease Revenue	
	13,713,000		90,139,000
Olive View-UCLA Medical Center MN3-HO-96-9910-60050 Operating Transfers In - Measure B Increase Revenue		Olive View-UCLA Medical Center MN3-HO-6100-60050 Other Financing Uses Increase Appropriation	
	8,171,000		35,263,000
Olive View-UCLA Medical Center MN3-HO-92-9415-60050 Global Payment Program Increase Revenue			
	43,000,000		
Olive View-UCLA Medical Center MN3-HO-92-943P-60050 Medi-Cal Managed Care Increase Revenue			
	66,673,000		
Subtotal Olive View-UCLA Medical Center	\$ 135,551,000	Subtotal Olive View-UCLA Medical Center	\$ 135,551,000
DHS Enterprise Fund MN2-HS-6100-60070 Other Financing Uses Decrease Appropriation		DHS Enterprise Fund MN2-3078 Committed for DHS Increase Obligated Fund Balance	
	230,307,000		283,867,000
DHS Enterprise Fund MN2-HS-96-9911-60070 Operating Transfers In Increase Revenue		DHS Enterprise Fund MN2-301G Committed for LAC+USC HC Network Increase Obligated Fund Balance	
	453,993,000		254,539,000
DHS Enterprise Fund MN2-HS-96-9912-60070 Operating Subsidy - GF Increase Revenue		DHS Enterprise Fund MN2-3048 Committed for Harbor Care South Network Increase Obligated Fund Balance	
	53,560,000		147,960,000
		DHS Enterprise Fund MN2-3081 Committed for RLANRC Increase Obligated Fund Balance	
			16,231,000

DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT
FY 2019-20
4 - VOTES

SOURCES		USES	
		DHS Enterprise Fund	
		MN2-3061	
		Committed for ValleyCare Network	
		Increase Obligated Fund Balance	35,263,000
Subtotal DHS Enterprise Fund	\$ 737,860,000	Subtotal DHS Enterprise Fund	\$ 737,860,000
Managed Care Services		VLFR - Health Services	
A01-HP-1000-19975		A01-CB-88-8716-10590-10591	
Salaries & Employee Benefits		State-Vehicle License Fee AB1288	
Decrease Appropriation	2,612,000	Decrease Revenue	537,663,000
Managed Care Services		Health Services - Realignment	
A01-HP-2000-19975		A01-HS-88-8914-19999	
Services & Supplies		1991 Realignment-Health Services	
Decrease Appropriation	4,350,000	Decrease Revenue	4,013,000
General Fund		Ent Sub - DHS Enterprise Fund	
A01-3306		A01-AC-6100-21200-21236	
Approp for Cont - Canc Comm & A/P		Other Financing Uses	
Decrease Appropriation	5,884,000	Increase Appropriation	53,560,000
Health Services - Health Services Administration			
A01-HS-1000-20000			
Salaries & Employee Benefits			
Decrease Appropriation	2,212,000		
Health Services - Health Services Administration			
A01-HS-2000-20000			
Services & Supplies			
Decrease Appropriation	40,874,000		
Health Services - Health Services Administration			
A01-HS-5500-20000			
Other Charges			
Decrease Appropriation	5,433,000		
Health Services - Health Services Administration			
A01-HS-6030-20000			
Capital Assets - Equipment			
Decrease Appropriation	919,000		
Health Services - Health Services Administration			
A01-HS-90-9080-20000			
PRIME			
Increase Revenue	143,479,000		
Ambulatory Care Network		Ambulatory Care Network	
A01-HN-1000-20100		A01-HN-5500-20100	
Salaries & Employee Benefits		Other Charges	
Decrease Appropriation	6,412,000	Increase Appropriation	95,429,000
Ambulatory Care Network			
A01-HN-2000-20100			
Services & Supplies			
Decrease Appropriation	9,472,000		

DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT

FY 2019-20
4 - VOTES

SOURCES	USES
Ambulatory Care Network A01-HN-6030-20100 Capital Assets - Equipment Decrease Appropriation	451,000
Ambulatory Care Network A01-HN-90-9080-20100 PRIME Increase Revenue	69,607,000
Ambulatory Care Network A01-HN-92-943P-20100 Medi-Cal Managed Care Increase Revenue	289,000,000
Ambulatory Care Network A01-HN-92-943H-20100 LA Care Managed Care Rate Supplement Increase Revenue	73,605,000
LAC+USC Medical Center Capital Improvements LAC+USC Medical Center Core Laboratory Equipment Replacement A01-CP-6014-64010-87336 Capital Assets - Building & Improv. Decrease Appropriation	230,000
LAC+USC Medical Center Capital Improvements LAC+USC MC Mechanical Upgrade A01-CP-6014-64010-87398 Capital Assets - Building & Improv. Decrease Appropriation	105,000
LAC+USC Medical Center Capital Improvements LAC+USC Medical Center Site Work Improvements A01-CP-6014-64010-87462 Capital Assets - Building & Improv. Decrease Appropriation	337,000
LAC+USC Medical Center Capital Improvements LAC+USC MC USP 800 Pharmacy Upgrade A01-CP-6014-64010-87441 Capital Assets - Building & Improv. Decrease Appropriation	10,000
LAC+USC Medical Center Capital Improvements LAC+USC MC Recuperative Care Center A01-CP-6014-64010-69863 Capital Assets - Building & Improv. Decrease Appropriation	622,000
LAC+USC Medical Center Capital Improvements LAC+USC Women's and Children's Hospital Demolition A01-CP-6014-64010-87476 Capital Assets - Building & Improv. Decrease Appropriation	15,000
LAC+USC Medical Center Capital Improvements LAC+USC MC Parking Structure 12 Refurbishment A01-CP-6014-64010-87494 Capital Assets - Building & Improv. Decrease Appropriation	2,279,000

DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT

FY 2019-20
4 - VOTES

SOURCES	USES
LAC+USC Medical Center Capital Improvements	
LAC+USC MC Outpatient Building Fire Barrier Separation	
A01-CP-6014-64010-87560	
Capital Assets - Building & Improv.	
Decrease Appropriation	186,000
LAC+USC Medical Center Capital Improvements	
LAC+USC MC Outpatient Building Waste Line Replacement	
A01-CP-6014-64010-87561	
Capital Assets - Building & Improv.	
Decrease Appropriation	136,000
LAC+USC Medical Center Capital Improvements	
LAC+USC MC Cath Lab Replacement and Room Remodeling Project	
A01-CP-6014-64010-87582	
Capital Assets - Building & Improv.	
Decrease Appropriation	56,000
LAC+USC Medical Center Capital Improvements	
LAC+USC MC Child Care Center	
A01-CP-6014-64010-69828	
Capital Assets - Building & Improv.	
Decrease Appropriation	7,794,000
Harbor-UCLA Medical Center Capital Improvements	
H-UCLA Medical Center General Radiology Room Modification	
A01-CP-6014-64015-87319	
Capital Assets - Building & Improv.	
Decrease Appropriation	29,000
Harbor-UCLA Medical Center Capital Improvements	
H-UCLA Medical Center Nuclear Medicine Room Modification	
A01-CP-6014-64015-87320	
Capital Assets - Building & Improv.	
Decrease Appropriation	326,000
Harbor-UCLA Medical Center Capital Improvements	
H-UCLA MC Electrical Switchgear Replacement	
A01-CP-6014-64015-87381	
Capital Assets - Building & Improv.	
Decrease Appropriation	1,801,000
Harbor-UCLA Medical Center Capital Improvements	
Harbor-UCLA Medical Center USP 800 Pharmacy Upgrade	
A01-CP-6014-64015-87442	
Capital Assets - Building & Improv.	
Decrease Appropriation	19,000
Harbor-UCLA Medical Center Capital Improvements	
H-UCLA MC Adult Psychiatric Emergency Svcs. Upgrade	
A01-CP-6014-64015-87557	
Capital Assets - Building & Improv.	
Decrease Appropriation	78,000
Harbor-UCLA Medical Center Capital Improvements	
H-UCLA MC Inpatient Pharmacy Expansion	
A01-CP-6014-64015-87558	
Capital Assets - Building & Improv.	
Decrease Appropriation	24,000

DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT

FY 2019-20
4 - VOTES

SOURCES	USES
Harbor-UCLA Medical Center Capital Improvements HUCLA Radiology Phase 2 A01-CP-6014-64015-87344 Capital Assets - Building & Improv. Decrease Appropriation	402,000
Harbor-UCLA Medical Center Capital Improvements H-UCLA MC Radiography Fluoroscopy A01-CP-6014-64015-87575 Capital Assets - Building & Improv. Decrease Appropriation	154,000
Harbor-UCLA Medical Center Capital Improvements H-UCLA MC Cath Lab Replacement and Room Remodeling Project A01-CP-6014-64015-87581 Capital Assets - Building & Improv. Decrease Appropriation	1,000
Rancho Los Amigos National Rehab Center Capital Improvements Rancho Los Amigos Recuperative Care Center A01-CP-6014-64025-87465 Capital Assets - Building & Improv. Decrease Appropriation	3,664,000
Martin Luther King Jr. Outpatient Ctr Capital Improvements Martin Luther King Jr. Hawkins Transformers Replacement A01-CP-6014-64020-87369 Capital Assets - Building & Improv. Decrease Appropriation	99,000
Martin Luther King Jr. Outpatient Ctr Capital Improvements MLK Roof Replacement Project A01-CP-6014-64020-87445 Capital Assets - Building & Improv. Decrease Appropriation	97,000
Martin Luther King Jr. Outpatient Ctr Capital Improvements MLK Behavioral Health Center A01-CP-6014-64020-87446 Capital Assets - Building & Improv. Decrease Appropriation	28,000
Martin Luther King Jr. Outpatient Ctr Capital Improvements MLK Sickle Cell Clinic Renovation A01-CP-6014-64020-87491 Capital Assets - Building & Improv. Decrease Appropriation	28,000
Martin Luther King Jr. Outpatient Ctr Capital Improvements Martin Luther King Jr. OPC USP 800 Pharmacy Upgrade A01-CP-6014-64020-87444 Capital Assets - Building & Improv. Decrease Appropriation	217,000
Martin Luther King Jr. Outpatient Ctr Capital Improvements MLK MC Child and Family Wellbeing Center - HS A01-CP-6014-64020-69846 Capital Assets - Building & Improv. Decrease Appropriation	2,341,000

DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT

FY 2019-20
4 - VOTES

SOURCES	USES
Martin Luther King Jr. Outpatient Ctr Capital Improvements MLK Clinical Laboratory and Red-bag Storage A01-CP-6014-64020-69857 Capital Assets - Building & Improv. Decrease Appropriation	912,000
Martin Luther King Jr. Outpatient Ctr Capital Improvements MLK OC Interns and Residents BLDG 3rd and 6th Floor Reno. A01-CP-6014-64020-87559 Capital Assets - Building & Improv. Decrease Appropriation	804,000
Martin Luther King Jr. Outpatient Ctr Capital Improvements MLK Main Point of Entry A01-CP-6014-64020-87570 Capital Assets - Building & Improv. Decrease Appropriation	785,000
Martin Luther King Jr. Outpatient Ctr Capital Improvements MLK Hawkins Nurse Call Replacement A01-CP-6014-64020-87572 Capital Assets - Building & Improv. Decrease Appropriation	26,000
Olive View-UCLA Medical Center Capital Improvements OV-UCLA MC Women and Children's Medical Home Prog Mod Bldg A01-CP-6014-64030-69829 Capital Assets - Building & Improv. Decrease Appropriation	98,000
Olive View-UCLA Medical Center Capital Improvements OVMC Radiology Phase 2 A01-CP-6014-64030-87343 Capital Assets - Building & Improv. Decrease Appropriation	59,000
Olive View-UCLA Medical Center Capital Improvements OV-UCLA MC Fire Alarm/Nurse Call A01-CP-6014-64030-87382 Capital Assets - Building & Improv. Decrease Appropriation	15,000
Olive View-UCLA Medical Center Capital Improvements OV-UCLA MC USP 800 Pharmacy Upgrade A01-CP-6014-64030-87443 Capital Assets - Building & Improv. Decrease Appropriation	583,000
Olive View-UCLA Medical Center Capital Improvements OV-UCLA MC SB-1953 Compliance A01-CP-6014-64030-87562 Capital Assets - Building & Improv. Decrease Appropriation	722,000
Olive View-UCLA Medical Center Capital Improvements OV-UCLA MC GI Upgrade A01-CP-6014-64030-87563 Capital Assets - Building & Improv. Decrease Appropriation	13,000

DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT

FY 2019-20
4 - VOTES

SOURCES	USES
Olive View-UCLA Medical Center Capital Improvements OV-UCLA MC Emergency Power Upgrade A01-CP-6014-64030-87564 Capital Assets - Building & Improv. Decrease Appropriation	983,000
Olive View-UCLA Medical Center Capital Improvements OV-UCLA MC Recuperative Care Center A01-CP-6014-64030-69864 Capital Assets - Building & Improv. Decrease Appropriation	2,801,000
Olive View-UCLA Medical Center Capital Improvements OVMC Cath Lab Replacement and Room Remodeling Project A01-CP-6014-64030-87583 Capital Assets - Building & Improv. Decrease Appropriation	17,000
Ambulatory Care Network Capital Improvements Roybal Air Handler Replacement Project A01-CP-6014-64050-87219 Capital Assets - Building & Improv. Decrease Appropriation	1,698,000
Ambulatory Care Network Capital Improvements EI Monte CHC Adult Med Registration Consolidation A01-CP-6014-64050-87308 Capital Assets - Building & Improv. Decrease Appropriation	61,000
Ambulatory Care Network Capital Improvements Mid-Valley Comprehensive Health Center Clinic Refurbishment A01-CP-6014-64050-87468 Capital Assets - Building & Improv. Decrease Appropriation	27,000
Ambulatory Care Network Capital Improvements Mid-Valley CHC General Radiology and Room Remodeling A01-CP-6014-64050-87493 Capital Assets - Building & Improv. Decrease Appropriation	168,000
Ambulatory Care Network Capital Improvements Curtis Tucker Renovation and Community Center-HS A01-CP-6014-64050-69867 Capital Assets - Building & Improv. Decrease Appropriation	45,000
Ambulatory Care Network Capital Improvements EI Monte CHC Primary Care Clinic Renovation A01-CP-6014-64050-87472 Capital Assets - Building & Improv. Decrease Appropriation	626,000
Ambulatory Care Network Capital Improvements EI Monte CHC Urgent Care Center Renovation A01-CP-6014-64050-87473 Capital Assets - Building & Improv. Decrease Appropriation	413,000

DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT

FY 2019-20
4 - VOTES

SOURCES	USES
General Fund A01-3306 Approp for Cont - Canc Comm & A/P Decrease Appropriation 105,000	
LAC+USC Medical Center Capital Improvements LAC+USC MC Recuperative Care Center A01-CP-88-8752-64010-69863 State-Other / Capital Projects Increase Revenue 3,296,000	
Rancho Los Amigos National Rehab Center Capital Improvements Rancho Los Amigos Recuperative Care Center A01-CP-88-8752-64025-87465 State-Other / Capital Projects Increase Revenue 1,020,000	
Health Services - Health Services Administration A01-HS-2000-20000 Services & Supplies Decrease Appropriation 6,759,000	Homeless and Housing Program A01-CB-2000-26685 Services & Supplies Increase Appropriation 1,534,000
	PFU-Health Services A01-CB-2000-13749-13763 Services & Supplies Increase Appropriation 4,488,000
	PFU-Various A01-CB-2000-13749-13760 Services & Supplies Increase Appropriation 737,000
Subtotal General Fund \$ 697,424,000	Subtotal General Fund \$ 697,424,000
LAC+USC Medical Center MN4-HG-96-9912-60010 Operating Subsidy - General Fund Increase Revenue 13,154,000	LAC+USC Medical Center MN4-HG-5500-60010 Other Charges Increase Appropriation 13,154,000
Harbor Care South MN1-HH-96-9612-60020 Operating Subsidy - General Fund Increase Revenue 8,027,000	Harbor Care South MN1-HH-5500-60020 Other Charges Increase Appropriation 8,027,000
Rancho Los Amigos National Rehabilitation Center MN7-HR-96-9912-60040 Operating Subsidy - General Fund Increase Revenue 5,255,000	Rancho Los Amigos National Rehabilitation Center MN7-HR-5500-60040 Other Charges Increase Appropriation 5,255,000
Olive View-UCLA Medical Center MN3-HO-96-9912-60050 Operating Subsidy - General Fund Increase Revenue 3,564,000	Olive View-UCLA Medical Center MN3-HO-5500-60050 Other Charges Increase Appropriation 3,564,000
General Fund A01-304A Committed For System of Care Decrease obligated Fund Balance 30,000,000	Ent Sub - LAC+USC Medical Center A01-AC-6100-21200-21224 Other Financing Uses Increase Appropriation 13,154,000

**DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT**

FY 2019-20

4 - VOTES

SOURCES**USES****Ent Sub - Harbor Care South**

A01-AC-6100-21200-21226

Other Financing Uses

Increase Appropriation 8,027,000**Ent Sub - Rancho Los Amigos National Rehabilitation Center**

A01-AC-6100-21200-21230

Other Financing Uses

Increase Appropriation 5,255,000**Ent Sub - Olive View-UCLA Medical Center**

A01-AC-6100-21200-21232

Other Financing Uses

Increase Appropriation 3,564,000**Total Department** \$ 2,212,398,000**Total Department** \$ 2,212,398,000

Noted & Approved:



**Mela Guerrero, Controller
Department of Health Services**

September 29, 2020

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICER

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 HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE**FY 2019-20****3 - VOTES****SOURCES****USES**

HEALTH SERVICES - MEASURE B - HARBOR-UCLA MEDICAL CENTER

BW9-HS-6100-41010-41012

OTHER FINANCING USES

DECREASE APPROPRIATION**11,617,000**

HEALTH SERVICES - MEASURE B - LAC+USC MEDICAL CENTER

BW9-HS-6100-41010-41014

OTHER FINANCING USES

INCREASE APPROPRIATION**3,446,000**

HEALTH SERVICES - MEASURE B - OLIVE VIEW-UCLA MEDICAL CENTER

BW9-HS-6100-41010-41013

OTHER FINANCING USES

INCREASE APPROPRIATION**8,171,000****SOURCES TOTAL****\$ 11,617,000****USES TOTAL****\$ 11,617,000****JUSTIFICATION**

This budget adjustment is necessary to reallocate the funding for the Measure B Special Revenue Fund among three DHS hospitals in accordance with the FY 2019-20 financial experience.

AUTHORIZED SIGNATURE

Mela Guerrero, Controller, DHS

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

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR---☐ ACTION☐ RECOMMENDATION

AUDITOR-CONTROLLER

BY

B.A. NO.

DATE

☐ APPROVED AS REQUESTED☐ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY

DATE

PINK

BA FORM 03/13

BOARD OF
SUPERVISORS
OFFICIAL COPY

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPT'S. NO. 110

DEPARTMENT OF HEALTH SERVICES

September 29, 2020

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 2019-20****3 - VOTES****SOURCES**

BA DETAIL - SEE ATTACHMENT PAGE III-B

USES

BA DETAIL - SEE ATTACHMENT PAGE III-B

SOURCES TOTAL: \$ 24,088,555.13**USES TOTAL: \$ 24,088,555.13****JUSTIFICATION**

Reflects the adjustment to reduce the Department's long-term receivables for the Cost Based Reimbursement Clinics revenue at various DHS facilities. The revenue was accrued in FY 2019-20 for FYs 2017-18 through 2019-20, but expected to be collected after June 30, 2021.


 AUTHORIZED SIGNATURE Mela Guerrero, Controller, DHS

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

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR ---☐ ACTION☐ RECOMMENDATION

AUDITOR-CONTROLLER

BY _____

B.A. NO. _____

20

☐ APPROVED AS REQUESTED☐ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY _____

20

DEPARTMENT OF HEALTH SERVICES
NONSPENDABLE FOR LT RECEIVABLES - CBRC BUDGET ADJUSTMENT

FY 2019-20
3 - VOTES

SOURCES		USES	
LAC+USC MEDICAL CENTER ENTERPRISE FUND		LAC+USC MEDICAL CENTER ENTERPRISE FUND	
MN4-3012		MN4-3301	
NONSPENDABLE FOR LT RECEIVABLES CBRC (HOSP)		OTHER FUND BALANCE AVAILABLE	
DECREASE OBLIGATED FD BAL	\$ 15,546,470.63	INCREASE FUND BALANCE	\$ 15,546,470.63
HARBOR CARE SOUTH ENTERPRISE FUND		HARBOR CARE SOUTH ENTERPRISE FUND	
MN1-3012		MN1-3301	
NONSPENDABLE FOR LT RECEIVABLES CBRC (HOSP)		OTHER FUND BALANCE AVAILABLE	
DECREASE OBLIGATED FD BAL	\$ 112,974.24	INCREASE FUND BALANCE	\$ 112,974.24
RANCHO LOS AMIGOS NAT REHAB CNTR ENT FD		RANCHO LOS AMIGOS NAT REHAB CNTR ENT FD	
MN7-3301		MN7-3012	
OTHER FUND BALANCE AVAILABLE		NONSPENDABLE FOR LT RECEIVABLES CBRC (HOSP)	
DECREASE FUND BALANCE	\$ 699,277.14	INCREASE OBLIGATED FD BAL	\$ 699,277.14
OLIVE VIEW-UCLA MEDICAL CNTR ENTERPRISE FD		OLIVE VIEW-UCLA MEDICAL CNTR ENTERPRISE FD	
MN3-3012		MN3-3301	
NONSPENDABLE FOR LT RECEIVABLES CBRC (HOSP)		OTHER FUND BALANCE AVAILABLE	
DECREASE OBLIGATED FD BAL	\$ 7,067,142.02	INCREASE FUND BALANCE	\$ 7,067,142.02
GENERAL FUND		GENERAL FUND	
A01-3301		A01-301A	
OTHER FUND BALANCE AVAILABLE		NONSPENDABLE FOR LTR (GENERAL FUND)	
DECREASE FUND BALANCE	\$ 662,691.10	INCREASE OBLIGATED FD BAL	\$ 662,691.10
Sources Total	\$ 24,088,555.13	Uses Total	\$ 24,088,555.13

Noted & Approved:


Mela Guerrero, Controller
Department of Health Services

PINK

BA FORM 03/13

BOARD OF
SUPERVISORS
OFFICIAL COPY

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPT'S. 110
NO.

DEPARTMENT OF HEALTH SERVICES

September 29, 2020

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 2019-20

3 - VOTES

SOURCES

BA DETAIL - SEE ATTACHMENT PAGE IV-B

USES

BA DETAIL - SEE ATTACHMENT PAGE IV-B

SOURCES TOTAL: \$ 318,063,998

USES TOTAL: \$ 318,063,998

JUSTIFICATION

Reflects the release of the Enterprise Funds long-term receivables for the FY 2018-19 Enhanced Payment Program (EPP) and Quality Incentive Program (QIP).


