



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

**LISA H. WONG, Psy.D.**  
Acting Director

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

**Connie D. Draxler, MPA**  
Acting Chief Deputy Director

September 13, 2022

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

41 September 13, 2022

CELIA ZAVALA  
EXECUTIVE OFFICER

Dear Supervisors:

**REQUEST DELEGATED AUTHORITY TO AMEND AN EXISTING CONTRACT WITH THE  
REGENTS OF THE UNIVERSITY OF CALIFORNIA, LOS ANGELES, TO INCREASE THE  
MAXIMUM CONTRACT AMOUNT FOR FISCAL YEAR 2022-23**

**(SUPERVISORIAL DISTRICTS 1 AND 5)**

**(3 VOTES)**

**SUBJECT**

Request approval to amend the existing Department of Mental Health Legal Entity Contract with The Regents of the University of California, Los Angeles, to increase the Maximum Contract Amount for Fiscal Year 2022-23 for the continued provision of specialty mental health services.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Approve and authorize the Acting Director of Mental Health (Director), or her designee, to prepare, sign, and execute an amendment (Attachment I) to the existing Department of Mental Health (DMH) Legal Entity (LE) Contract with The Regents of the University of California, Los Angeles (The Regents), to increase the Maximum Contract Amount (MCA) for Fiscal Year (FY) 2022-23 by \$1,786,600, fully funded by Mental Health Services Act (MHSA) and effective upon Board approval.
2. Delegate authority to the Director, or her designee, to prepare, sign, and execute future amendments to the Contract in Recommendation 1 to revise the boilerplate language; revise the annual MCA; add, delete, modify, or replace the Service Exhibits and/or Statements of Work; and/or reflect federal, State, and County regulatory and/or policy changes provided that: 1) the County's total payment will not exceed 25 percent of the Board-approved MCA in Recommendation 1; and 2)

sufficient funds are available. This amendment will be subject to prior review and approval as to form by County Counsel, with written notice to the Board and Chief Executive Office (CEO).

3. Delegate authority to the Director, or her designee, to terminate the Contract described in Recommendation 1 in accordance with the termination provisions, including Termination for Convenience. The Director, or her designee, will provide written notification to your Board and CEO of such termination action.

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

Board approval of Recommendation 1 will allow DMH to amend the existing LE Contract with The Regents for the continued provision of specialty mental health services (SMHS) since the Contract has reached its previous Board-approved 25 percent delegated authority for FY 2022-23. Board approval of Recommendation 2 will allow DMH to amend the LE Contract in Recommendation 1 in a timely manner, as necessary, for the continued provision and expansion of SMHS without interruption to clients in need of these services. Board approval of Recommendation 3 will allow DMH to terminate the LE Contract in accordance with the LE Contract's termination provisions, including Termination for Convenience, in a timely manner, as necessary

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

The recommended action is 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 2022-23, the increase for The Regents is \$1,786,600, fully funded by Mental Health Services Act revenue.

Funding for future fiscal years will be requested through DMH's annual budget process.

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

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

On June 8, 2021, your Board authorized the Director to execute new LE Contracts for the provision of SMHS, one of which was a contract with The Regents.

DMH is seeking your Board's authority to amend the existing LE Contract with The Regents to increase the MCA. The LE Contract with The Regents has reached its 25 percent delegated authority for FY 2022-23. The increase of funds will specifically expand MHS Outpatient Care Services (OCS) and Prevention and Early Intervention (PEI) services for children in Supervisorial District (SD) 5 at the Department of Health Services

High Desert Regional Health Center, and young adults and adults in SD 1 that are enrolled at the East Los Angeles College, Screening and Treatment for Anxiety and Depression program.

Attachment I, the amendment to the existing Contract with The Regents, has been approved as to

form by County Counsel.

In accordance with Board Policy No. 5.120, Authority to Approve Increases to Board-Approved Contract Amounts requirement, DMH notified your Board on August 22, 2022 (Attachment II), of its intent to request delegated authority of more than ten percent.

