

COUNTY OF LOS ANGELES



BOARD OF SUPERVISORS

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DEPARTMENT OF MENTAL HEALTH

<http://dmh.lacounty.info>

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601  
Fax: (213) 386-1297

May 25, 2006

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

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

25

JUN 07 2006

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

Dear Supervisors:

**APPROVAL OF AMENDMENTS TO EXISTING MENTAL HEALTH SERVICES  
CONTRACT ALLOWABLE RATE FEE-FOR-SERVICE MEDI-CAL PSYCHIATRIC  
INPATIENT HOSPITAL SERVICES AGREEMENTS TO IMPLEMENT STATE-  
MANDATED RATE INCREASE FOR FISCAL YEARS 2005-2006 AND 2006-2007  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

Approve and delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute amendments to 29 Mental Health Services Contract Allowable Rate Fee-For-Service (FFS) Medi-Cal Psychiatric Inpatient Hospital Services agreements with current contracted FFS Medi-Cal certified inpatient hospitals, as listed in Attachment I, and substantially similar in format to Attachment II, for Fiscal Years (FYs) 2005-2006 and 2006-2007. These amendments will be retroactive to August 1, 2005, and will allow the Department of Mental Health (DMH) to comply with a directive issued by the California Department of Mental Health (CDMH) to all counties to increase the administrative day rate of payment reimbursement, from \$296.03 to \$374.75, to contracted FFS Medi-Cal certified inpatient hospitals that provide acute psychiatric inpatient services and administrative day services to the residents of Los Angeles County (LAC) effective August 1, 2005.

The administrative day rate increase will be funded by with the State Managed Care allocation included in DMH's FY 2005-2006 Adopted Budget. There is no increase in net County cost.

*"To Enrich Lives Through Effective And Caring Service"*

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Pursuant to CDMH's directive issued on September 7, 2005, to counties (Attachment III), Board approval is required to implement this mandated administrative day rate increase as established by the California Department of Health Services (CDHS), and authorized pursuant to Sections 1820.110, 1820.115, and 51542, Title 9, California Code of Regulations (CCR), retroactive to August 1, 2005. On September 14, 2005, the Director of Mental Health received CDMH's notification of this mandated rate increase.

Submission of this Board letter at this time regarding a retroactive State-mandated administrative day rate increase is unavoidable and is attributed to the delayed notification of the rate change by CDMH.

### **Implementation of Strategic Plan Goals**

The recommended Board action is consistent with the County's Programmatic Goal No. 7, "Health and Mental Health," within the Countywide Strategic Plan. Board approval will strengthen the access to contracted FFS Medi-Cal certified inpatient hospitals through the collaboration of government agencies and community-based hospitals.

### **FISCAL IMPACT/FINANCING**

There is no increase in net County cost.

DMH will finance the administrative day rate increase in the amount of \$1 million with the State Managed Care allocation included in DMH's FY 2005-06 Adopted Budget.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On September 7, 2005, CDMH issued a letter implementing an increase in the administrative day rate for FFS psychiatric inpatient hospital contractors. The rate increase for psychiatric inpatient hospitals providing administrative day services is authorized pursuant to Sections 1820.110, 1820.115, and 51542, Title 9, California Code of Regulations.

Chapter 633 (AB 757) of statutes of 1994 authorized the transfer of State funding for FFS Medi-Cal psychiatric inpatient hospital services from CDHS to CDMH. On December 20, 1994, your Board approved Los Angeles County's participation in the FFS Medi-Cal psychiatric inpatient hospital services consolidation and the transfer of

State General Fund Medi-Cal match dollars to the County for payment of services and administration of the program.

The retroactivity of the amendments is unavoidable at this time and is attributed to the delayed notification of this rate change by CDMH. These agreements do not contain a maximum contract amount but specify contract allowable rates per day for acute psychiatric inpatient hospital services and administrative day services. Prior to authorization of payment, all services provided are subject to the Treatment Authorization Request review process.