 AUTHORIZED SIGNATURE Mela Guerrero, Controller, DHS

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

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR ---☐ ACTION☐ RECOMMENDATION

AUDITOR-CONTROLLER

BY _____

B.A. NO. _____

20

☐ APPROVED AS REQUESTED☐ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY _____

20

DEPARTMENT OF HEALTH SERVICES
NONSPENDABLE FOR LT RECEIVABLES - EPP/ QIP BUDGET ADJUSTMENT

FY 2019-20
3 - VOTES

SOURCES		USES	
LAC+USC MEDICAL CENTER ENTERPRISE FUND		LAC+USC MEDICAL CENTER ENTERPRISE FUND	
MN4-303K		MN4-3301	
NONSPENDABLE FOR LT RECEIVABLES EPP		OTHER FUND BALANCE AVAILABLE	
DECREASE OBLIGATED FD BAL	117,228,770	INCREASE FUND BALANCE	145,500,154
LAC+USC MEDICAL CENTER ENTERPRISE FUND			
MN4-303L			
NONSPENDABLE FOR LT RECEIVABLES QIP			
DECREASE OBLIGATED FD BAL	28,271,384		
HARBOR CARE SOUTH ENTERPRISE FUND		HARBOR CARE SOUTH ENTERPRISE FUND	
MN1-303K		MN1-3301	
NONSPENDABLE FOR LT RECEIVABLES EPP		OTHER FUND BALANCE AVAILABLE	
DECREASE OBLIGATED FD BAL	97,576,217	INCREASE FUND BALANCE	121,147,066
HARBOR CARE SOUTH ENTERPRISE FUND			
MN1-303L			
NONSPENDABLE FOR LT RECEIVABLES QIP			
DECREASE OBLIGATED FD BAL	23,570,849		
RANCHO LOS AMIGOS NAT REHAB CNTR		RANCHO LOS AMIGOS NAT REHAB CNTR ENT FD	
MN7-303K		MN7-3301	
NONSPENDABLE FOR LT RECEIVABLES EPP		OTHER FUND BALANCE AVAILABLE	
DECREASE OBLIGATED FD BAL	5,616,773	INCREASE FUND BALANCE	11,417,418
RANCHO LOS AMIGOS NAT REHAB CNTR			
MN7-303L			
NONSPENDABLE FOR LT RECEIVABLES QIP			
DECREASE OBLIGATED FD BAL	5,800,645		
OLIVE VIEW-UCLA MEDICAL CNTR ENTERPRISE FD		OLIVE VIEW-UCLA MEDICAL CNTR ENTERPRISE FD	
MN3-303K		MN3-3301	
NONSPENDABLE FOR LT RECEIVABLES EPP		OTHER FUND BALANCE AVAILABLE	
DECREASE OBLIGATED FD BAL	30,288,300	INCREASE FUND BALANCE	39,999,360
OLIVE VIEW-UCLA MEDICAL CNTR ENTERPRISE FD			
MN3-303L			
NONSPENDABLE FOR LT RECEIVABLES QIP			
DECREASE OBLIGATED FD BAL	9,711,060		
Sources Total	\$ 318,063,998	Uses Total	\$ 318,063,998

Noted & Approved:


Mela Guerrero, Controller
Department of Health Services

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES
LONG-TERM RECEIVABLES/ RESERVE AMOUNT
FISCAL YEAR 2019-20

(\$ in millions)

LONG-TERM RECEIVABLES (LTR)

<u>Revenues</u>	<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Ending Balance</u>	<u>Change</u>
Cost Based Reimbursement Clinics (CBRC)	FY 2016-17	\$ 0.4	\$ -	\$ (0.4)
	FY 2017-18	41.2	7.0	(34.2)
	FY 2018-19	35.4	30.0	(5.4)
	FY 2019-20	-	18.6	18.6
	CBRC Total	\$ 77.0	\$ 55.6	\$ (21.4)
Enhanced Payment Program (EPP) Quality Incentive Program (QIP)	FY 2018-19	\$ 413.4	\$ 162.8	\$ (250.6)
	FY 2018-19	78.7	11.3	(67.4)
	EPP/QIP Total	\$ 492.1	\$ 174.1	\$ (318.0)
Total	Various	\$ 569.1	\$ 229.7	\$ (339.4)

RESERVE AMOUNT

<u>Funding Source</u>	<u>Beginning Balance</u>	<u>Ending Balance</u>	<u>Change</u>
DHS' Obligated Fund Balance	\$ 569.1	\$ 229.7	\$ (339.4)

BOARD LETTER FACT SHEET

Agenda Review Date: September 16, 2020

Board Meeting Date: September 29, 2020

Sup. Dist. / SPA No.: 1, 2, & 4

DEPARTMENT: **Health Services**

SUBJECT: Authorize use of tax-exempt Lease Revenue Obligation Notes to finance project costs for various Capital Projects and approve related appropriation adjustment.

I. PUBLIC BENEFIT (precise description, mandated or non-mandated)

Non-mandated

II. RECOMMENDED ACTIONS (summarized)

Authorize the issuance of the tax-exempt Lease Revenue Obligation Notes through the Los Angeles County Capital Asset Lease Corporation Lease Revenue Obligation Note Program to provide financing for the following Board approved capital projects: Harbor-UCLA Medical Center Electrical Switchgear Replacement Project (H-UCLA MC Electrical Switchgear), LAC+USC Medical Center Child Care Center Project (LAC+USC MC CCC), LAC+USC Medical Center Recuperative Care Center Project (LAC+USC MC RCC), Olive View Campus Recuperative Care Center (OVC RCC), and Rancho Los Amigos National Rehabilitation Center Recuperative Care Center Project (RLANRC RCC). Approval of the enclosed FY 2020-21 Appropriation Adjustment in the amount of \$67,685,000, financed by short-term borrowing through the Note Program, will fund the remaining project costs for the five capital

III. COST AND FUNDING SOURCES

Cost: \$67,685,000

Funding: \$67,685,000 Tax-Exempt Lease Revenue Obligation Notes

IV. BACKGROUND (critical and/or insightful)

Your Board previously approved the five capital projects with the total project budgets as follows: H-UCLA MC Electrical Switchgear - \$11,600,000, LAC+USC MC CCC - \$9,979,000, LAC+USC MC RCC - \$24,145,000, OVC RCC - \$20,537,000, and RLANRC RCC - \$20,154,000, funded by the Department Health Services' (DHS) Obligated Enterprise Fund Balance. Since that time, DHS has been working with the Chief Executive Office (CEO) to evaluate additional funding options that could be utilized in lieu of DHS Obligated Fund Balance. DHS is proposing to debt-finance the remaining project costs and are seeking authorization to issue and utilize the tax-exempt Notes through the Los Angeles County Capital Asset Leasing Corporation's Lease Revenue Obligation Note Program (the "Note" Program).

