

DMH →



County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

June 17, 2008

Board of Supervisors
GLORIA MOLINA
First District
YVONNE B. BURKE
Second District
ZEV YAROSLAVSKY
Third District
DON KNABE
Fourth District
MICHAEL D. ANTONOVICH
Fifth District

31 JUN 17 2008

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

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

DEPARTMENT OF MENTAL HEALTH: APPROVAL TO EXTEND CONTRACT TERMS OF 26 LEGAL ENTITY AGREEMENTS (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

SUBJECT

Request approval of a month-to-month extension, not to exceed six months, in lieu of the standard three-year renewal, for 26 Legal Entity Agreements in order to finalize the Mental Health Services Act transformation process.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Director of Mental Health, or his designee, to prepare, sign, and execute a month-to-month contract extension amendment for the 26 Legal Entity (LE) agreements, due to expire June 30, 2008, as listed in Attachment I, in substantially similar format as presented in Attachment II, for Fiscal Year (FY) 2008-09, beginning July 1, 2008 through December 31, 2008.

2. Delegate authority to the Director of Mental Health, or his designee, to prepare, sign, and execute future amendments to these LE Agreements, provided that:
 - 1) the County's total payments to a contractor under each Agreement will not exceed a 20 percent increase from the applicable Board - approved maximum contract amount (MCA) and the Institution for Mental Diseases (IMD) per diem rates increases will not exceed the rates per the State directive;
 - 2) any such increase will be 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 by County Counsel and the Chief Executive Officer (CEO), or their designee, is obtained prior to any such Amendment;
 - 5) County and contractor may, by written amendments, reduce programs or services and revise the applicable MCA, provided that any amendments which reduce programs or services will be consistent with the principles agreed to in the Department of Mental Health (DMH or Department) stakeholders' process; and
 - 6) the Director of Mental Health will notify the Board of Supervisors and CEO of Agreement changes in writing within 90 days after execution of each Amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Board approval is required because these 26 LE Agreements will expire on June 30, 2008. The month-to-month extension of these agreements, not to exceed six months, is necessary to continue the provision of services without interruption to severely and persistently mentally ill adults and seriously emotionally disturbed (SED) children, adolescents, and their families. Normally the Department would recommend a three-year renewal for the 26 contractors. To seek optimum allocation of available dollars, the Department is in the process of assisting DMH LE contractors mitigate the impact of curtailments by allowing them the opportunity to transform and/or expand MESA-reimbursable services.

Implementation of Strategic Plan Goals

The recommended Board actions support Goal 7, "Health and Mental Health" of the County Strategic Plan by improving mental health outcomes and implementing a recovery and wellness-based service delivery system.

FISCAL IMPACT/FINANCING

There is no increase in net County cost (NCC). The maximum FY 2008-09 MCA for each LE Agreement is shown in Attachment I and the total for the agreements is \$111,848,400, which will be funded by the following revenue sources and are included in DMH's FY 2008-09 Proposed Budget:

| | |
|------------------------------|----------------------|
| 1) State Revenues | \$ 48,441,989 |
| 2) Federal Revenues | 49,050,350 |
| 3) Intrafund Transfers | 3,298,843 |
| 4) NCC/Sales Tax Realignment | <u>11,057,218</u> |
| Total | <u>\$111,848,400</u> |

The MCAs may be subject to change because of uncertain State or federal funding.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

These actions extend the terms of 26 LE agreements, which will expire on June 30, 2008, on a month-to-month basis for up to six months. Attachment I lists the 26 LE contractors, types of services provided, FY 2008-09 Maximum initial MCA, and Supervisorial Districts. Attachment II is the month-to-month extension amendment format.

On January 25, 2006 the California Department of Mental Health issued a directive to counties to initiate a rate increase for Medi-Cal nursing facilities that provide long-term care as IMDs, by 6.5 percent annually, effective July 1, 2005 through June 30, 2008 and 4.7 percent annually, effective July 1, 2008 and ongoing, as authorized by the California Department of Health Services. On May 2, 2006, your Board approved DMH's rate increase amendments to nine existing LE Agreements with IMD contractors. One of these IMD contracts, SunBridge Braswell Enterprises, Inc. is expiring June 30, 2008, and will be extended by this action with a 4.7 percent annual rate increase for FY 2008-09.

The attached amendment format has been approved as to form by County Counsel. The CEO has reviewed the proposed actions. Clinical and administrative staff of DMH will also continue to administer and monitor contractors' adherences to the agreements, evaluate programs to ensure that quality services are being provided to clients, and ensure that Agreement provisions and Departmental policies are being followed.

CONTRACTING PROCESS

All of the 26 LE Contractors have existing agreements with DMH, which expire on June 30, 2008, and will be extended because of the continuing need for their services. The Department plans to return to your Board to request a standard three-year renewal when the MHSA transformation process is finalized. 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

These LE Agreements with mental health services contractors provide for a broad range of mental health services to severely and persistently mentally ill adults, SED children, adolescents, and their families, pursuant to the California Welfare and Institutions Code (WIC), Division 5, Part 2, Chapter 1, Section 5602. These mental health services include, but are not limited to, diagnosis, evaluation, treatment, day care, respite care, living arrangements, community skill training, information, referral, consultation, and community services.