The Amendment format, which includes the new Board-mandated clause on "Contractor's Charitable Activities Compliance" for nonprofit contract providers, and the revised Board-mandated clauses on "Contractor Responsibility and Debarment, Performance Standards and Outcome Measures, Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier covered Transactions (45 C.F.R. PART 76, and Assignment by Contractor" have been approved as to form by County Counsel. The Chief Administrative Office has reviewed the proposed action.

Clinical and administrative staff of DMH will continue to administer and supervise 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**

DMH will execute amendments to 29 existing FFS Medi-Cal certified psychiatric inpatient hospital contractors as listed in Attachment I.

### **IMPACT ON CURRENT SERVICES**

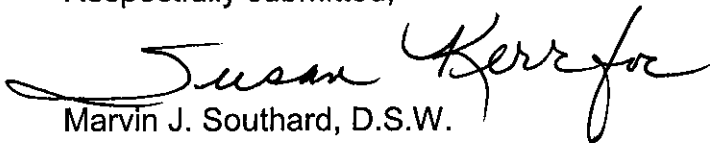
Board approval will allow FFS Medi-Cal psychiatric inpatient hospital contractors to maintain levels of administrative day services to severely mentally ill clients who reside throughout Los Angeles County.

The Honorable Board of Supervisors  
May 25, 2006  
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**CONCLUSION**

The Department of Mental Health will need one (1) copy of the adopted Board action. It is requested that the Executive Officer of the Board notifies the Department of Mental Health's Contracts Development and Administration Division at (213) 738-4684 when this document is available.

Respectfully submitted,



Marvin J. Southard, D.S.W.  
Director of Mental Health

MJS:MY:RK:OV

Attachments (3)

c: Chief Administrative Office  
County Counsel  
Chairperson, Mental Health Commission

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH  
 CONTRACTS DEVELOPMENT AND ADMINISTRATION DIVISION

LIST OF FEE-FOR-SERVICES MEDI-CAL PSYCHIATRIC INPATIENT HOSPITALS  
 ADMINISTRATIVE DAY RATE INCREASE  
 FOR FISCAL YEARS 2005-2006 AND 2006-2007

CONTRACTOR	SUPV. DIST.	SERVICE AREA	CONTRACTOR PSYCHIATRIC BED CAPACITY ADULT CHILD ADOL. TOTAL	TYPE OF HOSPITAL	AGREEMENT TERM	CURRENT CONTRACT ALLOWABLE RATE *ADS	PROPOSED CONTRACT ALLOWABLE RATE *ADS
Antelope Valley Hospital 1600 West Avenue J Lancaster, CA 93534 (1)	5	1	10 - - - 10	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
Aurora Charter Oak Hospital 1161 E. Covina Boulevard Covina, CA 91724 (2)	5	3	50 - 32 - 82	++APH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
Aurora Las Encinas Hospital 2900 E. Del Mar Boulevard Pasadena, CA 91107 (3)	5	3	125 - 13 - 138	++APH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
Bellflower Medical Center 9542 E. Artesia Boulevard Bellflower, CA 90706 (4)	4	7	32 - - - 32	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
BHC Alhambra Hospital 4619 Rosemead Boulevard Rosemead, CA 91770 (5)	1	3	51 34 - 85	++APH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
Brotman Medical Center 3828 Delmas Terrace Culver City, CA 90231 (6)	2	5	70 - - - 70	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
Cedars-Sinai Medical Center 116 N. Robertson Blvd. Suite 909 Los Angeles, CA 90048 (7)	3	4	51 - - - 51	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75

\* Acute Psychiatric Inpatient Hospital Services (APIHS)

\*\* Administrative Services (ADS)

+ General Acute Care Hospital (GACH)

++ Acute Psychiatric Hospital (APH)