V. POTENTIAL ISSUE(S)

None

VI. DEPARTMENT & COUNTY COUNSEL CONTACTS

DHS - Mela Guerrero (213) 288-8273 mguerrero@dhs.lacounty.gov

DHS - Henry Shin (213) 288-8201 hshin@dhs.lacounty.gov

County Counsel - Matthew Marlowe (213) 974-1891 mmarlowe@counsel.lacounty.gov

September 29, 2020

**Los Angeles County
Board of Supervisors**

Hilda L. Solis
First District

Mark Ridley-Thomas
Second District

Sheila Kuehl
Third District

Janice Hahn
Fourth District

Kathryn Barger
Fifth District

Christina R. Ghaly, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Deputy Director, Clinical Affairs

Nina J. Park, M.D.
Chief Deputy Director, Population Health

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:

**AUTHORIZE USE OF TAX-EXEMPT LEASE REVENUE OBLIGATION
NOTES TO FINANCE PROJECT COSTS FOR VARIOUS CAPITAL
PROJECTS AND APPROVE RELATED APPROPRIATION ADJUSTMENT
(SUPERVISORIAL DISTRICTS 1, 2 and 4)
(4 VOTES)**

SUBJECT

This action will authorize the issuance of tax-exempt Lease Revenue Obligation Notes through the Los Angeles County Capital Asset Lease Corporation Lease Revenue Obligation Note Program and approve related Fiscal Year 2020-21 appropriation adjustments to provide financing for the remaining project costs on various Board approved capital projects.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed actions are not a project under the California Environmental Quality Act (CEQA) or are exempt, for the reasons stated in this Board letter and in the record of the proposed activities.
2. Establish capital project numbers for the following Board-approved projects:
 - a. Capital Project No. 89150: Harbor-UCLA Medical Center Electrical Switchgear Replacement (H-UCLA MC Electrical Switchgear)
 - b. Capital Project No. 67975: LAC+USC Medical Center Child Care Center (LAC+USC MC CCC)
 - c. Capital Project No. 67976: LAC+USC Medical Center Recuperative Care Center (LAC+USC MC RCC)
 - d. Capital Project No. 67977: Olive View Campus Recuperative Care Center (OVC RCC)
 - e. Capital Project No. 67978: Rancho Los Amigos National Rehabilitation Center Recuperative Care Center (RLANRC RCC)

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

Tel: (213) 288-8050
Fax: (213) 481-0503

www.dhs.lacounty.gov

*"To advance the health of our
patients and our communities by
providing extraordinary care"*



www.dhs.lacounty.gov

3. Authorize the issuance of the tax-exempt Lease Revenue Obligation Notes (Notes) through the LA County Capital Asset Lease Corporation Lease Revenue Obligation Note Program (LA County Note Program) in the amount of \$8,702,000 and approve an appropriation adjustment to fund the remaining project costs for the H-UCLA MC Electrical Switchgear Project (C.P. No. 89150).
4. Authorize the issuance of the tax-exempt Notes through the LA County Note Program in the amount of \$9,186,000 and approve an appropriation adjustment to fund the remaining project costs for the LAC+USC MC CCC Project (C.P. No. 67975).
5. Authorize the issuance of the tax-exempt Notes through the LA County Note Program in the amount of \$15,590,000 and approve an appropriation adjustment to fund the remaining project costs for the LAC+USC MC RCC Project (C.P. No. 67976).
6. Authorize the issuance of the tax-exempt Notes through the LA County Note Program in the amount of \$16,048,000 and approve an appropriation adjustment to fund the remaining project costs for the OVC RCC Project (C.P. No. 67977).
7. Authorize the issuance of the tax-exempt Notes through the LA County Note Program in the amount of \$18,159,000 and approve an appropriation adjustment to fund the remaining project costs for the RLANRC RCC Project (C.P. No. 67978).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The recommended action will find that the recommended actions are not a project under the CEQA and establish capital project numbers and authorize the issuance of Notes to provide financing for the following Board approved capital projects: H-UCLA MC Electrical Switchgear Project, LAC+USC MC CCC Project, LAC+USC MC RCC Project, OVC RCC Project, and RLANRC RCC Project.

Your Board previously approved the five capital projects with the total project budgets as follows: H-UCLA MC Electrical Switchgear - \$11,600,000, LAC+USC MC CCC - \$9,979,000, LAC+USC MC RCC - \$24,145,000, OVC RCC - \$20,537,000, and RLANRC RCC - \$20,154,000, funded by the Department Health Services' (DHS) Obligated Enterprise Fund Balance. Since that time, DHS has been working with the Chief Executive Office (CEO) to evaluate additional funding options that could be utilized in lieu of DHS' Obligated Fund Balance. DHS is proposing to debt-finance the remaining project costs and are seeking authorization to issue and utilize the tax-exempt Notes through the LA County Note Program.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This action supports the LA County's Strategic Plan Goal III - Realize Tomorrow's Government Today, which includes Goal III.3 Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.

FISCAL IMPACT/FINANCING

The previously Board approved total project budgets are as follows:

- H-UCLA MC Electrical Switchgear (C.P. No. 89150) - \$11,600,000; DHS has paid \$2,898,000, and the remaining balance of \$8,702,000 is proposed to be debt-financed.
- LAC+USC MC CCC (C.P. No. 67975) - \$9,979,000; DHS has paid \$793,000, and the remaining balance of \$9,186,000 is proposed to be debt-financed.
- LAC+USC MC RCC (C.P. No. 67976) - \$24,145,000; DHS has paid \$8,555,000, and the remaining balance of \$15,590,000 is proposed to be debt-financed.
- OVC RCC (C.P. No. 67977) - \$20,537,000; DHS has paid \$4,489,000, and the remaining balance of \$16,048,000 is proposed to be debt-financed.
- RLANRC RCC (C.P. No. 67978) - \$20,154,000; DHS has paid \$1,995,000, and the remaining balance of \$18,159,000 is proposed to be debt-financed.

Approval of the recommended action to establish five new capital project numbers (C.P. Nos. 89150, 67975, 67976, 67977, and 67978) will allow tracking of project expenditures under a separate fund established to properly account for the funding of these capital projects through tax-exempt Notes.

Approval of the enclosed FY 2020-21 Appropriation Adjustment in the amount of \$67,685,000, financed by short-term borrowing through the LA County Note Program, will fund the remaining project costs for the five capital projects. The costs of financing through the LA County Note Program include interest, insurance, and administrative costs, which would be funded from DHS' operating budget.

The short-term borrowing through the LA County Note Program will eventually be refinanced through the issuance of long-term bonds. The proceeds from the sale of bonds will be used to refinance outstanding Notes that were used as the initial funding vehicle for the construction and capital improvements of the projects. The annual repayment of the bond issued will be paid from DHS' operating budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The LA County Note Program is a short-term financing program utilized by LA County to provide the initial funding mechanism for construction and capital improvement projects. The lease revenue commercial paper notes issued through the LA County Note Program are short-term variable rate debt instruments; the interest rate on the lease revenue notes will reflect the market conditions at the time of issuance. Upon projection completion, long-term bonds will be used to refinance outstanding lease revenue commercial paper notes issued to the construction and capital improvements.

ENVIRONMENTAL DOCUMENTATION

The recommended actions are not subject to CEQA because they are activities that are excluded from the definition of a project by section 21065 of the Public Resources Code and Section 15378 of the State CEQA Guidelines. The proposed action to establish capital project numbers and authorize the issuance of short-term revenue notes is organizational and an administrative activity of government that will not result in indirect or direct physical changes to the environment pursuant to Section 15378(b)(5). The projects to which the recommended organizational and/or administrative actions apply have previously been approved by the Board and necessary CEQA findings for each project were made at the time of approval. There are no changes proposed to the projects as a result of the currently recommended actions which would necessitate further findings under CEQA.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The use of short-term borrowing of commercial paper notes through the LA County Note Program will help ensure the completion of essential capital improvement projects in the areas of health services, public safety and general government.

CONCLUSION

Please return one adopted copy of this Board letter to the DHS and CEO, Capital Programs Divisions.

Respectfully submitted,

Christina R. Ghaly, M.D.
Director of Health Services

CRG:fl

Enclosure

c: Auditor-Controller
Chief Executive Office, Capital Programs Division
County Counsel
Department of Health Services, Capital Projects Division
Executive Office, Board of Supervisors

September 29, 2020

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF HEALTH SERVICES

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 HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE**FY 2020-21****4 - VOTES****SOURCES**

BA DETAIL - SEE ATTACHMENT PAGE 1

USES

BA DETAIL - SEE ATTACHMENT PAGE 1

SOURCES TOTAL

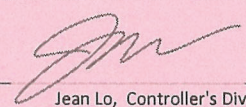
\$ 67,685,000

USES TOTAL

\$ 67,685,000

JUSTIFICATION

The budget adjustment is necessary to fund the remaining project costs offset by tax-exempt Lease Revenue Obligation Notes for the five capital projects.

