



LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH
 550 S. VERMONT AVE., LOS ANGELES, CA 90020 HTTP://DMH.LACOUNTY.GOV



MARVIN J. SOUTHARD, D.S.W.
 Director
 ROBIN KAY, Ph.D.,
 Chief Deputy Director
 RODERICK SHANER, M.D.
 Medical Director

November 05, 2014

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

ADOPTED

BOARD OF SUPERVISORS
 COUNTY OF LOS ANGELES

23 of November 5, 2014

Sachi A. Hamai
 SACHI A. HAMAI
 EXECUTIVE OFFICER

Dear Supervisors:

**APPROVAL TO AMEND NINE LEGAL ENTITY AGREEMENTS
 TO EXPAND THE EXISTING MENTAL HEALTH SERVICES ACT
 FUNDED PROGRAMS
 FOR FISCAL YEAR 2014-15
 (SUPERVISORIAL DISTRICTS 1, 2, AND 4)
 (3 VOTES)**

SUBJECT

Request approval to amend nine existing Department of Mental Health Legal Entity Agreements to expand their Mental Health Services Act funded programs.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the Director of Mental Health (Director), or his designee, to prepare, sign, and execute amendments, substantially similar to Attachment I, to nine existing Department of Mental Health (DMH) Legal Entity (LE) Agreements to expand their Mental Health Services Act (MHSA) funded programs. These amendments will be effective upon your Board's approval and will increase the Contractors' MHSA funded programs in an aggregate amount of \$1,975,431, thus increasing the Contractors' Maximum Contract Amounts (MCAs) as indicated on Attachment II for Fiscal Year (FY) 2014-15.
2. Delegate authority to the Director, or his designee, to prepare, sign, and execute future amendments to these LE Agreements and establish as a new MCA, the aggregate of the original agreements and all amendments provided that: 1) the County's total payments to these contract providers for each fiscal year will not exceed an increase of 20 percent from the applicable MCAs which the Board is being asked to approve in Attachment II; 2) any such increase will be used to provide additional services or to reflect program and/or policy changes; 3) your Board has

appropriated sufficient funds for all changes; 4) approval of County Counsel, or designee, is obtained prior to any such amendment; 5) the County and Contractors may, by written amendment, reduce programs or services without reference to the 20 percent limitation and revise the applicable MCA; and 6) the Director, or his designee, notifies your Board and the Chief Executive Officer (CEO) of Agreement changes in writing within 30 days after execution of each amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the requested actions will allow DMH to amend nine existing LE Agreements as listed in Attachment II to expand their existing MHSA Prevention and Early Intervention (PEI), Wellness Centers, and Urgent Care Centers (UCC) Programs. DMH has increased the MHSA PEI funding in all LE Agreements that provide PEI services based on their FY 2013-14 utilization of PEI funds. Some LE Contractors, including five LE Agreements in Attachment II, had exceeded their FY 2013-14 PEI allocations due to an increase in demand for services. In order for these agencies to maintain the same level of service delivery as in the previous fiscal year, DMH is increasing their allocation of PEI funds for FY 2014-15. Also, DMH has allocated additional MHSA Wellness Centers Program funding to all the LE Agreements that provide this service due to the adoption of the MHSA Three-Year Plan to expand the Wellness Centers Program to improve client access and quality of care. Four out of the nine LE Agreements listed in Attachment II are receiving an increase in their Wellness Centers Program funds. Additionally, DMH is increasing the MHSA UCC Program funds for Exodus Foundation Recovery to enable the Contractor to serve clients at its UCC as well as its Exodus Foundation Integrated Care Clinic (ICC), located at Martin Luther King, Jr., Medical Center.

Your Board's approval is necessary for the amendments since these LE Contractors have reached their previously approved 20 percent delegated authority for FY 2014-15.

Implementation of Strategic Plan Goals

The recommended actions are consistent with County's Strategic Plan Goal 3, Integrated Services Delivery.

