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DMH**

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



ROBIN KAY, PH.D.
Acting Director
DENNIS MURATA, M.S.W.
Acting Chief Deputy Director
RODERICK SHANER, M.D.
Medical Director


ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

27 December 1, 2015

December 01, 2015

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


PATRICK OZAWA
ACTING EXECUTIVE OFFICER

Dear Supervisors:

**APPROVAL TO AMEND SEVEN EXISTING LEGAL ENTITY AGREEMENTS
FOR FISCAL YEAR 2015-16
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to amend seven existing Department of Mental Health Legal Entity Agreements for the expansion of Mental Health Services Act Field Capable Clinical Services, Mental Health Services Act Prevention and Early Intervention, or Homeless Services Programs.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the Acting Director of Mental Health (Acting Director), or her designee, to prepare, sign, and execute amendments, substantially similar to Attachment I, to seven existing Department of Mental Health (DMH) Legal Entity (LE) Agreements as listed on Attachment II for the expansion of Mental Health Services Act (MHSA) Field Capable Clinical Services (FCCS), MHSA Prevention and Early Intervention (PEI), or Homeless Services Programs. These amendments will be effective upon your Board's approval and will increase various categories of funded programs in the total amount of \$2,001,163 for all seven contractors, fully funded by State MHSA revenue in the amount of \$894,136; 2011 Realignment in the amount of \$116,199; Intrafund Transfer from Chief Executive Office (CEO) in the amount of \$183,353; and Federal Financial Participation (FFP) in the amount of \$807,475. The increases to the Contractors' Maximum Contract Amounts (MCAs) are listed on Attachment II for Fiscal Year (FY) 2015-16.
2. Delegate authority to the Acting Director, or her designee, to prepare, sign, and execute future amendments to the LE Agreements listed on Attachment II and, for each contract, establish as a new MCA the aggregate of the original agreement and all amendments provided that: 1) the County's

total payment to each contract provider for each fiscal year does not exceed an increase of 25 percent from the applicable MCA, which the Board is being asked to approve in Attachment II; 2) any such increase is 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 each contractor may, by written amendment, reduce programs or services without reference to the 25 percent limitation and revise the applicable MCA; and 6) the Acting Director, or her designee, notifies your Board and the 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 its LE Agreements with each contractor listed on Attachment II and expand contractor's MHSA FCCS, MHSA PEI, or Homeless Services Programs.

As a routine business practice, DMH examined its contractors' estimated service delivery needs and determined that the LE Contractors listed on Attachment II would require additional funds for the MHSA FCCS, MHSA PEI, or, in the case of Step Up On Second Street, Homeless Services to meet the increased demands in providing much needed services to the community.

Consequently, your Board's approval is necessary to amend these seven LE Agreements because DMH has reached its 25 percent delegated authority for FY 2015-16 for these specific contractors. DMH has already amended these LE Agreements up to the allowed 25 percent delegated authority to provide for continuity of care.

Implementation of Strategic Plan Goals

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

FISCAL IMPACT/FINANCING

MHSA revenue in the amount of \$894,136; 2011 Realignment in the amount of \$116,199; Intrafund Transfer from CEO in the amount of \$183,353; and FFP in the amount of \$807,475. Funding for these amendments is included in DMH's FY 2015-16 Final Adopted Budget.

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

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On June 9, 2015, your Board authorized the Director to renew 65 LE Agreements and amend the remaining 71 LE Agreements that were not renewed, and in doing so approved a MCA for each of the 136 LE Agreements. As part of these June 9, 2015, actions, DMH also asked and was delegated authority to increase the MCAs of all its LE Agreements up to 25 percent of their then approved MCAs.

Attachment II includes information regarding the seven LE Agreements, the contractor names, the Supervisorial Districts in which their headquarters are located, and the revised MCAs.

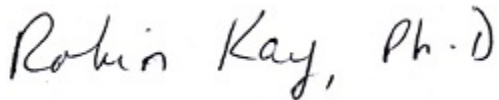
In accordance with your Board Policy Manual, Section No. 5.120, Authority to Approve Increases to Board Approved Contract Amounts requirements, DMH notified your Board on November 16, 2015 (Attachment III), of its intent to request delegated authority of more than 10 percent for these agencies. This 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 the 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.

Respectfully submitted,



ROBIN KAY, Ph.D.

Acting Director of Mental Health

RK:DM:AB:SK:mm

Enclosures

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

CONTRACT NO. _____

AMENDMENT NO. _____

THIS AMENDMENT is made and entered into this _____ day of _____, 2015, by and between the COUNTY OF LOS ANGELES (hereafter "County") and _____ (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated _____, identified as County Agreement No. _____, (hereafter "Agreement"); and or as subsequently amended (hereafter collectively "Agreement"); and (use accordingly)

WHEREAS, for Fiscal Year (FY) 2015-16 only, County and Contractor intend to amend this Agreement only as described hereunder; and

WHEREAS, for FY 2015-16 only, County and Contractor intend to amend this Agreement to expand the Contractor's Mental Health Services Act (MHSA) Field Capable Clinical Services Programs by increasing the MHSA Field Capable Clinical Services Funded Programs funds thereby increasing the Maximum Contract Amount (MCA); and *(use this paragraph for JWCH Institute, Inc., LAMP, Inc., Para Los Ninos)*

WHEREAS, for FY 2015-16 only, County and Contractor intend to amend this Agreement to expand the Contractor's MHSA Prevention and Early Intervention Program by increasing the MHSA Prevention and Early Intervention Funded Programs funds thereby increasing the Maximum Contract Amount (MCA); and *(use this paragraph for Eggleston Youth Centers, Inc., One in Long Beach, Inc., The Children's Center of the Antelope Valley)*