+++ Child beds included in Adolescent (ADOL.) column

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH  
 CONTRACTS DEVELOPMENT AND ADMINISTRATION DIVISION

LIST OF FEE-FOR-SERVICES MEDI-CAL PSYCHIATRIC INPATIENT HOSPITALS  
 ADMINISTRATIVE DAY RATE INCREASE  
 FOR FISCAL YEARS 2005-2006 AND 2006-2007

CONTRACTOR	SUPV. DIST.	SERVICE AREA	CONTRACTOR PSYCHIATRIC BED CAPACITY			TYPE OF HOSPITAL	AGREEMENT TERM	CURRENT CONTRACT ALLOWABLE RATE *ADS	PROPOSED CONTRACT ALLOWABLE RATE *ADS
			ADULT	CHILD	ADOL.				
Citrus Valley Medical Center- Inter Community Campus 210 W. San Bernardino Road Covina, CA 91723 (8)	1	3	30	-	-	30	+GACH 7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
College Hospital-Cerritos 10802 College Place Cerritos, CA 90703 (9)	4	7	90	14	30	134	++APH 7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
College Hospital-Costa Mesa 301 Victoria Street Costa Mesa, CA 92627 (10)	Orange County	Orange County	64	-	17	81	+GACH 7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ Orange County	\$ Orange County
Community Hospital of Long Beach 1720 Terminal Avenue Long Beach, CA 90804 (11)	4	8	17	6	-	23	++APH 7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
Del Amo Hospital, Inc. 23700 Camino Del Sol Torrance, CA 90505 (12)	4	8	146	20	-	166	++APH 7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
East Valley Glendora Hospital, L.P. 150 West Route 66 Glendora, CA 91740 (13)	3	5	21	-	-	21	++APH 7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75

\* Acute Psychiatric Inpatient Hospital Services (APIHS)  
 \*\* Administrative Services (ADS)  
 + General Acute Care Hospital (GACH)  
 ++ Acute Psychiatric Hospital (APH)  
 +++ Child beds included in Adolescent (ADOL.) column

**COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH  
CONTRACTS DEVELOPMENT AND ADMINISTRATION DIVISION**

**ATTACHMENT I**

**LIST OF FEE-FOR-SERVICES MEDI-CAL PSYCHIATRIC INPATIENT HOSPITALS  
ADMINISTRATIVE DAY RATE INCREASE  
FOR FISCAL YEARS 2005-2006 AND 2006-2007**

CONTRACTOR	SUPV. DIST.	SERVICE AREA	CONTRACTOR PSYCHIATRIC BED CAPACITY			TYPE OF HOSPITAL	AGREEMENT TERM	CURRENT CONTRACT ALLOWABLE RATE *ADS	PROPOSED CONTRACT ALLOWABLE RATE *ADS
			ADULT	CHILD	ADOL. TOTAL				
Encino - Tarzana Regional Medical Center, Encino Hospital 16237 Ventura Boulevard Encino, CA 91436 (14)	3	2	14	-	14	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
Glendale Adventist Medical Center 1509 Wilson Terrace Glendale, CA 91206 (15)	5	2	60	-	60	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
Huntington Memorial Hospital 100 W. California Boulevard Pasadena, CA 91109 (16)	5	3	54	-	54	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
Intercare Health Systems, Inc. City of Angels Med. Ctr. - IngleSide Campus 1711 West Temple Street Los Angeles, CA 90026 (17)	5	3	70	-	70	++APH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
Little Company of Mary - San Pedro Hospital 4101 Torrance Boulevard Torrance, CA 90503 (18)	4	8	25	-	25	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
Los Angeles Metropolitan Medical Center 2231 South Western Avenue Los Angeles, CA 90018 (19)	2	6	46	-	46	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75

\* Acute Psychiatric Inpatient Hospital Services (APIHS)  
 \*\* Administrative Services (ADS)  
 + General Acute Care Hospital (GACH)  
 ++ Acute Psychiatric Hospital (APH)  
 +++ Child beds included in Adolescent (ADOL.) column

