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BOARD OF SUPERVISORS

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February 27, 2024

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:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

47 February 27, 2024

JEFF LEVINSON
INTERIM EXECUTIVE OFFICER

**APPROVAL TO AMEND TWO SOLE SOURCE CORE HIV CARE SERVICES
CONTRACTS WITH TARZANA TREATMENT CENTERS, INC.
TO EXTEND THE TERM EFFECTIVE
MARCH 1, 2024 THROUGH FEBRUARY 28, 2025
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

SUBJECT

Request approval to execute contract amendments to two sole source Core HIV Care Services contracts with Tarzana Treatment Centers, Inc. to extend the term effective March 1, 2024 through February 28, 2025.

IT IS RECOMMENDED THAT THE BOARD:

1. Delegate authority to the Director of the Department of Public Health (Public Health), or designee, to execute sole source contract amendments with Tarzana Treatment Centers, Inc. (TTC), for the continued provision of Core HIV Care Services, as detailed in Attachment A, to extend the term effective March 1, 2024 through February 28, 2025, for a total maximum obligation of \$669,181, 100 percent funded by Health Resources and Services Administration (HRSA) Ryan White Program (RWP) Part A funds, subject to review and approval by County Counsel.
2. Delegate authority to the Director of Public Health, or designee, to execute amendments to the contracts that extend the term through February 28, 2026, at

amounts to be determined by the Director of Public Health, contingent upon the availability of funds and contractor performance; allow the rollover of unspent contract funds, if allowable by the grantor; provide an increase or decrease in funding up to 25 percent above or below the annual base maximum obligation, effective upon amendment execution, or at the beginning of the applicable contract period; allow for reallocation of funds between budgets; correct errors in the contract's terms and conditions; and/or update the statement of work and/or scope of work, 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 Public Health, or designee, to execute change notices to the contracts that authorize modifications to the budget with corresponding modifications to the statement of work and/or scope of work, that are within the same scope of services, as necessary, and changes to hours of operation and/or service locations.
4. Delegate authority to the Director of Public Health, or designee, to immediately suspend or terminate the contracts upon issuing a written notice if TTC fails to perform and/or fully comply with program requirements, and terminate the contracts for convenience by providing a 30-calendar day advance written notice to TTC.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of Recommendation 1 will allow for the continuation of Core HIV Care Services provided by TTC that includes one Ambulatory Outpatient Medical (AOM) contract and one Medical Care Coordination (MCC) contract, in alignment with Commission on HIV (COH) priorities and current service utilization patterns.

HIV care and treatment services for people with HIV are vital to optimize patient health and help reduce the transmission and spread of HIV. Public Health must ensure there are no gaps in services.

The immediate and necessary justifications to extend these two contracts for Core HIV Care Services are as follows: (1) AOM services help delay the progression of HIV disease, prevent and treat opportunistic infections, promote optimal health and quality of life, and reduce further HIV transmission by providing clients with education and support to implement risk reduction strategies; and (2) MCC services deliver patient-centered activities that focus on addressing health status and co-morbid conditions, engagement and retention in care, adherence to antiretroviral medications, and HIV risk reduction.

Approval of Recommendation 2 will allow Public Health to execute amendments to the contracts to extend the term through February 28, 2026; rollover unspent funds; increase or decrease funding up to 25 percent above or below the annual base maximum

obligation; allow for reallocation of funds between budgets; correct errors in the contracts' terms and conditions; and/or update the statement of work and/or scope of work.

Approval of Recommendation 3 will allow Public Health to execute change notices to the contracts that authorize modifications to the budget with corresponding modifications to the statement of work and/or scope of work, that are within the same scope of services, as necessary, and changes to hours of operation and/or service locations.

Approval of Recommendation 4 will allow Public Health to immediately suspend or terminate the contracts if TTC fails to perform and/or fully comply with program requirements, and to terminate the contracts for convenience by providing 30-calendar days' advance written notice to TTC.

Implementation of Strategic Plan Goals

The recommended actions support Strategy I.2, Enhance Our Delivery of Comprehensive Interventions, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The total County maximum obligation for the TTC amendments, as detailed in Attachment A, is \$669,181, consisting of \$140,940 for AOM services and \$528,241 for MCC services for the period effective March 1, 2024 through February 28, 2025, 100 percent funded by HRSA RWP Part A funds.

There is no net County cost associated with this action.

Funding for these extensions is included in Public Health's Final Adopted Budget for fiscal year (FY) 2023-24 and will be included in future FYs, as necessary.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Public Health's allocations for each of the service categories are aligned with the COH recommended allocations. As required by Board Policies 5.100 and 5.120, your Board was notified on December 22, 2023, of Public Health's intent to extend the term of 56 Core HIV Care Services contracts as sole source, including the TTC contracts included in this action, with an intent to request approval to increase or decrease these Board-approved contracts up to 25 percent.

Attachment B is the set of two sole source checklists for AOM and MCC services signed by the CEO.

CONTRACTING PROCESS

Since the original award and execution of these two contracts, the contracts have undergone multiple amendments including term extensions, adjustments to funding allocations, and revisions to the statements of work.