FISCAL IMPACT/FINANCING

The total amount of these amendments is \$1,975,431 fully funded by State MHSA revenue in the amount of \$1,106,899 and Federal Financial Participation (FFP) Medi-Cal in the amount of \$868,533. Funding for these amendments are included in DMH's FY 2014-15 Adopted Budget.

There is no net County cost impact associated with the recommended actions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On June 4, 2014, your Board authorized the Director of DMH to renew 67 Legal Entity Agreements. Additionally, in a separate Board action, dated June 4, 2014, your Board authorized the Director of DMH to supersede the remaining 67 LE Agreements that were not renewed. The nine LE Agreements listed on Attachment II were part of one or the other of those Board actions. As a result of those Board actions, the MCAs of all LE Agreements, including the nine, were approved by your Board. DMH also asked and was delegated authority to amend all its LE Agreements included in those Board actions up to 20 percent of their then approved MCAs.

As the fiscal year (FY 2014-15) progresses, DMH has been amending most of its LE Agreements,

including the nine listed on Attachment II, to expand their MHSA funded programs. The nine LE Contractors' amendment amounts exceeded the delegated authority approved by your Board through the Board actions dated June 4, 2014. DMH amended these LE Agreements up to their applicable authorized 20 percent delegated authority, and now DMH is seeking your Board's approval to further amend these LE Agreements for the amounts that exceeded that authority.

The nine LE Contractors listed in this Board letter provide MHSA PEI, Wellness Centers, as well as UCC related mental health and community outreach related services to varying age groups and populations within the County of Los Angeles.

Attachment II includes information regarding these LE Contractors, such as their headquarters' location, the Service Areas where they operate, and Supervisorial Districts in which their headquarters are located.

In accordance with your Board Policy Manual, Section 5.120, Authority to Approve Increases to Board Approved Contract Amounts, DMH notified your Board on October 20, 2014, (Attachment III) of its intent to request delegated authority of more than 10 percent for these agencies. This authority will allow DMH greater capacity to amend the Agreement and implement additional services in a more timely and expeditious manner.

The attached amendment format (Attachment I) has been approved as to form by County Counsel. DMH clinical and administrative staff will administer and monitor the agreements, evaluate programs to ensure that quality services are being provided to clients, and make certain that agreement provisions and departmental policies are followed.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Board approval of the proposed actions will allow these LE contract agencies to maintain business continuity in the provision of current mental health services to severely and persistently mentally ill adults, seriously emotionally disturbed children, adolescents, and their families throughout the County of Los Angeles.

The Honorable Board of Supervisors

11/5/2014

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mg Southard". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

MARVIN J. SOUTHARD, D.S.W.

Director of Mental Health

MJS:DM:AB:RK:sk

Enclosures

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

CONTRACT NO. MH_____

AMENDMENT NO. __

THIS AMENDMENT is made and entered into this xx day of xxxx, 2014, by and between the COUNTY OF LOS ANGELES (hereafter "County") and _____ (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated July 1, 2014, identified as County Agreement No. MH_____, (hereafter "Agreement"); and

WHEREAS, for Fiscal Year (FY) 2014-15 only, County and Contractor intend to amend this Agreement only as described hereunder; and

WHEREAS, for FY 2014-15 only, County and Contractor intend to amend this Agreement to **increase** MHSA Prevention & Early Intervention Non-MC Funded Program funds in the amount of \$_____; and (if applicable)

WHEREAS, for FY 2014-15 only, County and Contractor intend to amend this Agreement to **increase** MHSA Prevention & Early Intervention MC Funded Program funds in the amount of \$_____; and (if applicable)

WHEREAS, for FY 2014-15 only, County and Contractor intend to amend this Agreement to **increase** MHSA Wellness Center Non-MC Funded Program funds in the amount of \$_____; and (if applicable)

WHEREAS, for FY 2014-15 only, County and Contractor intend to amend this Agreement to **increase** MHSA Wellness Center MC Funded Program funds in the amount of \$_____; and (if applicable)

WHEREAS, for FY 2014-15 only, County and Contractor intend to amend this Agreement to **increase** MHSA Urgent Care Center MC Funded Program funds in the amount of \$_____; and (if applicable)

WHEREAS, for FY 2014-15, as a result of the above changes in funded programs, the Maximum Contract Amount (MCA) will **increase** in the amount of \$_____ and the revised MCA will be \$_____.