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH  
 CONTRACTS DEVELOPMENT AND ADMINISTRATION DIVISION

LIST OF FEE-FOR-SERVICES MEDI-CAL PSYCHIATRIC INPATIENT HOSPITALS  
 ADMINISTRATIVE DAY RATE INCREASE  
 FOR FISCAL YEARS 2005-2006 AND 2006-2007

CONTRACTOR	SUPV. DIST.	SERVICE AREA	CONTRACTOR PSYCHIATRIC BED CAPACITY ADULT CHILD ADOL. TOTAL	TYPE OF HOSPITAL.	AGREEMENT TERM	CURRENT CONTRACT ALLOWABLE RATE *ADS	PROPOSED CONTRACT ALLOWABLE RATE *ADS
Mission Community Hospital 14850 Roscoe Boulevard Panorama City, CA 91402 (20)	3	2	60 - - 60	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
Catholic Healthcare West Dbx Northridge Hospital Medical Center- Roscoe Boulevard Campus 18300 Roscoe Boulevard Northridge, CA 91328 (21)	3	2	Varies with population - 40	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
Pacific Hospital of Long Beach 2776 Pacific Avenue Long Beach, CA 90806 (22)	4	8	36 - - 36	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
Pacifica Hospital of the Valley 9449 San Fernando Road Sun Valley, CA 91352 (23)	3	2	39 - - 39	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
Sherman Oaks Hospital and Health Center 4929 Van Nuys Boulevard Sherman Oaks, CA 91403 (24)	3	2	19 - - 19	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
St. Francis Medical Center 3630 E. Imperial Highway Lynwood, CA 90262 (25)	2	6	40 - - 40	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75

\* Acute Psychiatric Inpatient Hospital Services (APIHS)  
 \*\* Administrative Services (ADS)  
 + General Acute Care Hospital (GACH)  
 ++ Acute Psychiatric Hospital (APH)  
 +++ Child beds included in Adolescent (ADOL.) column



COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH  
 CONTRACTS DEVELOPMENT AND ADMINISTRATION DIVISION

LIST OF FEE-FOR-SERVICES MEDICAL PSYCHIATRIC INPATIENT HOSPITALS  
 ADMINISTRATIVE DAY RATE INCREASE  
 FOR FISCAL YEARS 2005-2006 AND 2006-2007

CONTRACTOR	SUPV. DIST.	SERVICE AREA	CONTRACTOR PSYCHIATRIC BED CAPACITY			TYPE OF HOSPITAL	AGREEMENT TERM	CURRENT CONTRACT ALLOWABLE RATE *ADS	PROPOSED CONTRACT ALLOWABLE RATE *ADS
			ADULT	CHILD	ADOL. TOTAL				
The Regents of The Univ. of California on behalf of UCLA Neuropsychiatric Hospital 10920 Wilshire Boulevard, Suite 1010 Los Angeles, CA 90024 (26)	3	4	20	-	19 39	++APH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
USC University Hospital 15600 San Pablo Street Los Angeles, CA 90033 (27)	1	4	12	-	12	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
Verdugo Hills Hospital 1812 Verdugo Boulevard Glendale, CA 91208 (28)	5	2	24	-	24	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75
White Memorial Medical Center 1720 E. Cesar Chavez Avenue Los Angeles, CA 90033 (29)	1	4	35	-	35	+GACH	7/1/05 - 6/30/06 7/1/06 - 6/30/07	\$ 296.03	\$ 374.75

FFS Contractor Bed Capacity FY 2004 2005 (10/21/04)

\* Acute Psychiatric Inpatient Hospital Services (APIHS)  
 \*\* Administrative Services (ADS)  
 + General Acute Care Hospital (GACH)  
 ++ Acute Psychiatric Hospital (APH)  
 +++ Child beds included in Adolescent (ADOL.) column

