



**DEPARTMENT OF MENTAL HEALTH**  
hope. recovery. wellbeing.

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

**Curley L. Bonds, M.D.**  
Chief Medical Officer  
Clinical Operations

**Gregory C. Polk, M.P.A.**  
Chief Deputy Director  
Administrative Operations

October 29, 2019

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

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

27 October 29, 2019

CELIA ZAVALA  
EXECUTIVE OFFICER

Dear Supervisors:

**APPROVAL TO AMEND EXISTING LEGAL ENTITY CONTRACTS  
TO INCREASE THE MAXIMUM CONTRACT AMOUNT  
FOR FISCAL YEARS 2019-20 and 2020-21  
(SUPERVISORIAL DISTRICTS 2 AND 3)  
(3 VOTES)**

**SUBJECT**

Request approval to amend existing Department of Mental Health Legal Entity Contracts with St. Joseph Center and Wayfinder Family Services to increase their Maximum Contract Amounts for the continued provision of mental health services for Fiscal Years 2019-20 and 2020-21.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Approve and authorize the Director of Mental Health (Director), or his designee, to prepare, sign, and execute an amendment, substantially similar to Attachment I, to two existing Department of Mental Health (DMH) Legal Entity (LE) Contracts with St. Joseph Center and Wayfinder Family Services, to increase the Maximum Contract Amounts (MCA) for Fiscal Years (FY) 2019-20 and 2020-21 (see Attachment II). For FY 2019-20, the total aggregate increase for both LE Contracts is \$2,727,006, fully funded by federal and State revenues.
2. Delegate authority to the Director, or his designee, to prepare, sign, and execute future amendments to these LE Contracts to revise the boilerplate language; revise the annual MCAs; add, delete, modify or replace the Statement of Work; modify the Privacy/Network Security (Cyber) Liability Insurance requirement on a case-by-case basis; and/or, reflect federal, State, and County regulatory and/or policy changes provided that: 1) the County's total payment to each LE Contractor

will not exceed an increase of more than 25 percent of the last Board-approved MCA; and 2) sufficient funds are available. These amendments will be subject to the prior review and approval as to form by County Counsel, and the Chief Executive Office Risk Management Division, as appropriate, with written notice to the Board and Chief Executive Officer.

3. Delegate authority to the Director, or his designee, to terminate the Contracts described in Recommendations 1 and 2 in accordance with the termination provisions, including Termination for Convenience. The Director, or his designee, will notify the Board and Chief Executive Officer, in writing, of such termination action.

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

Board approval of Recommendation 1 will allow DMH to amend its LE Contracts with St. Joseph Center and Wayfinder Family Services to increase the MCAs for the continued provision of specialty mental health services (SMHS) as the Contractors have reached their previously Board-approved 25 percent delegated authority for FY 2019-20 and to ensure adequate funding for FY 2020-21. Specifically, the increases are for the provision of Mental Health Services Act (MHSA) Full Service Partnership (FSP), Recovery, Resiliency, and Reintegration (RRR), Prevention and Early Intervention (PEI) and Temporary Shelter Care Facility (TSCF) services.

St. Joseph Center provides a variety of SMHS, and the agency is opening a new site in SA 6 where they will expand the provision of SMHS thus their Contract is being amended to increase funds for MHSA FSP, RRR, and PEI Services.

Wayfinder Family Services also provides a variety of mental health services, and its Contract is being amended to add additional funds for SMHS provided to youth placed in a TSCF. DMH previously amended this Contract up to delegated authority and is returning to your Board for authority to amend the balance of the allocation for the continued provision of these services to this high risk/high needs population that have been removed from their homes due to experienced trauma.

Board approval of Recommendation 2 will allow DMH the ability to amend the two LE Contracts in Recommendation 1 by adding, deleting, modifying, or replacing Statement of Work(s) as necessary to ensure continuity of care and reflect program and/or policy changes.

Board approval of Recommendation 3 will enable DMH to terminate the LE Contracts in accordance with the contract's termination provisions, including Termination for Convenience, in a timely manner, as necessary.

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

The recommended actions are consistent with the County's Strategic Plan Goal I, Make Investments that Transform Lives, specifically Strategy I.1, Increase Our Focus on Prevention Initiatives, and Strategy I.2, Enhance Our Delivery of Comprehensive Interventions.

### **FISCAL IMPACT/FINANCING**

For FY 2019-20, the total increase to St. Joseph Center' LE Contract is \$1,511,468, fully funded by federal and State MHSA revenues.

For FY 2019-20, the total increase to Wayfinder Family Services LE Contract is \$1,215,538, fully funded by federal, State, and 2011 Realignment-Mental Health revenues. Funding for FY 2019-20 is included in DMH's Supplemental Request.

Funding for FY 2020-21 will be requested through DMH's annual budget request process. There is no net County cost impact associated with the recommended actions.