Under Board Policy No. 5.100 (Sole Source Contracts), DMH is required to notify your Board six months in advance of amendments to existing contracts when DMH does not have delegated authority to increase the maximum amount of the current contract. On July 14, 2020 (Attachment III) DMH notified your Board requesting an exemption to the six-month advance notification as LE Contractors provide a federal entitlement to Medi-Cal beneficiaries and the need to amend expeditiously as possible is essential to ensure continuous specialty mental health services. DMH considers this request approved, as we did not hear otherwise.

As mandated by you Board, the performance of all contractors is evaluated by DMH on an annual basis to ensure the contractor's compliance with all contract terms and performance standards.

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

Board approval of the recommended actions will allow The Regents to increase their service provision in high demand areas by delivering MHSA OCS and PEI services to children, young adults, and adults.

Respectfully submitted,



LISA H. WONG, Psy.D.

Acting Director

LHW:CDD:SKRLR:ZW:atm

Enclosures

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

CONTRACT NO. MH122261AMENDMENT NO. 4

THIS AMENDMENT is made and entered into this \_\_\_ day of September, 2022, by and between the COUNTY OF LOS ANGELES (hereafter "County") and The Regents of the University of California, Los Angeles (hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "Department of Mental Health Legal Entity Contract", dated July 1, 2021, and further identified as County Contract No. MH122261, and any amendments thereto (hereafter collectively "Contract"); and

WHEREAS, on September 13, 2022, the County Board of Supervisors delegated authority to the Director of Mental Health, or designee, to execute amendments to the Contract to increase the annual Maximum Contract Amount (MCA) for the continued provision of mental health services for Fiscal Year (FY) 2022-23; 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, County and Contractor intend to amend the Contract to increase: Mental Health Services Act (MHSA) Outpatient Care Services (OCS) Non-Medi-Cal (Non-MC) Funded Program funds, MHSA OCS Medi-Cal (MC) Funded Program funds, MHSA Prevention & Early Intervention (PEI) Non-MC Funded Program funds, and MHSA PEI MC Funded Program funds; and

WHEREAS, for FY 2022-23, as a result of the above changes in Funded Program funds, the MCA will increase; and

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

NOW, THEREFORE, County and Contractor agree as follows:

1. This amendment is effective upon execution for FY 2022-23.
2. MHSA OCS Non-MC Funded Program funds are increased by \$22,332 from \$5,869 to \$28,201.
3. MHSA OCS MC Funded Program funds are increased by \$424,318, from \$788,668 to \$1,212,986.
4. MHSA PEI Non-MC Funded Program funds are increased by \$66,997 from \$17,607 to \$84,604.
5. MHSA PEI MC Funded Program funds are increased by \$1,272,953 from \$443,701 to \$1,716,654.
6. For FYs 2022-23, there is a net increase to the MCA of \$1,786,600, from \$2,347,541 to \$4,134,141, respectively.
7. Financial Exhibit A (FINANCIAL PROVISIONS), Paragraph D (REIMBURSEMENT IF CONTRACT IS AUTOMATICALLY RENEWED), subparagraph (1), shall be deleted in its entirety and replaced as follows:

“(1) Reimbursement For First Automatic Renewal Period: The MCA for the First Automatic Renewal Period of the Contract as described in Paragraph 4 (TERM OF CONTRACT) of the DMH Legal Entity Contract shall not exceed FOUR MILLION ONE HUNDRED THIRTY-FOUR THOUSAND, ONE

HUNDRED FORTY-ONE DOLLARS (\$4,134,141) and shall consist of Funded Programs as shown in Exhibit B, Financial Summary.