ATTACHMENT II

CONTRACT NO. \_\_\_\_\_

AMENDMENT NO. \_\_\_\_\_

THIS AMENDMENT is made and entered into this \_\_\_ day of \_\_\_\_\_, 2006, by and between the County of Los Angeles (hereafter "County") and \_\_\_\_\_ (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated December 7, 2004, identified as County Agreement No. \_\_\_\_\_, and any subsequent Amendments (hereafter collectively "Agreement"); and

WHEREAS, for Fiscal Years 2005-2006 and 2006-2007, County and Contractor intend to amend Agreement only as described hereunder; and

WHEREAS, effective August 1, 2005, for Fiscal Years 2005-2006 and 2006-2007, County and Contractor intend to amend the Mental Health Services Agreement Contract Allowable Rate - Fee-For-Services Medi-Cal Psychiatric Inpatient Hospital Services Agreement to increase the administrative day rate from \$296.03 to \$374.75, pursuant to a directive by the California Department of Mental Health (CDMH). CDMH mandates the rate increase for psychiatric inpatient hospitals providing administrative day services, as established by California Department of Health Services (CDHS) and authorized, pursuant to sections 1820.110, 1820.115, and 51542, Title 9, California Code of regulations.

WHEREAS, for Fiscal Years 2005-2006 and 2006-2007, County and Contractor intend to amend the Agreement to add revised Board-mandated contract language in regards to "Contractor Responsibility and Debarment," and

WHEREAS, for Fiscal Years 2005-2006 and 2006-2007 County and Contractor intend to amend the Agreement to add new Board-mandated contract language in regards to "Contractor's Charitable Activities Compliance." and

WHEREAS, for Fiscal Years 2005-2006 and 2006-2007, County and Contractor intend to amend the Agreement to add revised Board-mandated contract language in regards to "Performance Standards and Outcome Measures." and

WHEREAS, for Fiscal Years 2005-2006 and 2006-2007, County and Contractor intend to amend the Agreement to add revised Board-mandated contract language in regards to "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions (45 C. F. R. PART 76)."

WHEREAS, for Fiscal Years 2005-2006 and 2006-2007, County and Contractor intend to amend the Agreement to add revised Board-mandated contract language in regards to "Delegation and Assignment".

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

1. The administrative day rate for Fiscal Years 2005-2006 and 2006-2007 shall increase from \$296.03 to \$374.75.
2. Paragraph 51 (CONTRACTOR RESPONSIBILITY AND DEBARMENT) shall be deleted in its entirety and the following substituted therefor:

"51. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

The following requirements set forth in the County's Non-Responsibility and Debarment Ordinance (Title 2, Chapter 2.202 of the County Code) are effective for this Agreement, except to the extent applicable State and/or Federal laws are inconsistent with the terms of the Ordinance.

A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible contractors.

B. The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other Agreements which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Agreement, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County Agreements for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the Contractor may have with the County.

C. The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of an Agreement with the County or a nonprofit corporation created by the County; (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County,

or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

D. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.

G. If a Contractor has been debarred for a period longer than five years, that Contractor may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.

H. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

I. These terms shall also apply to (subcontractors/subconsultants) of County Contractors."

3. Paragraph 59 (CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE) shall be added to the Agreement:

"59. CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE:

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractors to complete the certification in Attachment VI, the County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law in order to protect the County and its taxpayers. A Contractor which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both. (County Code Chapter 2.202)."

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4. "60. PERFORMANCE STANDARDS AND OUTCOME MEASURES:

The Contractor shall comply with all applicable Federal, State, and County policies and procedures relating to performance standards and outcome measures. This is applicable whenever specific Federal or State funding, which has policies or procedures for performance standards and/or outcome measures has been included as part of the Contractor's contract and shall apply for all County policies, procedures, or measures. DMH will notify Contractor whenever County policies or procedures are to apply to the contract provision (e.g., AB 2034 grant) at least, where feasible, 30 days prior to implementation.