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

On June 6, 2018, your Board authorized the Director to enter into 133 LE Contracts, including St. Joseph Center and Wayfinder Family Services. DMH requested delegated authority to increase the MCAs of all its LE Contracts up to 25 percent of their approved MCAs to provide for the provision of mental health services.

The LE Contracts with St. Joseph Center and Wayfinder Family Services have reached the 25 percent delegated authority for FYs 2019-20 and 2020-21. DMH is seeking your Board's authority to amend these contracts to increase their MCAs, specifically for the provision of MHSA FSP Services, MHSA RRR Services, MHSA PEI Services, and TSCF Services.

In accordance with your Board Policy Manual, Section 5.120, Authority to Approve Increases to Board-Approved Contract Amounts requirements, DMH notified your Board on October 11, 2019 (Attachment III), identifying and justifying the need for requesting a percentage increase exceeding ten percent.

The attached amendment format has been approved as to form by County Counsel.

Attachment II lists the two LE contractors and includes their headquarters address, Supervisorial District, Service Area(s), and MCA information.

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.

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

Board approval of the proposed actions will allow St. Joseph Center and Wayfinder Family Services to continue to provide services for the provision of mental health services and allow DMH the ability to readily make revisions and updates to the work provided by the LE contractors.

The Honorable Board of Supervisors

10/29/2019

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Respectfully submitted,

A handwritten signature in black ink, appearing to read 'JES', is centered on the page.

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

Director

JES:ES:SK:mp

Enclosures

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

CONTRACT NO. MH12

AMENDMENT NO. \_\_\_\_\_

THIS AMENDMENT is made and entered into this 29<sup>th</sup> day of October 2019, by and between the COUNTY OF LOS ANGELES (hereafter "County") and \_\_\_\_\_  
\_\_\_\_\_ (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Contract, dated July 1, 2018, identified as County Contract No. MH12, and all subsequent amendments (hereafter collectively "Contract"); and

WHEREAS, on October 29, 2019, the Board of Supervisors delegated authority to the Director of Mental Health, or designee, to execute amendments to the Contract; and

WHEREAS, said Contract provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties; and

WHEREAS, for FY 2019-20 and FY 2020-21, County and Contractor intend to amend Contract to reflect revised MCAs and make other hereinafter designated changes; and

WHEREAS, Contractor warrants that it possesses the competence, expertise and personnel necessary to provide services consistent with the requirements of this Contract and consistent with the professional standard of care for these services.

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

1. For FY 2019-20 and FY 2020-21, the revised MCAs are \$\_\_\_\_\_, and \$\_\_\_\_\_, respectively.
2. For FY 2019-20, Mental Health Services Act (MHSA) Full Service Partnership (FSP) Medi-Cal funds are increased by \$\_\_\_\_\_, from \$\_\_\_\_\_, to

\$\_\_\_\_\_, MHSR Recovery, Resiliency, & Reintegration (RRR) Medi-Cal funds are increased by \$\_\_\_\_\_, from \$\_\_\_\_\_, to \$\_\_\_\_\_ and MHSR Prevention & Early Intervention (PEI) Medi-Cal funds are increased by \$\_\_\_\_\_, from \$\_\_\_\_\_, to \$\_\_\_\_\_. (St. Josephs only)

2. For FY 2019-20, DMH Mental Health Services Medi-Cal funds are increased by \$\_\_\_\_\_, from \$\_\_\_\_\_, to \$\_\_\_\_\_. (Wayfinder only)
3. For FY 2020-21, MHSR FSP Medi-Cal funds are increased by \$\_\_\_\_\_, from \$\_\_\_\_\_, to \$\_\_\_\_\_, MHSR RRR Medi-Cal funds are increased by \$\_\_\_\_\_, from \$\_\_\_\_\_, to \$\_\_\_\_\_, MHSR PEI Medi-Cal funds are increased by \$\_\_\_\_\_, from \$\_\_\_\_\_ to \$\_\_\_\_\_. (St. Josephs only)
3. For FY 2020-21, DMH Mental Health Services Medi-Cal funds are increased by \$\_\_\_\_\_, from \$\_\_\_\_\_, to \$\_\_\_\_\_. (Wayfinder only)
4. Financial Exhibit A (FINANCIAL PROVISIONS), Paragraph D (REIMBURSEMENT IF CONTRACT IS AUTOMATICALLY RENEWED), shall be deleted in its entirety and replaced as follows:

“D. REIMBURSEMENT IF CONTRACT IS AUTOMATICALLY RENEWED

- (1) Reimbursement For First Automatic Renewal Period : The MCA for the First Automatic Renewal Period of this Contract as described in Paragraph 4 (TERM) of the DMH Legal Entity Contract 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 Contract as described in Paragraph 4 (TERM) of the DMH Legal Entity Contract shall not exceed\_\_