8. Financial Summary (Exhibit B) – 3 for FY 2022-23, shall be deleted in its entirety and replaced with Financial Summary (Exhibit B) – 4 for FY 2022-23, attached hereto and incorporated by reference. All references in the Contract to Financial Summary (Exhibit B) – 3 for FY 2022-23, shall be deemed amended to state “Financial Summary (Exhibit B) – 4 for FY 2022-23.”
9. Contractor shall provide services in accordance with Contractor’s FY 2022-23 Service Delivery Plan for the Contract, and any addenda thereto approved in writing by the County’s Director of Mental Health or designee.
10. Except as provided in this amendment, 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 the amendment to be subscribed by County's Director of Mental Health or designee, and Contractor has caused the 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 \_\_\_\_\_  
LISA H. WONG, Psy.D., Acting Director  
County of Los Angeles  
Department of Mental Health

The Regents of the University of  
California, Los Angeles  
\_\_\_\_\_

CONTRACTOR

By \_\_\_\_\_

Name Anna Lau

Title Contract & Grant Officer  
Office of Contract and Grand  
Administration  
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:  
OFFICE OF THE COUNTY COUNSEL

By: Emily D. Issa  
Senior Deputy County Counsel

**Financial Summary (Exhibit B)**

LE Name: The Regents of the University of California, Los Angeles  
LE No: 00984

Amendment No.:  
Fiscal Year: 2022-23

3 Agreement No: MH122261  
Fin Sum No: 4

A	B	C	D	E
Rank	Funded Programs	Medi-Cal Reimbursable <sup>1</sup>	Local Match Funds	Funded Program Amount (Gross)
<b>Categorically Funded Programs</b>				
1	Family Preservation Program Non-Medi-Cal (Non-MC)	N		-
2	Family Preservation Program Medi-Cal (MC)	Y	-	-
3	Specialized Foster Care - DCFS MAT Non-MC	N		-
4	Specialized Foster Care Enhanced Mental Health Svcs MC	Y	4,746	505,997
5	Specialized Foster Care MAT MC	Y	-	-
6	Specialized Foster Care TFC MC	Y	-	-
7	Specialized Foster Care Wraparound Non-MC	N		-
8	Specialized Foster Care Wraparound Invoice	N		-
9	Specialized Foster Care Wraparound MC	Y	-	-
10	DCFS Medical Hub Non-MC	N		-
11	DCFS PHF MC	Y	-	-
12	Comprehensive SOC Program (SAMHSA, CFDA #93.958) Non-MC	N		-
13	Comprehensive SOC Program (SAMHSA, CFDA #93.958) Invoice	N		-
14	Juvenile Justice Program (STOP) Non-MC	N		-
15	Juvenile Justice Program (JJCPC - MHSAT) Non-MC	N		-
16	Juvenile Justice Program (JJCPC - MST) Non-MC	N		-
17	Juvenile Justice Program (JJCPC - MST) MC	Y	-	-
18	Juvenile Justice Program (JJCPC - New Directions) Non-MC	N		-
19	Juvenile Justice Program (JJCPC - New Directions) MC	Y	-	-
20	Juvenile Justice Program (COD) Non-MC	N		-
21	Juvenile Day Reporting Center Non-MC	N		-
22	CalWORKs MHS Non-MC	N		-
23	CalWORKs Coordinated Entry System Invoice	N		-
24	GROW Non-MC	N		-
25	Post-Release Community Supervision-Community Reintegration Prog Non-MC	N		-
26	Post-Release Community Supervision-Community Reintegration Prog Invoice	N		-
27	Post-Release Community Supervision-Community Reintegration Prog MC	Y	-	-
28	DPH Dual Diagnosis Non-MC	N		-
29	DCSS Forensic Center Services Invoice	N		-
30	DHS EPIC Program Non-MC	N		-
31	DHS EPIC Program MC	Y	-	-
35	Measure H Housing Supportive Services Program Non-MC	N		-
36	Measure H Housing Supportive Services Program Invoice	N		-
37	Measure H Housing Supportive Services Program MC	Y	-	-
38	Children's Outreach & Triage Team (COTT) Non-MC	N		-
39	Children's Outreach & Triage Team (COTT) Invoice	N		-
40	Children's Outreach & Triage Team (COTT) MC	Y	-	-
41	Outreach & Triage Team (OTT) Non-MC	N		-
42	Outreach & Triage Team (OTT) Invoice	N		-
43	Outreach & Triage Team (OTT) MC	Y	-	-
<b>Federal/State Revenue</b>				
44	Federal/State Revenue MC	Y		-
<b>Realignment Funded Programs</b>				
45	DMH Mental Health Services Non-MC	N		-
46	DMH Mental Health Services Invoice	N		-
47	DMH Mental Health Services MC	Y	10,663	568,374
48	DMH IMD Step Down Non-MC	N		-
49	DMH IMD Step Down Invoice	N		-
50	DMH IMD Step Down MC	Y	-	-
<b>MHSA Funded Programs</b>				
51	MHSA Full Service Partnership Non-MC	N		-
52	MHSA Full Service Partnership Invoice	N		-
53	MHSA Adult Full Service Partnership Incentives Invoice	N		-
54	MHSA Child Full Service Partnership Incentives Invoice	N		-
55	MHSA Full Service Partnership MC	Y	-	-
56	MHSA Outpatient Care Services Non-MC	N		28,201
57	MHSA Outpatient Care Services Invoice	N		-
58	MHSA Outpatient Care Services MC	Y	49,073	1,212,986
59	MHSA Alternative Crisis Services Non-MC	N		-
60	MHSA Alternative Crisis Services Invoice	N		-
61	MHSA Alternative Crisis Services Startup Fund Invoice	N		-
62	MHSA Alternative Crisis Services MC	Y	-	-
63	MHSA Housing Supportive Services Program Non-MC	N		-
64	MHSA Housing Supportive Services Program Invoice	N		-
65	MHSA Housing Supportive Services Program MC	Y	-	-
66	MHSA Linkage Services Invoice	N		-
67	MHSA Planning, Outreach, & Engagement Non-MC	N		-
68	MHSA Prevention & Early Intervention (PEI) Non-MC	N		84,604
69	MHSA PEI Invoice	N		17,325
70	MHSA PEI MC	Y	131,236	1,716,654
<b>Maximum Contract Amount (MCA)</b>				<b>\$ 4,134,141</b>