CONCLUSION

The Department of Mental Health will need one copy of the adopted Board actions. It is requested that the Executive Officer, Board of Supervisors, notify the Department of Mental Health, Contracts Development and Administration Division, at (213) 739-4684 when this document is available.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:SRH:SAS
MLM:JJS:yb

Attachments (2)

c: County Counsel
Auditor-Controller
Director, Department of Mental Health
Chairperson, Mental Health Commission

**COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
Contracts Development and Administration Division**

ATTACHMENT I

**CONTRACT EXTENSIONS FOR FISCAL YEAR 2008-09
LEGAL ENTITY MENTAL HEALTH SERVICES AGREEMENTS**

| Item No. | CONTRACTOR Legal Entity (LE) No. | Sup. Dist. (HQ) | Type of Services Exhibit | Agreement Term | MAXIMUM CONTRACT AMOUNT (MCA) |
|----------|--|-----------------------|--|-------------------|-------------------------------|
| | | | | | Annual MCA |
| 1 | Alcott Center for Mental Health Services 1433 South Robertson Boulevard Los Angeles, CA 90035 LEGAL ENTITY (LE) # 00177 | 2 | 104-A, 402 403, 404-A 1014-A | Monthly | \$1,648,500 |
| 2 | Asian American Drug Abuse Program, Inc. 5318 Crenshaw Boulevard Los Angeles, CA 90043 LEGAL ENTITY (LE) # 01167 | 2 | 104-A 402 403 | Monthly | \$472,300 |
| 3 | Barbour and Floyd Medical Associates 2610 Industry Way, Suite A Lynwood, CA 90262 LEGAL ENTITY (LE) # 00175 | 2 | 104-A, 308-B 402, 403, 404-A 501-A, 701-A | Monthly | \$1,997,700 |
| 4 | Behavioral Health Services, Inc. 15519 Crenshaw Boulevard Gardena, CA 90249 LEGAL ENTITY (LE) # 01150 | 2 | 104-A 402 403 | Monthly | \$816,000 |
| 5 | California Hispanic Commission, Inc. 2101 Capitol Avenue Sacramento, CA 95816 LEGAL ENTITY (LE) # 01149 | 1 | 104-A, 402, 403 404-A, 501-A, 1014-A 1015, 1017 | Monthly | \$2,456,300 |
| 6 | ChildNet Youth and Family Services, Inc. 5150 Pacific Coast Highway, Suite 365* Long Beach, CA 90804 LEGAL ENTITY (LE) # 00783 | 4 | 104-A 309-B 402 403 | Monthly | \$8,072,900 |
| 7 | City of Gardena 1700 West 162nd Street Gardena, CA 90247 LEGAL ENTITY (LE) # 00322 | 2 | 701-A | Monthly | \$74,400 |
| 8 | Counseling and Research Associates, Inc. dba Masada Homes 108 West Victoria Street Gardena, CA 90248 LEGAL ENTITY (LE) # 00779 | 2 | 104-A, 402, 403 404-A, 406-A, 501-A, 1014-A, 1015, 1017, 1019 | Monthly | \$8,213,000 |
| 9 | D'Veal Corporation dba D'Veal Family and Youth Services 855 North Orange Grove Boulevard, Suite 207 Pasadena, CA 91103 LEGAL ENTITY (LE) # 00778 | 5 | 104-A, 309-B 402, 403, 404-A 501-A, 804-A | Monthly | \$5,417,400 |
| 10 | Eastfield Ming Quong, Inc. dba EMQ Children and Youth Services 251 Llewellyn Avenue Campbell, CA 95008-1940 LEGAL ENTITY (LE) # 00156 | N/A | 104-A, 309-B, 402 403, 404-A, 406-A 1014-A, 1015, 1017, 1019 | Monthly | \$4,822,200 |
| 11 | Jewish Family Service of Los Angeles, Inc. 6505 Wilshire Blvd., Suite 500 Los Angeles, CA 90048 LEGAL ENTITY (LE) # 01521 | 3 | 104-A, 402, 403 404-A, 501-A, 801 | Monthly | \$1,051,300 |
| 12 | New Directions, Inc. 11303 Wilshire Boulevard, V.A. Bldg. 116 Los Angeles, CA 90073 LEGAL ENTITY (LE) # 01142 | 3 | 501-A 1018 | Monthly | \$141,600 |
| 13 | One In Long Beach, Inc. 2017 East 4th Street Long Beach, CA 90814-1011 LEGAL ENTITY (LE) # 00859 | 4 | 501-A | Monthly | \$152,000 |
| 14 | Optimist Boys' Home and Ranch, Inc. 6957 North Figueroa Street, P.O. Box 41-1076 Los Angeles, CA 90041 LEGAL ENTITY (LE) # 00781 | 1 | 104-A 309-B 402 403 1019 | Monthly | \$5,206,300 |
| 15 | Penny Lane Centers 15317 Rayen Street* North Hills, CA 91343 LEGAL ENTITY (LE) # 00201 | 3 | 104-A, 402, 403 404-A, 406-A 501-A, 804-A | Monthly | \$13,510,600 |

**COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
Contracts Development and Administration Division**

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| Item No. | CONTRACTOR Legal Entity (LE) No. | Sup. Dist. (HQ) | Type of Services Exhibit | Agreement Term | MAXIMUM CONTRACT AMOUNT (MCA) |
|----------|--|-----------------|---|----------------|-------------------------------|
| | | | | | Annual MCA |
| 16 | Phoenix Houses of Los Angeles, Inc. 11600 Eldridge Avenue Lake View Terrace, CA 91342 LEGAL ENTITY (LE) # 00805 | 3 | 104-A 402 403 404-A | Monthly | \$1,869,600 |
| 17 | SHIELDS for Families 12714 South Avalon Boulevard, Suite 300 Los Angeles, CA 90061 LEGAL ENTITY (LE) # 00558 | 2 | 104-A, 311-B 402, 403, 404-A 501-A, 804-A | Monthly | \$6,684,300 |
| 18 | SPIRITT Family Services, Inc. 13135 Barton Road Santa Fe Springs, CA 90605 LEGAL ENTITY (LE) # 01160 | 1 | 104-A 402 403 | Monthly | \$531,200 |
| 19 | St. Francis Medical Center (formerly St. Francis Medical Center-Children's Counseling Center) 3630 East Imperial Highway Lynwood, CA 90262-2636 LEGAL ENTITY (LE) # 01366 | 2 | 104-A 402 403 | Monthly | \$2,038,800 |
| 20 | St. Joseph Center 204 Hampton Drive Venice, CA 90291 LEGAL ENTITY (LE) # 00218 | 3 | 104-A, 402, 403 404-A, 501-A, 802-A 1017, 1020, 1021 | Monthly | \$793,300 |
| 21 | Star View Adolescent Center, Inc. 1501 Hughes Way, Suite 150 Long Beach, CA 90810 LEGAL ENTITY (LE) # 00543 | 4 | 104-A, 311-B, 402 403, 404-A, 406-A 501-A, 801, 1014-A, 1015, 1017, 1019 | Monthly | \$26,433,700 |
| 22 | Step Up on Second St. Inc. 1328 Second Street Santa Monica, CA 90401 LEGAL ENTITY (LE) # 00215 | 3 | 104-A, 402, 403, 404-A, 501-A, 1008 1009, 1010-A, 1014-A 1015, 1017 | Monthly | \$2,980,000 |
| 23 | SunBridge Braswell Enterprises, Inc. dba Olive Vista A Center for Problems of Living, Laurel Park, & Sierra Vista (formerly Braswell Enterprises) 2335 South Towne Street Pomona, CA 91766 LEGAL ENTITY (LE) # 00279 | 4 | 608 | Monthly | + |
| 24 | SunBridge Harbor View Rehabilitation Center, Inc. dba Harbor View Adolescent Center 490 West 14th Street Long Beach, CA 90813 LEGAL ENTITY (LE) # 00206 | 4 | 104-A, 311-B, 402 403, 406-A, 608 1014-A, 1017, 1019 | Monthly | \$5,134,300 |
| 25 | Tarzana Treatment Center, Inc. 18646 Oxnard Street Tarzana, CA 91356 LEGAL ENTITY (LE) # 01156 | 3 | 104-A 402 403 | Monthly | \$1,306,300 |
| 26 | Telecare Corporation 1080 Marina Village Parkway, Suite 100 Alameda, CA 94501-1078 LEGAL ENTITY (LE) # 00108 | N/A | 104-A, 402, 403, 404-A 405, 501-A, 602, 603, 801 914, 921, 1008, 1010-A 1014-A, 1015, 1017 | Monthly | \$10,024,400 |

TOTAL: \$111,848,400

* Correspondence will be sent to mailing address/(P. O. Box).

+ Institutions for Mental Diseases (IMD) contracts do not have a Maximum Contract Amount, as services are purchased on an as-needed basis and are limited to DMH's appropriation budgeted for IMD beds.

ATTACHMENT II
CONTRACT NO. _____

AMENDMENT NO. x

THIS AMENDMENT is made and entered into this ____ day of _____, 2008, by and between the COUNTY OF LOS ANGELES (hereafter "County") and _____ (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated **June 12, 2007**, identified as County Agreement No. _____, and any subsequent amendments (hereafter collectively "Agreement"); and

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

WHEREAS, County and Contractor intend to amend Agreement to **extend** the term of this Agreement on a month-to-month basis, for a period not to exceed six (6) months, beginning July 1, 2008, ending December 31, 2008 ; and

WHEREAS, the total monthly contract amount shall not exceed one twelfth (1/12th) of FY 2008-09 annualized Maximum Contract Amount (MCA) of \$_____ ; and

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

1. Financial Summary for FY 2008-09, attached hereto and incorporated herein by reference, shall be added to the Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II.

2. Contractor shall provide services in accordance with the Contractor's FY _____ Negotiation Package for this Agreement and any addenda thereto approved in writing by Director.
3. 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