



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

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

17 November 10, 2015

PATRICK OGAWA
ACTING EXECUTIVE OFFICER

November 03, 2015

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:

**AUTHORIZATION FOR A SOLE SOURCE AMENDMENT TO
THE LEGAL ENTITY AGREEMENT
WITH SPECIAL SERVICE FOR GROUPS
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to amend existing Department of Mental Health Legal Entity Agreement with Special Service for Groups to provide services to Adults, 18 and over, under felony probation who have co-occurring mental health and substance abuse disorders and are at high risk for recidivism.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Director of Mental Health (Director), or his designee, to prepare, sign, and execute an amendment, substantially similar to Attachment I, to the existing Department of Mental Health (DMH) Legal Entity (LE) Agreement MH121293 with Special Service for Groups (SSG) for Fiscal Year (FY) 2015-16. The Amendment will be effective upon Board approval, through June 30, 2017, and will increase the Maximum Contract Amount (MCA) by \$456,698 for FY 2015-16 and \$65,042 for FY 2016-17, fully funded by the Federal Department of Justice, Office of Justice Programs, Bureau of Justice Assistance (BJA) (Federal) Second Chance Act. The revised MCAs for FYs 2015-16 and 2016-17 will be \$40,530,501 and \$39,228,542, respectively.

2. Delegate authority to the Director, or his designee, to prepare, sign, and execute future amendments to the LE Agreement, including amendments to extend the Federal Grant, the aggregate of the MCA of the Contractor's original Agreement and all subsequent amendments, provided that: 1) All funding increases through Amendments to the MCA in aggregate do not exceed

the 25 percent delegated authority amount previously approved by your Board on June 9, 2015; 2) any such increase will be used to provide additional services to reflect program or Board policy changes; 3) your Board has appropriated sufficient funds for any increased funding through the annual budgeting process; 4) approval of County Counsel, or designee, is obtained prior to any such amendments; 5) County and contract providers may, by written amendment, reduce programs or services without reference to the 25 percent limitation and revise the applicable annual contract amount; and 6) the Director notifies your Board and Chief Executive Office of agreement changes in writing within 30 days after execution of each amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Board approval of the recommended actions will allow DMH to amend the agreement with SSG to implement the Comprehensive Adult ReEntry (CARE) program. The CARE program will expand in-reach and reentry programming for Los Angeles County (County) jail inmates diagnosed with chronic co-occurring mental health and substance abuse disorders that are mandated to felony probation upon release. Utilizing an integrated care approach, CARE's primary goal will be to provide intensive, evidence-based Co-Occurring Disorders (COD) treatment to high-risk offenders in order to enhance successful reintegration into the community and promote long-term stability.

SSG, a contracted DMH and Department of Public Health (DPH) provider, is uniquely qualified to provide integrated, mental health, substance abuse, and health treatment services for this population. SSG has a long history of providing a full range of recovery-based mental health and substance abuse treatment services for mentally ill offenders. Agency services include assertive outreach and engagement, individual and group treatment, medication support, crisis intervention, case management, benefits establishment, and employment services.

Project 180, is a division of SSG that provides a forensic treatment program specializing in oversight and treatment for an offender population. With nine years of experience working exclusively with a criminal justice population, Project 180 provides specially designed services that follow the evidence-based Risk-Need-Responsivity model and target behavioral health as well as co-occurring disorder issues. Having run successful in-reach and reentry programs since their inception, agency staff has the clearance needed to reach the target population at all Los Angeles County Jail facilities, including well-established relationships with the Los Angeles Sheriff's Department, DMH, DMH Jail Mental Health Services including the Jail Mental Evaluation Team, and the Los Angeles County Probation Department. Additionally, Project 180 staff is trained and certified in the leading evidenced-based practices for the offender COD populations and has participated in three previous BJA funded grants in County jails.

In addition, after receiving the results from the Request for Information (RFI), DMH submitted a request to the BJA to approve a sole source with SSG. On August 5, 2015, DMH received notice of an approval from the BJA, attached hereto as Attachment II, to pursue a sole source with SSG.

Implementation of Strategic Plan Goals

The recommended Board actions support County's Strategic Plan Goal 3, Integrated Services Delivery.

FISCAL IMPACT/FINANCING

The cost of FY 2015-16 amendment in the amount of \$456,698 is fully funded by the Federal Second Chance Grant and is included in DMH's FY 2015-16 Adopted Budget.