<sup>1</sup>Medi-Cal reimbursable (Y/N) reflects DMH program guidelines in addition to applicable state and federal regulations.





## DEPARTMENT OF MENTAL HEALTH

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LISA H. WONG, Psy.D.  
Acting Director

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

Connie D. Draxler, MPA  
Acting Chief Deputy Director

August 22, 2022

TO: Supervisor Holly J. Mitchell, Chair  
Supervisor Hilda L. Solis  
Supervisor Sheila Kuehl  
Supervisor Janice Hahn  
Supervisor Kathryn Barger

FROM: Lisa H. Wong, Psy.D.  
Acting Director

SUBJECT: **NOTICE OF INTENT TO REQUEST DELEGATED AUTHORITY FOR  
A PERCENTAGE INCREASE EXCEEDING TEN PERCENT OF THE  
MAXIMUM CONTRACT AMOUNT FOR A DEPARTMENT OF MENTAL  
HEALTH LEGAL ENTITY CONTRACT**

In accordance with the Los Angeles County Board of Supervisors' (Board) Policy No. 5.120, the Department of Mental Health (DMH) is notifying your Board of our Department's intent to request delegated authority of a percentage increase exceeding ten percent for the Maximum Contract Amount (MCA) for The Regents of the University of California, Los Angeles (The Regents).

### **JUSTIFICATION**

On September 13, 2022, DMH will present to your Board a letter for approval to amend an existing Legal Entity (LE) contract to increase the MCA for the continued provision of specialty mental health services for Fiscal Year (FY) 2022-23, as The Regents, the LE Contractor has reached their previous Board-approved 25 percent delegated authority for FY 2022-23.

The authority to increase the percentage exceeding ten percent allows DMH to amend the LE Contract in a timely manner for the expansion of Mental Health Services Act (MHSA) Outpatient Care Services and Prevention and Early Intervention services for children in Supervisorial District (SD) 5 at the Department of Health Services High Desert

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August 22, 2022  
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Regional Health Center and also, young adults and adults in SD 1, enrolled at the East Los Angeles College, Screening and Treatment for Anxiety and Depression program. Approval of this Board letter will prevent the interruption of MHSA services to these high need clients in SDs 1 and 5.