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

1. For FY 2014-15 only, MHSA Prevention & Early Intervention Non-MC Funded Program funds are **increased** in the amount of \$_____; (if applicable) MHSA Prevention & Early Intervention MC Funded Program funds are **increased** in the amount of \$_____;(if applicable) MHSA Wellness Center Non-MC Funded Program funds are **increased** in the amount of \$_____;(if applicable) MHSA Wellness Center MC Funded Program funds are **increased** in the amount of \$_____;(if applicable) and MHSA Urgent Care Center MC Funded Program funds are increased in the amount of \$_____. (if applicable) For FY 2014-15, the MCA is **increased** by \$_____.
2. Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, Paragraph C (REIMBURSEMENT FOR INITIAL PERIOD), shall be deleted in its entirety and the following substituted therefor:

“(1) Reimbursement For Initial Period: The MCA for the Initial Period of this Agreement as described in Paragraph 1 (TERM) of the DMH Legal Entity Agreement shall not exceed _____

DOLLARS (\$_____) and shall consist of Funded Programs as shown on the Financial Summary.”

- 2. Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, Paragraph D (REIMBURSEMENT IF AGREEMENT IS AUTOMATICALLY RENEWED), shall be deleted in its entirety and the following substituted therefore:

“(1) Reimbursement For First Automatic Renewal Period: The MCA for the First Automatic Renewal Period of this Agreement as described in Paragraph 1 (TERM) of the DMH Legal Entity Agreement shall not exceed _____

_____ DOLLARS

(\$_____) and shall consist of Funded Programs as shown on the Financial Summary.

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

DOLLARS (\$_____) and shall consist of Funded Programs as shown on the Financial Summary.” **(use only one of the two paragraphs 2 as applicable)**

- 3. Financial Summary (Attachment III) for FY 2014-15, shall be deleted in its entirety and replaced with Financial Summary (Attachment III) - _ for FY 2014-15 attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary (Attachment III) for FY 2014-15, shall be deemed amended to state “Financial Summary (Attachment III) - _ for FY 2014-15.”

- 4. Contractor shall provide services in accordance with Contractor's FY _____ Negotiation Package for this Agreement and any addenda thereto approved in writing by the County's Director of Mental Health or his designee.
- 5. 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 or his designee, and Contractor has caused this Amendment to be subscribed on its behalf by its duly authorized officer, on the day, month, and year first above written.

COUNTY OF LOS ANGELES

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

CONTRACTOR

By _____

Name _____

Title _____
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:
OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By _____
Chief, Contracts Development
and Administration Division

