



**County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

425 Shatto Place, Los Angeles, California 90020
(213) 351-5602

DAVID SANDERS, PH.D.
Director

ADOPTED
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COUNTY OF LOS ANGELES

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June 27, 2006

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JUN 27 2006

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

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**REQUEST TO APPROVE TWO COMMUNITY TREATMENT FACILITY (CTF)
SERVICES AGREEMENTS
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

**JOINT RECOMMENDATION WITH THE CHIEF PROBATION OFFICER AND THE
DIRECTOR OF THE DEPARTMENT OF MENTAL HEALTH THAT YOUR BOARD:**

1. Approve and delegate authority to the Director of the Department of Children and Family Services (DCFS), and the Director of the Department of Mental Health (DMH) to execute an agreement, similar in form to the attached Community Treatment Facility (CTF) Agreement with Star View Children and Family Services, Inc. (Star View), a non-profit division under the Stars Behavioral Health Group [Attachment A] for the provision of CTF services, including but not limited to mental health treatment services administered by licensed mental health professionals, the availability of a registered nurse on a twenty-four (24) hour basis, development of needs and services plans for each child, etc., for the period of July 1, 2006 through June 30, 2007 with an estimated cost of \$1,082,688. The cost is financed using approximately \$300,987 (27.8%) State, and \$781,701 (72.2%) net County cost (NCC). Placement costs associated with this Agreement are paid separately through Aid to Families for Dependent Children – Foster Care (AFDC-FC) funds. Sufficient funding is included for the supplemental payments in the DCFS FY 2006-07 Proposed Budget.
2. Approve and delegate authority to the Director of the Department of Children and Family Services (DCFS), the Director of the Department of Mental Health (DMH), and the Chief Probation Officer (Probation) to execute an Agreement, similar in form to the attached Community Treatment Facility (CTF) Agreement with Vista Del Mar

Child and Family Services (Vista Del Mar) [Attachment B] for the provision of CTF services, including but not limited to mental health treatment services administered by licensed mental health professionals, the availability of a registered nurse on a twenty-four (24) hour basis, development of needs and services plans for each child, etc., for the period of July 1, 2006 through June 30, 2007 with an estimated cost of \$974,592 financed using approximately \$270,937 (27.8%) State, and \$703,655 (72.2%) net County cost (NCC). Placement costs associated with this Agreement are paid separately through Aid to Families for Dependent Children – Foster Care (AFDC-FC) funds. Sufficient funding is included for the supplemental payments in the DCFS FY 2006-07 Proposed Budget.

3. Instruct the Director of DCFS to notify your Board and the Chief Administrative Office (CAO) in writing within ten (10) working days of executing the CTF Agreements.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Star View and Vista Del Mar are the only facilities licensed by the California Department of Social Services (CDSS) to provide CTF services in Los Angeles County. These CTF Services are needed for the placement of children who require more intense services than from services provided by a group home of a Rate Classification level (RCL) 14 but in a less restrictive and more community-based facility than a state or acute institution.

DCFS in conjunction with the DMH and Probation agree that entering in to a new twelve-month Agreement is more appropriate than the initial intent of requesting a three month contract extension of the current contract. However, Probation will enter into a twelve-month Agreement with only Vista Del Mar.

The new twelve-month Agreement will provide an opportunity to research and study some new issues not included in the current Agreements but deemed important in the provision of CTF services, and those issues in the current Agreements that need to be revised and updated based on the current need/situation of the target population.

These issues among others are as follows:

- Profile of CTF residents
- Treatment and length of stay
- Intake and screening process
- Care and supervision staffing
- No eject/reject policy

The new Agreement for each provider is based on their current CTF Agreement and has been updated to include all the required Board provisions, and the major Fiscal provisions from the latest approved Master Agreements for Group Homes. The adoption of the new Agreements will ensure continuous CTF services to the children of Los Angeles County served by the program and provide an opportunity to procure the

services of a consultant to assist in the research and study of important issues that will enhance the provision of CTF services in the future based on current needs of the children and the community.

Both Star View and Vista Del Mar are reimbursed at the RCL 14 rate of \$6,317 per child per month. Both providers also receive a supplemental rate of up to \$2,500 per child per month, prorated for length of stay, and as authorized by State law, for the additional costs associated with CTF's compared to RCL 14 Group Homes. Vista Del Mar currently receives an additional \$1,260 per child per month as approved by the Board on July 23, 2002.

Star View Children and Family Services, Inc. has been placed on "HOLD" status by DCFS effective May 31, 2006 pending an on-going investigation of an incident on May 1, 2006. Presently, investigation is still pending completion. "HOLD" status means that an agency is unable to obtain new referrals. Star View has not obtained a new referral since the "HOLD" status was issued on May 31, 2006, and will not obtain any referrals until the "HOLD" status is lifted.