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

5. Financial Summary (Exhibit B) – \_\_ for FY 2019-20, shall be deleted in its entirety and replaced with Financial Summary (Exhibit B) – \_\_ for FY 2019-20 attached hereto and incorporated herein by reference. All references in Contract to Financial Summary (Exhibit B) – \_\_ for FY 2019-20, shall be deemed amended to state “Financial Summary (Exhibit B) - \_\_\_\_\_for FY 2019-20.”
6. Financial Summary (Exhibit B) – \_\_ for FY 2020-21, shall be deleted in its entirety and replaced with Financial Summary (Exhibit B) – \_\_ for FY 2020-21 attached hereto and incorporated herein by reference. All references in Contract to Financial Summary (Exhibit B) – \_\_ for FY 2020-21, shall be deemed amended to state “Financial Summary (Exhibit B) - \_\_\_\_\_for FY 2020-21.”
7. Contractor shall provide services in accordance with Contractor’s FY 2019-20 Service Delivery Plan for this Contract and any addenda thereto approved in writing by the County’s Director of Mental Health or his designee.
8. Except as provided in this Contract, all other terms and conditions of the Contract 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 in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
JONATHAN E. SHERIN, M.D., Ph.D.  
Director of Mental Health

\_\_\_\_\_  
CONTRACTOR

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:  
OFFICE OF THE COUNTY COUNSEL



# LOS ANGELES COUNTY

## Attachment II

### DEPARTMENT OF MENTAL HEALTH

#### Increase of Maximum Contract Amounts for St. Joseph Center & Wayfinder Family Services FYS 2019-20 and 2020-21

Agency Name/ Address	Supervisory District(s)	A	B	C	D	E	F
	Service Area(s)	Current MCA for FY 2019-20	Increase for FY 2019-20	Revised MCA for FY 2019-20	Current MCA for FY 2020-21	Increase for FY 2020-21	Revised MCA for FY 2020-21
St. Joseph Center 204 Hampton Drive Los Angeles, CA. 90291	3	\$6,559,103	\$1,511,468	\$8,070,571	\$5,996,131	\$1,511,468	\$7,507,599
	5						
Wayfinder Family Services 5300 Angeles Vista Blvd. Los Angeles, CA 90043	2	\$2,280,583	\$1,215,538	\$3,496,121	\$2,280,583	\$1,215,538	\$3,496,121
	All						
<b>TOTAL INCREASE AMOUNT</b>			<b>\$2,727,006</b>			<b>\$2,727,006</b>	



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

September 26, 2019

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

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

SUBJECT: **NOTICE OF INTENT TO REQUEST DELEGATED AUTHORITY FOR A PERCENTAGE INCREASE EXCEEDING TEN PERCENT OF THE MAXIMUM CONTRACT AMOUNTS FOR ST. JOSEPH CENTER AND WAYFINDER FAMILY SERVICES**

In accordance with Los Angeles County Board of Supervisors' (Board) Policy 5.120, the Department of Mental Health (DMH) is notifying your Board of our Department's intent to request delegated authority for a percentage increase exceeding ten percent of the Maximum Contract Amounts (MCAs) for two of its Legal Entity (LE) Contracts with St. Joseph Center and Wayfinder Family Services. DMH will request delegated authority for a 25 percent increase of their MCAs for Fiscal Years (FYs) 2019-20 and 2020-21.

### **JUSTIFICATION**

On October 29, 2019, DMH will present your Board a letter for approval to amend existing LE Contracts with St. Joseph Center and Wayfinder Family Services to increase their MCAs for the continued provision of mental health services for FYs 2019-20 and 2020-21, as both Contractors have reached their previously Board-approved 25 percent delegated authority for FYs 2019-20 and 2020-21. More specifically, DMH will seek your Board's authority to amend these contracts to increase their MCAs for the provision of Mental Health Services Act (MHSA) Full Service Partnership, Recovery, Resiliency, and Reintegration, Prevention and Early Intervention Medi-Cal services, and Temporary Shelter Care Facility services.

Each Supervisor  
September 26, 2019  
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The higher percentage authority allows DMH to amend these LE Contracts expeditiously for the continuous provision and expansion of mental health services without interruption to clients who are in need of these services in their respective communities.

**NOTIFICATION TIMELINE**

Board Policy No. 5.120 requires departments to provide written notice to your Board, with a copy to the Chief Executive Officer, at least two weeks prior to the Board Meeting at which the request to exceed ten percent of the MCA will be presented. In compliance with this policy, DMH is notifying your Board of our intent to request delegated authority of up to 25 percent of the MCA through a Board Letter to be presented at the October 29, 2019, Board Meeting.

If you have any questions or concerns, please contact me at (213) 738-4601, or your staff may contact Stella Krikorian, Division Manager, Contracts Development and Administration Division, at (213) 738-4023.

JES:ES:SK:mp

- c: Executive Office, Board of Supervisors
- Chief Executive Office
- County Counsel
- Gregory Polk
- Edgar Soto
- Stella Krikorian
- Lynn Robnett