### **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 up to 25 percent of the MCA through a Board letter to be presented at the September 13, 2022 Board Meeting.

If you have any questions or require additional information, please contact me by email at [LWong@dmh.lacounty.gov](mailto:LWong@dmh.lacounty.gov) or at (213) 738-4601, or your staff may contact Stella Krikorian, Division Manager, Contracts Development and Administration Division, at [SKrikorian@dmh.lacounty.gov](mailto:SKrikorian@dmh.lacounty.gov) or at (213) 943-9146.

LHW:CDD:CD  
SK:ZW:atm

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



## DEPARTMENT OF MENTAL HEALTH

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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

July 14, 2020

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

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

SUBJECT: **REQUEST AN EXEMPTION OF NOTIFICATION REQUIREMENT UNDER BOARD POLICY NO. 5.100 - SOLE SOURCE CONTRACTS FOR DEPARTMENTAL LEGAL ENTITY CONTRACTS THAT PROVIDE MENTAL HEALTH SERVICES TO MEDI-CAL ELIGIBLE BENEFICIARIES**

In accordance with Los Angeles County Board of Supervisors' (Board) Policy No. 5.100, the Department of Mental Health (DMH) is required to notify your Board six months in advance of amendments to existing contracts when DMH does not have delegated authority to "increase the maximum amount of the current contract."

This memo is to request an exemption to the notification requirement under Policy No. 5.100, for Legal Entity (LE) Contracts for the provision of specialty mental health service and programs which Medi-Cal eligible beneficiaries are entitled to receive.

### **JUSTIFICATION**

Welfare and Institutions (W&I) Code Section 14712 directs the State of California (State) to implement and administer the Managed Mental Health Care for Medi-Cal eligible residents for the State. This W&I Code section requires a contractual agreement between the State and the County to operate as the Mental Health Plan (MHP) responsible for the delivery of specialty mental health services to the County's eligible Medi-Cal beneficiaries. Through the MHP Agreement, DMH agrees to operate the MHP for the County. The MHP Agreement sets comprehensive requirements for DMH to provide or arrange for the provision of all covered, medically necessary Specialty Mental Health Services (SMHS) to Medi-Cal beneficiaries in the County. As such, DMH provides such SMHS services

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through its directly-operated clinics as well as contractors through its numerous LE Contracts.

On March 30, 2016, the Centers of Medicare and Medicaid Services (CMS) issued the Parity Rule in the Federal Register to strengthen access to mental health and substance use disorder services for Medi-Cal beneficiaries. The Parity Rule mandates that MPHs ensure access to care through an adequate provider network without unreasonable limitations to the scope or duration of mental health benefits. In order to comply with these requirements, DMH must ensure that an adequate network of providers and services are available throughout the County.

On June 6, 2018, the Board authorized the Director of DMH to execute new Legal Entity Contracts with its community-based providers. Additionally, the Board granted the Director of DMH the authority to amend the LE Contracts and increase the approved Maximum Contract Amounts (MCA) by 25 percent. However, from time-to-time, these LE Contracts require an amendment to increase the MCA beyond the initial 25 percent authority. This happens for various reasons, including LE Contractors providing services to new beneficiaries; providing additional services to existing beneficiaries; and/or expanding the scope of existing services. Additionally, this could happen at any time during the fiscal year, therefore, necessitating DMH to amend LE Contracts throughout a given fiscal year.

Under the revised Sole Source Policy No. 5.100, DMH is now required to give the Board a six-month advance notification. Since these LE Contractors provide a federal entitlement to beneficiaries, the need to amend as expeditiously as possible is essential. Although DMH has to obtain Board approval when it exceeds its delegated authority, seeking an additional six-month advance notification to the Board is an unnecessary layer of bureaucracy that may delay federally entitled services and expose the department to liability. Therefore, DMH is requesting that your Board make an exception to the six-month advance notification requirement for these contracts only.

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:GP:ES:sk

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

Gregory Polk  
Edgar Soto  
Stella Krikorian