This Board Letter does not meet the Board's policy on timely filing. Late filing is a result of the unresolved issues during the negotiations that needed to be researched and studied further by DCFS, DMH and Probation Department.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the principles of the Countywide Strategic Plan, Goal #1 (Service Excellence), Goal #4 (Fiscal Responsibility), and Goal #5 (Children and Families Well-Being). The recommended action will ensure that services rendered by the two incumbent providers will continue without interruption for the benefit of the Los Angeles County children served by the program.

FISCAL IMPACT/FINANCING

There will be no change in the payment rate under the new Agreements. Both Star View and Vista Del Mar will be reimbursed at the rate established by the State for Group Home RCL 14 in the amount of \$6,371 per child per month. In addition, both providers will receive a supplemental rate of \$2,500 per month per child pursuant to Welfare and Institutions Code (WIC) Section 4094.2(d). Vista Del Mar will receive an additional supplemental rate of \$1,260 per month per child. Therefore, the total cost per month for each child in Star View and Vista Del Mar is \$8,871 and \$10,131, respectively. All these rates are prorated based on a placement's length of stay at the CTF.

Star View has 40 CTF beds and Vista Del Mar has 24 CTF beds available for placements. Vista Del Mar's bed allocation had been increased to 24 beds (from 21 beds) per CDSS letter dated October 20, 2003. The occupancy rate for both agencies based on data from prior years is 90%. This rate is reflected in the cost of the new Agreement for each provider. The estimated total maximum contract sum for these two

separate Agreements from July 1, 2006 through June 30, 2007 is \$2,057,280. This cost will be financed using approximately 27.8% State revenue and 72.2% Net County Cost (NCC). Sufficient funding is included in the DCFS FY 2006-07 Proposed Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Superior Court gives responsibility for the care, custody, and control for each Dependent Child to DCFS, and for each Ward to the Probation Department (Probation). The Department of Mental Health (DMH) clients are placed by their parents voluntarily (pursuant to Title 1, Division 7, Chapter 26.5, California Government Code). The recommended action will allow continuous CTF services without interruption and also provides an opportunity for the County to conduct the necessary research and study utilizing the services of a consultant to enhance the provision of the CTF services that will be more responsive to the need of the children and the community.

WIC Section 4094.2 (d) authorizes a supplemental rate of up to \$2,500 per child per month in addition to the RCL 14 Group Home rate of \$6,371 per child per month. The additional supplemental rate of \$1,260 per child per month for Vista Del Mar approved by your Board on July 23, 2002 was to assist the provider who was then operating at a loss due to inability to operate at full bed capacity. This additional supplemental rate for Vista Del Mar is 100% NCC.

The CAO and County Counsel have reviewed this Board Letter and the CAO has approved it for filing. The Agreement has been approved as to form by County Counsel.

CONTRACTING PROCESS

No solicitation process is required for these two separate Agreements. These two providers were initially chosen through a State released RFP to solicit providers to be licensed for a State-wide CTF program. These two providers are the only State licensed CTF facilities in Los Angeles County.

DCFS has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to these Agreements.

IMPACT ON CURRENT SERVICES

Approval of the recommended actions will allow for Community Treatment Facility services to be provided without interruption."

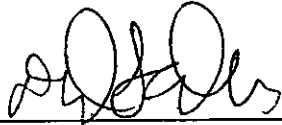
CONCLUSION

Upon approval by your Board, it is requested that the Executive Officer/Clerk of the Board send a copy of the adopted Board Letter and the executed Agreements to:

1. Department of Children and Family Services
Contracts Administration
Attention: Walter Chan, Contract Manager
425 Shatto Place, Room 400
Los Angeles, CA 90020
2. Department of Mental Health
Contracts Development and Administration Division
Attention: Richard Kushi, Chief
550 S. Vermont Avenue
Los Angeles, CA 90020
3. Probation Department
Contract Management Division
Attention: Yolanda Young, Director
9150 E. Imperial Hwy
Downey, CA 90242
4. Office of the County Counsel
Advice and Litigation Division
Attention: Janice Kasai, Deputy County Counsel
648 Kenneth Hahn Hall of Administration
500 West Temple Street, Suite 602
Los Angeles, CA 90012-2713
5. Star View Children and Family Services, Inc.
1501 Hughes Way, Suite 150
Long Beach, CA 90810
Attention: Kent Dunlap, Executive Director

6. Vista Del Mar Child and Family Services
3200 Motor Avenue
Los Angeles, CA 90034
Attention: Elias Lefferman, Ph.D., President/CEO

Respectfully submitted,



DAVID SANDERS, Ph.D.
DIRECTOR, DEPARTMENT OF
CHILDREN AND FAMILY SERVICES



MARVIN J. SOUTHARD, D.S.W.
DIRECTOR, DEPARTMENT OF
MENTAL HEALTH



ROBERT TAYLOR, CHIEF PROBATION OFFICER
PROBATION DEPARTMENT

DS:WC:RML:bv

Attachments (2)

c: Chief Administrative Office
County Counsel