WHEREAS, for FY 2015-16 only, County and Contractor intend to amend this Agreement to expand the Contractor's Homeless Services Program by increasing the Homeless Services Funded Program funds thereby increasing the Maximum Contract Amount (MCA). *(use this paragraph for Step Up On Second Street, Inc.)*

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

1. For FY 2015-16, MHSA Field Capable Clinical Services Non Medi-Cal Funded Program funds are **increased** in the amount \$_____ ; MHSA Field Capable Clinical Services Invoice Funded Program funds are **increased** in the amount \$_____ ; MHSA Field Capable Clinical Services Medi-Cal Funded Program funds are **increased** in the amount \$_____. *(JWCH Institute, Inc., LAMP, Inc., Para Los Ninos)*
1. For FY 2015-16, Homeless Services Medi-Cal Funded Program funds are **increased** in the amount of \$_____. *(Step Up on Second Street only)*
1. For FY 2015-16, MHSA Prevention and Early Intervention Non Medi-Cal Funded Program funds are **increased** in the amount of \$_____ ; MHSA Prevention and Early Intervention Medi-Cal Funded Program funds are **increased** in the amount of \$_____. *(use accordingly) (Eggleston Youth Centers, Inc., One in Long Beach, Inc., The Children's Center of the Antelope Valley)*
2. For FY 2015-16, the MCA is **increased** by \$_____ and the revised MCA is \$_____.

3. 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.” OR

3. Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, Paragraph D (1) (REIMBURSEMENT IF AGREEMENT IS AUTOMATICALLY RENEWED) shall be deleted in its entirety and the following substituted therefor:

“D. REIMBURSEMENT IF AGREEMENT IS AUTOMATICALLY RENEWED

(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.”

4. Financial Summary (Attachment III) - __ for FY 2015-16, shall be deleted in its entirety and replaced with Financial Summary (Attachment III) - ____ for FY 2015-16 attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary (Attachment III) - __ for

FY 2015-16, shall be deemed amended to state "Financial Summary (Attachment III) - _ for FY 2015-16."

5. Contractor shall provide services in accordance with Contractor's FY 2015-16 Negotiation Package for this Agreement and any addenda thereto approved in writing by the County's Director of Mental Health or his designee.
6. 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 Acting Director of Mental Health or her 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 _____
ROBIN KAY, Ph.D.
Acting 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 _____
Interim Chief, Contracts Development
and Administration Division

No.	CONTRACTOR Legal Entity (LE) No.	Sup District (HQ)	Amendment Amount	Revised MCA
1	Eggleston Youth Centers, Inc. 3701 Stocker Street, Suite 205 Los Angeles, CA 90008 LE No. 01853	2	\$1,207	\$1,240,582
2	JWCH Institute, Inc. 5650 Jillson St. Commerce, CA 90040 LE No. 01563	1	\$727,411	\$2,357,419
3	LAMP, Inc. 526 S. San Pedro St. Los Angeles, CA 90013 LE No. 00317	2	\$472,293	\$3,360,826
4	One In Long Beach, Inc. 2017 E. 4th Street Long Beach, CA 90814 LE No. 00859	4	\$12,199	\$282,199
5	Para Los Ninos 500 S. Lucas Avenue Los Angeles, CA 90017 LE No. 001169	1	\$340,516	\$2,172,665
6	Step Up on Second Street, Inc. 1328 Second St. Santa Monica, CA 90401 LE No. 00215	3	\$366,706	\$5,470,617
7	The Children's Center of the Antelope Valley 45111 Fern Avenue Lancaster, CA 93534 LE No. 01066	5	\$80,831	\$1,665,143

\$2,001,163



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Attachment III



ROBIN KAY, Ph.D.
Acting Director
DENNIS MURATA, M.S.W.
Acting Chief Deputy Director
RODERICK SHANER, M.D.
Medical Director

November 16, 2015

TO: Each Supervisor
FROM: *Robin Kay*
Robin Kay, Ph.D.
Acting Director

SUBJECT: **NOTICE OF INTENT TO REQUEST DELEGATED AUTHORITY TO APPROVE A PERCENTAGE INCREASE EXCEEDING TEN PERCENT OF THE MAXIMUM CONTRACT AMOUNTS OF SEVEN LEGAL ENTITY AGREEMENTS FOR MENTAL HEALTH SERVICES FOR FISCAL YEAR 2015-16**

This is to advise your Board that the Department of Mental Health (DMH) is scheduling a Board letter for the December 1, 2015, agenda requesting approval to amend seven Legal Entity (LE) Agreements that have reached their previously approved delegated authority and to establish a new Maximum Contract Amount (MCA) for each LE Agreement. The Board letter also requests an additional fifteen percent for a total of twenty-five percent delegated authority to increase the revised MCAs of the seven LE Agreements.

In accordance with Board of Supervisors Policy No. 5.120, prior Board notice is required for any department requesting delegated authority to increase Board-approved contracts 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 and 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."

Each Supervisor
November 16, 2015
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Should there be a need to exceed the twenty-five percent delegated authority, DMH will return to your Board with a request for authority to amend the contracts accordingly.

NOTIFICATION TIMELINE

Consistent with the procedures of Board Policy No. 5.120, we are informing your Board of our intention to proceed with filing the Board letter with the Executive Office of the Board of Supervisors for the December 1, 2015, Board meeting.

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

RK:DM:AB:SK:mm

c: Executive Office, Board of Supervisors
Chief Executive Office
County Counsel
Dennis Murata, M.S.W.
Kimberly Nall
Angel Baker