Funding for future years will be incorporated into the budget through DMH's annual budget request process, subject to availability of funding.

There is no additional net County cost associated with this action.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On May 19, 2015, the Board authorized DMH to accept the Federal Grant for the implementation of the CARE Program. The grant is a time-limited project covering a two-year period through September 30, 2016.

The Amendment format (Attachment I) has been approved as to form by County Counsel. The CEO has approved the Sole Source Contract Checklist (Attachment III) and recommendations. Administrative staff of DMH will review and monitor compliance to the Agreement, evaluate training programs to ensure the quality of services being provided by the clinicians, and affirm the Agreement's provisions and policies are being followed.

In accordance with your Board's contracting policy requirements for Sole Source Contracts, DMH notified your Board on June 25, 2015, of its intent to enter into a sole source amendment with SSG (Attachment IV).

CONTRACTING PROCESS

On April 15, 2015, DMH issued a RFI that was sent to all Legal Entity Contactors with current agreements. Fourteen providers responded by the deadline specified on the RFI. Of the 14 providers, SSG was the only provider able to demonstrate the capacity to provide and satisfy all of the services and contract requirements; knowledge of the program and focal population; and a long working history with the County departments necessary to serve this population. DMH therefore proposes to contract CARE services to SSG, an experienced provider of forensic COD services, including intensive, integrated jail reentry services.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Board approval of the proposed actions will enable the implementation of the CARE program and allow SSG to provide services to Adults, 18 and over, under felony probation with co-occurring mental health and substance abuse disorders and are at high risk for recidivism. Without approval, there would be an additional negative impact on program implementation due to the compressed time frame in which to enroll and deliver services.

The Honorable Board of Supervisors

11/3/2015

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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:SK:b

m

Enclosures

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

CONTRACT NO. MH121293

AMENDMENT NO. X

THIS AMENDMENT is made and entered into this __ day of ____, 2015, by and between the COUNTY OF LOS ANGELES (hereafter "County") and Special Service for Groups (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated July 1, 2015, identified as County Agreement No. MH121293, as subsequently amended (hereafter collectively "Agreement"); and

WHEREAS, County and Contractor intend to amend Agreement only as described hereunder; and

WHEREAS, on May 19, 2015, the Los Angeles County Board of Supervisors authorized the Department of Mental health (DMH) to sign the Federal Department of Justice, Office of Justice Programs, Bureau of Justice Assistance (Federal) grant Second Change Agreement to implement the Comprehensive Adult Re-Entry (CARE) Program as part of the Second Chance Reentry Program for adult offenders with co-occurring substance abuse and mental health disorders; and

WHEREAS, the CARE Program will expand in-reach and reentry programming for Los Angeles County jail inmates diagnosed with chronic co-occurring mental health and substance abuse disorders that are mandated to felony probation upon release; and.

WHEREAS, for Fiscal Years (FY) 2015-16 and 2016-17, County and Contractor intend to amend Agreement to add the CARE Program (2nd Chance-BJA Grant, CFDA#

16.812) (2nd Chance) Non Medi-Cal Indigent Funded Program funds in the amount of \$431,162 and \$58,658, respectively; and

WHEREAS, for FYs 2015-16 and 2016-17, County and Contractor intend to amend Agreement to add the CARE Program 2nd Chance Invoice Funded Program funds in the amount of \$25,536 and \$6,384, respectively; and

WHEREAS, for FYs 2015-16 and 2016-17, as a result of the above change in the funded programs, the Maximum Contract Amounts (MCA) will increase in the amount of \$456,698 and \$65,042, respectively; and the revised MCAs for FYs 2015-16 and 2016-17 will be \$_____ and \$_____, respectively.

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

1. For FY 2015-16, CARE Program 2nd Chance Non Medi-Cal Funded Program funds are added in the amount of \$431,162; and CARE Program 2nd Chance Invoice Funded Program funds are added in the amount of \$25,536; the MCA is increased by \$456,698 and the revised MCA will be \$_____.
2. For FY 2016-17, CARE Program 2nd Chance Non Medi-Cal Funded Program funds are added in the amount of \$58,658; and CARE Program 2nd Chance Invoice Funded Program funds are added in the amount of \$6,384; the MCA is increased by \$65,042 and the revised MCA will be \$_____.
3. Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, Paragraphs C (REIMBURSEMENT FOR INITIAL PERIOD) and D (REIMBURSEMENT IF AGREEMENT IS AUTOMATICALLY RENEWED) (1) Reimbursement for First

Automatic Renewal Period shall be deleted in their entirety and the following substituted therefor:

“C. REIMBURSEMENT FOR INITIAL PERIOD

(1) The MCA for the Initial Period of this Agreement as described in Paragraph 1 (TERM) of the Legal Entity Agreement shall not exceed _____ DOLLARS (\$_____) and shall consist of Funded Programs as shown on the Financial Summary.