AUTHORIZED SIGNATURE
Jean Lo, Controller's Division, DHS

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

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR---☐ ACTION☒ RECOMMENDATION

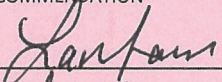
AUDITOR-CONTROLLER

BY

DATE

B.A. NO.

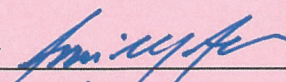
042


Sept. 8, 2020☒ APPROVED AS REQUESTED☐ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY

DATE


9/8/2020

COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENT

		FY 2020-21 4 - VOTES	
SOURCES		USES	
LRON-HARBOR MEDICAL CAMPUS CAPITAL IMPROVEMENT HARBOR-UCLA MC ELECTRICAL SWITCHGEAR REPLACEMENT J25-CP-94-9276-65069-89150 LEASE REVENUE OBLIGATION NOTES PROCEEDS / CAPITAL PROJECTS INCREASE REVENUE	8,702,000	LRON-HARBOR MEDICAL CAMPUS CAPITAL IMPROVEMENT HARBOR-UCLA MC ELECTRICAL SWITCHGEAR REPLACEMENT J25-CP-6014-65069-89150 CAPITAL ASSETS - B & I INCREASE APPROPRIATION	8,702,000
LRON-LAC+USC MEDICAL CENTER CAPITAL IMPROVEMENTS FUND LAC+USC MC CHILD CARE CENTER J28-CP-94-9276-65088-67975 LEASE REVENUE OBLIGATION NOTES PROCEEDS / CAPITAL PROJECTS INCREASE REVENUE	9,186,000	LRON-LAC+USC MEDICAL CENTER CAPITAL IMPROVEMENTS FUND LAC+USC MC CHILD CARE CENTER J28-CP-6014-65088-67975 CAPITAL ASSETS - B & I INCREASE APPROPRIATION	9,186,000
LRON-LAC+USC MEDICAL CENTER CAPITAL IMPROVEMENTS FUND LAC+USC MC RECUPERATIVE CARE CENTER J28-CP-94-9276-65088-67976 LEASE REVENUE OBLIGATION NOTES PROCEEDS / CAPITAL PROJECTS INCREASE REVENUE	15,590,000	LRON-LAC+USC MEDICAL CENTER CAPITAL IMPROVEMENTS FUND LAC+USC MC RECUPERATIVE CARE CENTER J28-CP-6014-65088-67976 CAPITAL ASSETS - B & I INCREASE APPROPRIATION	15,590,000
LRON-OLIVE VIEW MEDICAL CAMPUS OLIVE VIEW CAMPUS RECUPERATIVE CARE CENTER J27-CP-94-9276-65087-67977 LEASE REVENUE OBLIGATION NOTES PROCEEDS / CAPITAL PROJECTS INCREASE REVENUE	16,048,000	LRON-OLIVE VIEW MEDICAL CAMPUS OLIVE VIEW CAMPUS RECUPERATIVE CARE CENTER J27-CP-6014-65087-67977 CAPITAL ASSETS - B & I INCREASE APPROPRIATION	16,048,000
LRON-RANCHO LOS AMIGOS FACILITIES CAPITAL IMPROVEMENT RLANRC RECUPERATIVE CARE CENTER J23-CP-94-9276-65066-67978 LEASE REVENUE OBLIGATION NOTES PROCEEDS / CAPITAL PROJECTS INCREASE REVENUE	18,159,000	LRON-RANCHO LOS AMIGOS FACILITIES CAPITAL IMPROVEMENT RLANRC RECUPERATIVE CARE CENTER J23-CP-6014-65066-67978 CAPITAL ASSETS - B & I INCREASE APPROPRIATION	18,159,000
SOURCES TOTAL	\$ 67,685,000	USES TOTAL	\$ 67,685,000

BA#042

Lantern
9/8/2020

BOARD LETTER FACT SHEET

DRAFT

Agenda Review Date: September 16, 2020

Board Meeting Date: September 29, 2020

Sup. Dist. / SPA No.: 1

DEPARTMENT:

SUBJECT: Request approval to enter into a new sole source contract with Los Angeles County + University of Southern California Medical Center Foundation, Inc. for Patient Health Navigation Services through the Wellness Center.

I. PUBLIC BENEFIT (precise description, mandated or non-mandated)

Los Angeles County + University of Southern California Medical Center Foundation, Inc. (Foundation) through the Wellness Center has built relationships with the community surrounding Los Angeles County + University of Southern California Medical Center (LAC + USC MC) which has allowed them to conduct community outreach at various levels.

II. RECOMMENDED ACTIONS (summarized)

Approve and authorize the Director of Mental Health or his designee, to prepare, sign, and execute a new sole source Contract with the Los Angeles County + University of Southern California Medical Center Foundation, Inc. (Foundation) , for Patient Health Navigation Services through the Wellness Center, connecting patients of the Los Angeles County University of Southern California Medical Center , including its Emergency Department, for twelve (12) months effective upon Board approval

III. COST AND FUNDING SOURCES

Cost: \$875,675

Funding: State MHSA revenue

IV. BACKGROUND (critical and/or insightful)

The Foundation is the sole entity contracted with Los Angeles County + University of Southern California Medical Center (LAC+USC MC) to expend funds to provide Patient Health Navigation Services through the Wellness Center and support integrative care by providing patients of LAC+USC MC, including its Emergency Department, access to mental health resources within the community and as a means to decompress its Emergency Department.

On August 18, 2020, Patient Health Navigation Services was posted for public comment, once the 30 day public comment period is completed, this program will be incorporated into the current MHSA Three Year Program & Expenditure Plan which has been extended, by statute, for one additional year due to the COVID-19 pandemic.

V. POTENTIAL ISSUE(S)

N/A

VI. DEPARTMENT & COUNTY COUNSEL CONTACTS

DMH: Greg Polk, gpolk@dmh.lacounty.gov, 213.738.4926, Darlesh Horn, dhorn@dmh.lacounty.gov, 213.251.6567 , Counsel: Vicki Kozikoujekian, vkozikoujekian@counsel.lacounty.gov, 213.738.2881



DEPARTMENT OF MENTAL HEALTH

hope. recovery. wellbeing.

JONATHAN E. SHERIN, M.D., Ph.D.
Director

Gregory C. Polk, M.P.A.
Chief Deputy Director

Curley L. Bonds, M.D.
Chief Medical Officer

Lisa H. Wong, Psy.D.
Senior Deputy Director

September 29, 2020

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 TO ENTER INTO A SOLE SOURCE CONTRACT WITH
LOS ANGELES COUNTY+ UNIVERSITY OF SOUTHERN CALIFORNIA
MEDICAL CENTER FOUNDATION, INC., FOR
PATIENT HEALTH NAVIGATION SERVICES
(SUPERVISORIAL DISTRICT 1)
(3 VOTES)**

SUBJECT

Request approval to enter into a new sole source contract with Los Angeles County + University of Southern California Medical Center Foundation, Inc., to provide Patient Health Navigation Services through the Wellness Center.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and authorize the Director of Mental Health (Director), or his designee, to prepare, sign, and execute a new sole source Contract, substantially similar to Attachment I, with the Los Angeles County + University of Southern California Medical Center Foundation, Inc. (Foundation), for Patient Health Navigation Services through the Wellness Center, connecting patients of the Los Angeles County University of Southern California (LAC+USC) Medical Center (MC), including its Emergency Department (ED), for twelve (12) months effective upon Board approval. The Total Compensation Amount (TCA) for this Contract is \$875,675, fully funded by State Mental Health Services Act (MHSA) revenue.