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
 MENTAL HEALTH CONTRACT PROVIDERS
 FY 2014-15 MHSA ALLOCATION

Attachment II

LE Agreement No.	LE No.	Legal Entity Agreement	Service Area(s) Provided	District of HQ's Office	a	b	c	d	e	d+a+b+c+d+e	Revised MCA FY 2014-15
1	MH121180	01192	California Institute of Health and Social Services, Inc. dba Alafia Mental Health Institute 8929 S. Sepulveda Blvd., Suite 201 Los Angeles, CA 90045	6	4	-				107,156	2,665,783
2	MH121123	01250	El Centro Del Pueblo, Inc. 1517 Lemoyne Street Los Angeles, CA 90026	4	1	-				107,351	996,240
6	MH121193	TBD	Exodus Foundation for Recovery 9808 Venice Blvd., Suite 700 Culver City, CA 90232	6	2		373,141			373,141	8,601,680
8	MH121201	00209	Health View, Inc 921 S. Beacon Street San Pedro, CA 90731	8	4		158,047	20,393		178,440	1,142,491
3	MH121141	00859	One In Long Beach, Inc. 2017 E. 4th Street Long Beach, CA 90814	8	4	34,157		88,000		122,157	187,757
4	MH121151	00558	SHIELDS for Families 11601 South Western Avenue Los Angeles, CA 90047	6	2	-				671,373	12,779,612
5	MH121156	01366	St. Francis Medical Center 3630 East Imperial Highway Lynwood, CA 90262	6	2	-				96,184	3,114,240
9	MH121229	00630	Topanga-Roscoe Corp 22115 Roscoe Blvd. Canoga Park, CA, 91304	5	2		223,813	28,879		252,692	771,231
7	MH121233	00316	Westside Center for Independent Living, Inc 12901 Venice Blvd. Los Angeles, CA 90066	5	2			66,937		66,937	193,317
Grand Total					982,064	34,157	381,860	204,209	373,141	1,975,431	



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ATTACHMENT III



MARVIN J. SOUTHARD, D.S.W.
Director
ROBIN KAY, Ph.D.
Chief Deputy Director
RODERICK SHANER, M.D.
Medical Director

October 20, 2014

TO: Each Supervisor

FROM: Marvin J. Southard, D.S.W.
Director

SUBJECT: **NOTICE OF INTENT TO REQUEST DELEGATED AUTHORITY TO APPROVE A PERCENTAGE INCREASE EXCEEDING TEN PERCENT OF THE MAXIMUM CONTRACT AMOUNTS OF NINE LEGAL ENTITY AGREEMENTS FOR MENTAL HEALTH SERVICES FOR FISCAL YEAR 2014-15**

This is to advise the Board that the Department of Mental Health (DMH) is scheduling a Board letter for the November 5, 2014 agenda requesting approval to amend nine Legal Entity (LE) Agreements that have reached their previously approved delegated authority; and to establish a new maximum contract amount for each of the nine LE Agreements. The Board letter also requests an additional ten percent for a total of twenty percent delegated authority to increase the revised maximum contract amounts of the nine LE Agreements.

In accordance with Board of Supervisors' Policy 5.120, prior Board notice is required for any department requesting delegated authority to increase Board-approved contracts by over ten percent.

JUSTIFICATION

This authority will allow DMH greater capacity to amend contracts to implement new funding streams, programs, and services in an expeditious manner. It will also allow DMH and its LE contractors to maintain business continuity in the provision of current mental health services to severely and persistently mentally ill adults, seriously emotionally disturbed children, adolescents, and their families throughout the County of Los Angeles. In most instances where speed and response time are of key importance, the increased delegated authority will allow DMH and its network of contract agencies to maximize, prioritize, and increase access to services on a continuous and ever-increasing basis to its ever-growing clientele, which more effectively meets the County's mission "To Enrich Lives Through Effective And Caring Service."

Should there be a need to exceed the twenty percent delegated authority, DMH will return to your Board with a request for authority to amend the contracts accordingly.

Each Supervisor
October 20, 2014
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NOTIFICATION TIMELINE

Consistent with the procedures of Board Policy 5.120, we are informing the Board of our intention to proceed with filing the Board letter with Executive Office of the Board for the November 5, 2014 Board meeting.

If you have any questions or concerns please contact me, or your staff may contact Richard Kushi, Chief, Contracts Development and Administration Division, at (213) 738-4684.

MJS:DM:RK:sk

c: Executive Officer, Board of Supervisors
 Chief Executive Officer
 County Counsel
 Robin Kay, Ph.D.
 Margo Morales
 Dennis Murata
 Kimberly Nall
 Richard Kushi