The Division of HIV and STD Programs (DHSP) oversees approximately 26 service categories, which make up approximately 200 service contracts. Given the volume of this large service portfolio, DHSP, in coordination with Public Health Contracts and Grants, have developed a timeline for the solicitation for services, which must be staggered. Additionally, resource constraints amidst the COVID-19 pandemic and workload associated with the pandemic greatly affected the schedule of solicitations between 2020 and 2021. The pandemic also affected staff and the ability of our community partners to respond. Public Health resumed the release of solicitations starting in 2022 that included a solicitation timeline for the next three years, including, but not limited to, AOM and MCC services. Prior to any solicitation, Public Health must consider potential adjustments in COH priorities and pending revised federal award notices, which can affect the timing or funding available for contracted services; therefore, shifts in solicitation schedules may be necessary. Until this process is finalized, Public Health is seeking to extend these core HIV care services contracts for the continued provision of care.

AOM and MCC

On February 26, 2019, your Board approved 38 new contracts, consisting of 19 AOM and 19 MCC contracts as a result of a solicitation for the term effective March 1, 2019 through February 28, 2022, and delegated authority to extend the term through February 29, 2024. On February 25, 2022, Public Health exercised that delegated authority to extend 18 AOM contracts through February 29, 2024, and 18 MCC contracts through February 28, 2023.

On February 24, 2023, I notified your Board that I was exercising delegated authority to extend the term of 18 MCC contracts for the period effective March 1, 2023 through February 29, 2024.

Under this Board action, Public Health is requesting to extend the term of one AOM contract and one MCC contract with TTC for 12 months, effective March 1, 2024.

Mental Health

On August 8, 2017, your Board approved eight new Mental Health (MH) contracts as a result of a solicitation, effective for the term August 8, 2017 through February 29, 2020, and an automatic option to extend through February 28, 2022.

The Honorable Board of Supervisors

February 27, 2024

Page 5

On February 15, 2022, your Board approved the execution of amendments to the eight MH contracts to extend the periods effective March 1, 2022 through February 28, 2023, with an automatic option to extend through February 29, 2024.

On January 19, 2024, TTC notified Public Health that due to the underutilization of the fee-for-service contract funds, the agency would not renew MH contract PH-003365 beyond the contract end date of February 29, 2024. Therefore, the MH contract is not included under this Board action.

Due to the need to draft this separate Board letter as advised by County Counsel, Public Health was unable to present the recommended contract amendments three weeks prior to the contract amendments' effective date in accordance with Board Policy 5.015.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will allow Public Health to continue to provide uninterrupted delivery of critical core HIV care services to Los Angeles County residents.

Respectfully submitted,



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

BF:jb
#07488

Enclosures

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

**COUNTY OF LOS ANGELES - DEPARTMENT OF PUBLIC HEALTH
CORE HIV CARE SERVICES**

ATTACHMENT A

RYAN WHITE PROGRAM, PART A FUNDS

No.	Provider Name	Contract Number	Service Category	Extension Term Annual Maximum Obligation 3/1/24 - 2/28/25	Supervisory District of Site(s)	Service Planning Area of Site(s)
1	Tarzana Treatment Centers, Inc.	PH-003765	Ambulatory Outpatient Medical	\$ 140,940	3 & 5	1 & 2
2	Tarzana Treatment Centers, Inc.	PH-003766	Medical Care Coordination	\$ 528,241	3 & 5	1 & 2
TOTAL ANNUAL MAXIMUM OBLIGATION				\$ 669,181		

SOLE SOURCE CHECKLIST FOR AMBULATORY OUTPATIENT MEDICAL (AOM) CONTRACTS

Department Name: Public Health

☐

New Sole Source Contract

☒

Sole Source Amendment to Existing Contract

Date Existing Contract First Approved: _____

Tarzana Treatment Centers, Inc. PH-003765

2-26-19

Check (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS AND AMENDMENTS Identify applicable justification and provide documentation for each checked item.
<input type="checkbox"/>	➤ Only one bona fide source (monopoly) for the service exists; performance and price 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>
<input type="checkbox"/>	➤ Compliance with applicable statutory and/or regulatory provisions.
<input type="checkbox"/>	➤ Compliance with State and/or federal programmatic requirements.
<input type="checkbox"/>	➤ Services provided by other public or County-related entities.
<input type="checkbox"/>	➤ Services are needed to address an emergent or related time-sensitive need.
<input type="checkbox"/>	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
<input checked="" type="checkbox"/>	➤ 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 which has no available option periods.
<input type="checkbox"/>	➤ 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 option periods.
<input type="checkbox"/>	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
<input type="checkbox"/>	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
<input type="checkbox"/>	➤ It is in the best economic interest of the County (e.g., significant costs and time to replace an existing system or infrastructure, administrative cost and time 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.

Erika Bonilla
Chief Executive Office

1/3/24

Date

SOLE SOURCE CHECKLIST FOR MEDICAL CARE COORDINATION (MCC) CONTRACTS

Department Name: Public Health

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

Tarzana Treatment Centers, Inc. PH-003766
2-26-19

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CORE HIV CARE SERVICES**

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TOTAL ANNUAL MAXIMUM OBLIGATION				\$ 669,181		

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Department Name: Public Health

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New Sole Source Contract

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Erika Bonilla
Chief Executive Office

1/3/24

Date

SOLE SOURCE CHECKLIST FOR MEDICAL CARE COORDINATION (MCC) CONTRACTS

Department Name: Public Health

☐

New Sole Source Contract

☒

Sole Source Amendment to Existing Contract

Date Existing Contract First Approved: _____

Tarzana Treatment Centers, Inc. PH-003766

2-26-19

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