2. Delegate authority to the Director, or his designee, to prepare, sign, and execute future amendments to the sole source Contract in Recommendation 1, including amendments that extend the term, if appropriate; add, delete, modify or replace the Statement of Work; reflect federal, State, and County regulatory and/or policy changes; increase the TCA provided that: 1) the County's total payments will not exceed an increase of ten (10) percent from the applicable TCA approved by your Board in Recommendation 1; and 2) sufficient funds are available. These amendments will be subject to the prior review and approval as to form by County Counsel, with written notice to the Board and Chief Executive Officer (CEO).
3. Delegate authority to the Director, or his designee to terminate the Contract described in Recommendation 1 in accordance with the Contract termination provisions, including Termination for Convenience. The Director, or his designee, will provide written notification to your Board and CEO of such termination action.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Board approval of the first Recommendation will enable DMH to enter into a new sole source contract with the Foundation to provide Patient Health Navigation Services, focused on Prevention mental health services, all of which will be accomplished through the Wellness Center. In addition to connecting patients and community residents to DMH facilities and community based organizations, Patient Health Navigation Services will provide screenings for social ecological determinants of health, care coordination focused on one-on-one collaborations with clients requiring multiple supports for an array of issues, and community based education on health and wellness services.

Board approval of the second Recommendation will enable DMH to amend the sole source contract to extend the term, if appropriate; amend the contract to add, delete, modify or replace the Statement of Work; reflect federal, State, and County regulatory and/or policy changes given that the total payments to the Contractor will not exceed an increase of ten (10) percent from the TCA in the first Recommendation.

Board approval of the third Recommendation will enable DMH to terminate the Contract in accordance with the Contract's termination provisions, including Termination for Convenience, in a timely manner, as necessary.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

These recommendations support the County's Strategic Plan Goal II - Foster Vibrant and Resilient Communities, Strategy II.2., Support the Wellness of Our Communities and Strategic Plan Goal III - Realize Tomorrow's Government Today, Strategy III.3, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.

FISCAL IMPACT/FINANCING

The TCA is \$875,675, fully funded by State MHSA revenue. Funding for Fiscal Year 2020-21 is included in DMH's adopted budget. Funding for the future fiscal year will be requested through DMH annual budget request process.

There is no impact on net County cost for this action.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Foundation is the sole entity contracted with LAC+USC MC to expend funds to provide Patient Health Navigation Services through the Wellness Center and support integrative care by providing patients of LAC+USC MC, including its ED, access to mental health resources within the community and as a means to decompress its Emergency Department. Patient Health Navigation Services will provide an array of Prevention services including screening for mental health and supportive services, linkage and care coordination to complex clients, community education and the collection and reporting of community feedback and input as well.

On August 9, 1994, the Los Angeles County Board of Supervisors approved a contract with the Foundation to be the sole entity to raise funds on behalf of LAC+USC Medical Center for the provision of health care delivery, physical facilities, and medical research/education. The relationship between the Foundation and LAC+USC MC has evolved over the last 25 years, which has allowed the Foundation the opportunity to build relationships with the community surrounding LAC+USC MC in order to conduct community outreach at various levels. The Wellness center works with various County departments and community-based organizations to provide an array of services including Patient Health Navigation services.

In addition, to the already existing Patient Health Navigation services, the Wellness Center will provide Prevention focused services that will include assessment for mental health and supportive service needs, referral, and linkage to ongoing mental health services if required, and linkage to community supports as well as education offered through DMH Prevention platforms, such as the Prevention and After Care Networks.

On August 18, 2020, Patient Health Navigation Services was posted for public comment. With the completion of the 30-day public comment period, this program is incorporated into the current MHSA Three Year Program & Expenditure Plan which has been extended, by statute, for one additional year due to the COVID-19 pandemic. The Wellness Center will be providing the following deliverables for one year which will include such services as providing mental health screening, linkage and care coordination to clients with complex service needs, in addition to community education and the collection and reporting of community feedback and input.

The sole source contract (Attachment I) has been approved as to form by County Counsel.

As mandated by your Board, the performance of all contractors is evaluated by DMH on an annual basis to ensure the Contractors' compliance with all contract terms and performance standards per Board Policy 5.040 - Contractor Performance Monitoring. In accordance with Board Policy No. 5.100 (Sole Source Contracts), DMH notified your Board on July 1, 2020 (Attachment II) of its intent to execute a new sole source contract with LAC+USC Medical Center Foundation, Inc. In addition, attached is the required Sole Source Checklist (Attachment III) identifying and justifying the need for a sole source contract which has been approved by the CEO.

IMPACT ON CURRENT SERVICES OR PROJECTS

Board approval of the proposed actions will ensure further support of the objectives set forth by the Board to promote and advance health, wellness, and economic well-being for the community and residents in the LAC+USC Medical Center service area.

Respectfully submitted,

Jonathan E. Sherin, M.D., Ph.D.
Director

JES:GCP:ES:SK:zw

Enclosures

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

Changes from the 2020-21 Adopted Budget

	Gross Appropriation (\$)	Intrafund Transfers (\$)	Revenue (\$)	Net County Cost (\$)	Budg Pos
MENTAL HEALTH					
2020-21 Adopted Budget	2,886,957,000	183,486,000	2,673,277,000	30,194,000	6,050.0
1. Mental Health Services Act (MHSA) – Previously Approved: Reflects increases in accordance with Board-approved MHSA plans, funded by MHSA fund balance, including \$2.7 million to continue the implementation of the Community Mental Health Partners Incubation Academy; \$1.5 million to participate in an innovative early psychosis learning network; and \$1.0 million for mental health information and referral services in educational settings. (4-VOTES)	5,245,000	--	5,245,000	--	--
2. MHSA – County Partners: Reflects a \$3.2 million increase in funding from MHSA fund balance for nurse home visiting services, partially offset by a \$1.0 million reduction in time-limited funding for temporary programs, conducted in partnership with the Department of Public Health. (4-VOTES)	2,172,000	--	2,172,000	--	--
3. State Realignment Backfill: Reflects anticipated State general fund backfill of decreased Realignment revenue, offset by a reduction in the formerly planned use of Departmental Realignment fund balance to offset the revenue decrease. (3-VOTES)	--	--	(10,325,000)	10,325,000	--
4. Measure H: Reflects Board-approved funding for Homeless Initiative Strategy D7 that provides services for permanent supportive housing. (4-VOTES)	3,799,000	--	3,799,000	--	--
5. Assembly Bill 109 Carryover: Reflects the carryover of unused FY 2019-20 funding to continue program funding in FY 2020-21. (4-VOTES)	151,000	--	151,000	--	--
6. Operating Costs: Reflects miscellaneous changes involving other County departments, grants, and various revenues and expenditures, to more closely reflect anticipated funding levels. Also reflects the adjustment of position classifications to more accurately reflect assigned duties and responsibilities. (4-VOTES)	5,550,000	(8,450,000)	14,000,000	--	--
Total Changes	16,917,000	(8,450,000)	15,042,000	10,325,000	0.0
2020-21 Supplemental Changes	2,903,874,000	175,036,000	2,688,319,000	40,519,000	6,050.0