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 for FY 2015-16 - __, shall be deleted in its entirety and replaced with Financial Summary – __ for FY 2015-16 attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary for FY 2015-16 - __, shall be deemed amended to state Financial Summary - __ for FY 2015-16.

Financial Summary for FY 2016-17- __, shall be deleted in its entirety and replaced with Financial Summary – __ for FY 2016-17 attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary for FY 2016-17 - __, shall be deemed amended to state Financial Summary - __ for FY 2016-17.”

5. Contractor shall provide services in accordance with the Contractor's FY 2015-16 Negotiation Package for this Agreement and any addenda thereto approved in writing by Director.
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 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 _____
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



US DEPARTMENT OF JUSTICE
OFFICE OF JUSTICE PROGRAMS

GRANT ADJUSTMENT NOTICE

Grantee Information					
Grantee Name:	Los Angeles County Department of Mental Health	Project Period:	10/01/2014 - 09/30/2016	GAN Number:	006
Grantee Address:	550 S. VERMONT AVENUE LOS ANGELES, 90020	Program Office:	BJA	Date:	08/05/2015
Grantee DUNS Number:	10-427-7942	Grant Manager:	Jennifer L Lewis		
Grantee EIN:	95-6000927	Application Number(s):	2014-H0157-CA-RW		
Vendor #:	953893470	Award Number:	2014-RW-BX-0007		
Project Title:	Los Angeles County Department of Mental Health Second Chance Act Project	Award Amount:	\$600,000.00		

Sole Source Approval	
Organization to be sole source to	
*Organization Name	Special Service for Groups
*Prefix	Director
Prefix (Other)	
*First Name	Herbert
Middle Initial	
*Last Name	Hatanaka
Suffix	
Suffix (Other)	
*Address Line 1	905 E. 8th St.
Address Line 2	
*City	Los Angeles
*State	California
*Zip	90021
*Phone	(213) 553-1800 Ext
*Amount of Sole Source (may not exceed total project cost amount: \$600,000)	\$521,740

***Required Justification for Sole Source Approval**

Please see attached documents.

OCFMD Justification for Sole Source Approval

Justification for non-competitive procurement has been provided in the attached documentation and covers the following requirements: 1. Expertise of the contractor; 2. Responsiveness; 3. Knowledge of the program; 4. Time Constraints; and 5. Uniqueness.

Attachments:

Filename:	User:	Timestamp:
SoleSourceSummary LACDMH.7.15.15.doc	MMarxx	07/15/2015 3:27 PM
BJA Grant LACDMH Budget.xls	MMarxx	07/15/2015 3:29 PM
Attachment II Legal Entity Sample Los Angeles County DMH.doc	MMarxx	07/15/2015 3:30 PM

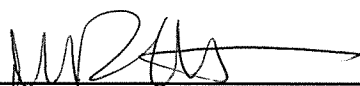
Print

Audit Trail:

Description:	Role:	User:	Timestamp:
Approved-Final	OCFMD - Financial Analyst	porterd	08/05/2015 8:40 AM
Submitted	PO - Grant Manager	MMarxx	07/15/2015 3:30 PM
Draft	EXTERNAL - External User	MMarxx	07/15/2015 3:27 PM

SOLE SOURCE CHECKLIST

Check (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS <i>Identify applicable justification and provide documentation for each checked item.</i>
X	<ul style="list-style-type: none"> ➤ Only one bona fide source for the service exists; performance and price competition are not available. DMH issued a Request for Information (RFI) to the existing LE Contract Providers on April 15, 2015 to know the number of Providers who have the necessary qualifications to provide the services as per the requirements specified in the Grant. The results of the RFI indicated that only SSG had the required experience and expertise to provide the services.
	<ul style="list-style-type: none"> ➤ Quick action is required (emergency situation).
	<ul style="list-style-type: none"> ➤ Proposals have been solicited but no satisfactory proposals were received.
	<ul style="list-style-type: none"> ➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
	<ul style="list-style-type: none"> ➤ Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives.
X	<ul style="list-style-type: none"> ➤ It is more cost-effective to obtain services by exercising an option under an existing contract. The Federal Grant which will be awarded to SSG as Sole Source is a time-limited project covering a two-year period ending September 30, 2016. The time required for DMH to conduct a full competitive solicitation before awarding contracts for these services would consume an excessive portion of the grant term.
X	<ul style="list-style-type: none"> ➤ It is in the best interest of the County, e.g., administrative cost savings, excessive learning curve for a new service provider, etc. For the foregoing reasons, the award of contract to SSG on a sole source basis will maximize the value of services to be provided under the Grant, and is therefore in the best interest of the County.
	<ul style="list-style-type: none"> ➤ Other reason. Please explain:



**Authorized Representative,
 Chief Executive Office**

10/15/15

Date



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MARVIN J. SOUTHARD, D.S.W.
Director

ROBIN KAY, Ph.D.
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director

June 25, 2015

TO: Each Supervisor
FROM: *Robin Kay for*
Marvin J. Southard, D.S.W.
Director

SUBJECT: **NOTIFICATION OF INTENT TO ENTER INTO SOLE SOURCE
CONTRACT NEGOTIATIONS WITH SPECIAL SERVICE FOR GROUPS**

This memorandum is to comply with the Board of Supervisors Policy Manual, Section 5.100, Sole Source Contracts. It is the Los Angeles County Department of Mental Health's (DMH) intent to amend its current Legal Entity Agreement with Special Service for Groups (SSG) on a sole source basis to provide services to adults (18 and over) under felony probation who have co-occurring mental health and substance abuse disorders and are at high risk for recidivism.

On May 19, 2015, the Board authorized DMH to accept the Second Chance Act grant award from the Department of Justice (DOJ), Office of Justice Programs, Bureau of Justice Assistance (BJA) for the implementation of the Comprehensive Adult Re-Entry (CARE) Program. The CARE program will expand in-reach and reentry programming for Los Angeles County (County) jail inmates who have chronic co-occurring mental health and substance abuse disorders and are mandated to felony probation upon release. Utilizing an integrated care approach, CARE's primary goal will be to provide intensive, evidence-based Co-Occurring Disorders (COD) treatment to high-risk offenders in order to enhance successful reintegration into the community and promote long-term stability.

Earlier, on April 15, 2015, DMH had issued a Request for Information (RFI) (#DMH04152015B1) to qualified Legal Entity providers for the provision of services for this program. Fourteen providers responded by the deadline specified on the RFI. Of those providers only two stated they met all the requirements. Upon further verification of the eligibility of the two providers, it was determined that only SSG met the criteria needed for the provisions of the services for the CARE program. DMH therefore proposes to contract CARE services to SSG, an experienced provider of forensic COD services, including intensive, integrated jail reentry services.

SSG, a contracted DMH and Department of Public Health (DPH) provider, is uniquely qualified to provide integrated health, mental health, and substance abuse treatment services for this population from its existing site in the San Fernando Valley. SSG has a long history of providing a full range of recovery-based mental health and substance abuse treatment services for mentally ill offenders. Agency services include assertive

Each Supervisor
June 25, 2015
Page 2

outreach and engagement, individual and group treatment, medication support, crisis intervention, case management, benefits establishment, and employment services.

Project 180, a division of SSG, is a forensic treatment program specializing in oversight and treatment for an offender population. With nine years of experience working exclusively with a criminal justice population, Project 180 provides specially designed services that follow the evidence-based Risk-Need-Responsivity model and target behavioral health as well as co-occurring disorder issues. Having run successful in-reach and reentry programs since their inception, agency staff has clearance to all Los Angeles County jail facilities and well-established relationships with the Los Angeles Sheriff's Department, DMH, DMH Jail Mental Health Services including the Jail Mental Evaluation Team, and the Los Angeles County Probation Department. Additionally, Project 180 staff is trained and certified in the leading evidenced-based practices for the offender COD populations and has participated in three previous Bureau of Justice Administration funded grants in County jails.

Unless otherwise instructed by your Board office within two weeks of this memorandum, DMH will proceed with preparing a sole source contract amendment. DMH will work closely with the Office of the County Counsel and the Chief Executive Office in preparing a contract amendment with SSG.

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:RK:MM:bm

c: Acting Executive Officer, Board of Supervisors
 Interim Chief Executive Officer
 Mental Health Deputies
 County Counsel
 Robin Kay, Ph.D.
 Mary Marx, L.C.S.W.