Changes from the 2020-21 Adopted Budget

	Gross Appropriation (\$)	Intrafund Transfers (\$)	Revenue (\$)	Net County Cost (\$)	Budg Pos
PUBLIC HEALTH					
2020-21 Adopted Budget	1,207,287,000	94,450,000	900,413,000	212,424,000	5,145.0
1. COVID-19 Response: Reflects an increase in appropriation and the addition of 458.0 ordinance-only positions, fully offset with grant funding and Coronavirus Relief Funds (CRF), to support COVID-19 response activities, including the Department's contact tracing efforts and testing services provided by the Department of Health Services. (4-VOTES)	191,562,000	--	191,562,000	--	--
2. New Grants: Reflects an increase in appropriation, fully offset with grant funding for multiple projects. Funding will be utilized to purchase emergency response equipment; support pedestrian plans in disadvantaged communities; implement sexually transmitted disease prevention activities; address Alzheimer's disease and other related dementia; and support enhanced care and treatment services for persons living with HIV. (4-VOTES)	2,777,000	--	2,777,000	--	--
3. Home Visitation Initiative Program (HVIP): Reflects increased California Work Opportunity and Responsibility to Kids (CalWORKs) funding from the Department of Public Social Services for the HVIP. The HVIP Program will enable CalWORKs participants to select from high-quality early learning settings that will provide developmental screenings and assessments, and offer a core curriculum that is developmentally, culturally, and linguistically appropriate. (4-VOTES)	10,991,000	10,991,000	--	--	--
4. New Positions: Reflects the addition of 4.0 positions, fully offset by the deletion of 2.0 positions and a reduction in appropriation, to provide programmatic and clinical support to the Department. (3-VOTES)	--	--	--	--	2.0
5. 1991 Realignment – Sales Tax: Reflects State General Fund backfill of FY 20-21 1991 Realignment – Sales Tax revenue and a corresponding decrease in NCC. (3-VOTES)	--	--	2,345,000	(2,345,000)	--
6. 1991 Realignment – Sales Tax: Reflects growth in FY 2020-21 1991 Realignment-Sales Tax revenue and a corresponding decrease in net County cost (NCC). (3-VOTES)	--	--	381,000	(381,000)	--
7. Assembly Bill (AB) 109: Reflects the recognition of one-time AB 109 funding to support various Substance Use Disorder programs for the AB 109 population. (4-VOTES)	2,616,000	--	2,616,000	--	--
8. eCAPS Maintenance: Reflects the Department's proportional share of eCAPS maintenance cost increases. (4-VOTES)	39,000	--	32,000	7,000	--

	Gross Appropriation (\$)	Intrafund Transfers (\$)	Revenue (\$)	Net County Cost (\$)	Budg Pos
9. Ministerial Changes: Reflects various ministerial changes, including projected revenue adjustments for special funds and grants, adjustments for services provided to or funded by other County departments, the carryover of prior-year NCC savings for an information technology project, Board-approved reclassifications, and the realignment of appropriation and revenue based on historical trends. (4-VOTES)	9,455,000	1,082,000	8,154,000	219,000	--
Total Changes	217,440,000	12,073,000	207,867,000	(2,500,000)	2.0
2020-21 Supplemental Changes	1,424,727,000	106,523,000	1,108,280,000	209,924,000	5,147.0

Changes from the 2020-21 Adopted Budget

	Gross Appropriation (\$)	Intrafund Transfer (\$)	Revenue (\$)	Net County Cost (\$)	Budg Pos
HEALTH SERVICES					
2020-21 Adopted Budget	8,525,359,000	289,755,000	7,267,870,000	967,734,000	25,779.0
1. COVID-19 Funding: Reflects the addition of \$164.0 million in Coronavirus Relief Funding (CRF) and \$96.006 million in intrafund transfers (IFT) from the Department of Public Health to support the Department's COVID-19 testing and other related efforts. (4-VOTES)	260,006,000	96,006,000	164,000,000	--	--
2. Medical Sheltering: Reflects an increase in sheltering, fully offset by CRF and FEMA funding, for individuals that have tested positive for the novel coronavirus, or are awaiting test results, who are unable to shelter in place. (4-VOTES)	19,000,000	--	4,750,000	14,250,000	--
3. Office of Diversion and Re-Entry (ODR) Programs: Reflects an appropriation increase, fully offset with IFT from Diversion and Re-Entry, to support ODR's efforts to right-size the ODR Housing Program budget based on actual experience. (3-VOTES)	28,952,000	28,952,000	--	--	--
4. Housing for Health Programs: Reflects an increase of grant and revenue funding to expand various programs for persons experiencing homelessness, such as permanent housing, interim housing and benefits advocacy, as well as the carryover of one-time for various other related programs. (4-VOTES)	72,690,000	51,086,000	20,070,000	1,534,000	--
5. Capital Projects: Reflects a net decrease based on updated capital project projections. (3-VOTES)	(24,027,000)	--	--	(24,027,000)	--
6. Pharmaceutical Costs: Reflects an increase in estimated pharmaceutical costs based on updated utilization trends and price data. (4-VOTES)	5,822,000	--	--	5,822,000	--
7. Ministerial Changes: Reflects various cost increases; the addition of 136.0 new positions, offset with the deletion 136.0 vacant positions to further implement the Board-approved revision to the Patient-Centered Medical Homes staffing model; and the dissolution of the Managed Care Services budget unit and transfer to the Health Services Administration budget unit. (4-VOTES)	50,053,000	8,698,000	12,431,000	28,924,000	--
8. Assembly Bill (AB) 109 Public Safety Realignment Revenue: Reflects the allocation of one-time AB 109 funding for various programs, such as the Interim Housing Capital Funding Pool, Medication-Assisted Treatment, and Substance Treatment and Re-Entry Transition. (4-VOTES)	28,477,000	--	28,477,000	--	--
9. Deletion of One-Time Funding: Reflects the deletion of one-time funding related to Measure H programs and the Interim Housing Capital Funding Pool. (3-VOTES)	(39,924,000)	--	(32,269,000)	(7,655,000)	--

	Gross Appropriation (\$)	Intrafund Transfer (\$)	Revenue (\$)	Net County Cost (\$)	Budg Pos
10. Revenue Changes and Operating Subsidies:	64,280,000	--	23,518,000	40,762,000	--
Reflects revenue adjustments related to the Quality Improvement Program, Hospital Provider Fee, and other revenues. Also includes appropriation and revenue adjustments for operating subsidies, the deletion of a placeholder previously used to reduce appropriation to match the then-available obligated fund balance, and an increase in Sales Tax and Vehicle License Fee Realignment revenues. (4-VOTES)					
Total Changes	465,329,000	184,742,000	220,977,000	59,610,000	0.0
2020-21 Supplemental Changes	8,990,688,000	474,497,000	7,488,847,000	1,027,344,000	25,779.0

Changes from the 2020-21 Adopted Budget

	Gross Appropriation (\$)	Intrafund Transfers (\$)	Revenue (\$)	Net County Cost (\$)	Budg Pos
DIVERSION AND RE-ENTRY (ODR)					
2020-21 Adopted Budget	123,701,000	9,600,000	59,700,000	54,401,000	0.0
1. ODR Housing Budget Alignment: Reflects an appropriation increase, fully offset with funding from ODR's reserve account, to support efforts to right-size the ODR Housing Program budget based on actual experience. (4-VOTES)	28,952,000	--	--	28,952,000	--
2. Carryover of Prior-Year Savings: Reflects the carryover of prior-year net County cost (NCC) savings to support existing programs and operations. (4-VOTES)	1,430,000	--	--	1,430,000	--
3. Assembly Bill (AB) 109: Reflects the recognition of additional one-time AB 109 funding to support ODR's existing programs. (4-VOTES)	15,823,000	--	15,823,000	--	--
4. Ministerial Changes: Reflects various ministerial changes, including the recognition of an additional \$4.692 million in one-time Senate Bill 678 and Affordable Housing funding to support ODR's existing programs, the addition of \$0.241 million in one-time NCC to support consultant services related to the potential closure of Men's Central Jail, and the realignment of existing appropriation based on operational needs. (4-VOTES)	4,692,000	2,907,000	1,544,000	241,000	--
5. Transfer of Funding to Reserve Account: Reflects the transfer of funding, largely due to the availability of one-time funding, to ODR's reserve account, primarily to support housing subsidies over a multi-year period. (3-VOTES)	(24,142,000)	--	--	(24,142,000)	--
Total Changes	26,755,000	2,907,000	17,367,000	6,481,000	0.0
2020-21 Supplemental Changes	150,456,000	12,507,000	77,067,000	60,882,000	0.0