These Federal, State or County performance standards and/or outcome measures will be used as part of the determination of the effectiveness of the services delivered by the Contractor."

5. "61 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION – LOWER TIER COVERED TRANSACTIONS (45 C.F.R. PART 76)

The Contractor hereby acknowledges that the County is prohibited from contracting with and making sub-awards to parties that are suspended, debarred, ineligible, or excluded or whose principals are suspended, debarred, ineligible, or excluded from securing federally funded contracts. By executing this Amendment, Contractor certifies that neither it nor any of its owners, officers, partners, directors or other principals is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Further, by executing this Amendment, Contractor certifies that, to its knowledge, none of its



subcontractors, at any tier, or any owner, officer, partner, director or other principal of any subcontractor is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Contractor shall immediately notify County in writing, during the term of this Agreement, should it or any of its subcontractors or any principals of either be suspended, debarred, ineligible, or excluded from securing federally funded contracts. Failure of Contractor to comply with this provision shall constitute a material breach of this Agreement upon which the County may immediately terminate or suspend this Agreement.”

6. Paragraph 26 (DELEGATION AND ASSIGNMENT) shall be deleted in its entirety and the following substituted therefore:

“26. ASSIGNMENT BY CONTRACTOR:

A. Contractor shall not assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, County consent shall require a written amendment to the Agreement, which is formally approved and executed by the parties. Any payments by County to any approved delegate or assignee or any claim under this Agreement shall be deductible, at County’s sole discretion, against the claims which Contractor may have against County.

B. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer,

exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of this Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.

C. Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations or performance of same by any entity other than the contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Agreement which may result in the termination of the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor."

7. Attachment VI (Charitable Contributions Certification) shall be added to the Agreement.
8. Contractor shall provide services in accordance with Contractor's Fiscal Year 2004-2005 Contract Package for this Agreement and any addenda thereto approved in writing by Director.
9. 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  
BY THE OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT  
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By \_\_\_\_\_  
Chief, Contracts Development  
and Administration Division

FFS: Amend to Incr Admin Day Rate FY 05-06 (5-16-06)

CALIFORNIA DEPARTMENT OF  
**Mental Health**1600 Ninth Street, Sacramento, CA 95814-6414  
(916) 654-5722

September 7, 2005

**TO: LOCAL MENTAL HEALTH DIRECTORS  
POINT OF AUTHORIZATION  
CONTRACT ADMINISTRATORS**

**SUBJECT: ADMINISTRATIVE DAY RATES FOR FISCAL YEAR 2005-2006**

This letter is to inform you that your administrative day rate for Fiscal Year 2005-2006 has changed from \$296.03 to \$374.75 effective August 1, 2005. The maximum base administrative day rates for hospital inpatient services established by the Department of Health Services (DHS) have changed from \$236.82 to \$299.80. An allowance for hospital-based ancillary services equal to 25 percent of the maximum rate established under Section 51542, Title 22, California Code of regulations (CCR) has been added to the base administrative day rate.

The rate methodologies used for psychiatric inpatient hospital services are established and authorized pursuant to Sections 1820.110 and 1820.115, Title 9, CCR. The rates for administrative days are based on a rate established in accordance with Section 51542. For psychiatric inpatient hospitals with distinct part nursing facilities with below median costs, facility-specific administrative day rates are separately determined by DHS in accordance with Section 51511(a)(2)(B), Title 22, CCR.

Enclosed is a list of the distinct part nursing facilities with below median costs. If you have any questions regarding the rate setting process, please contact Lana Teves, Medi-Cal Policy and Support Unit, at (916) 654-2528.

Sincerely,

A handwritten signature in cursive script that reads "Rita McCabe".

*ja*  
RITA MCCABE, Acting Chief  
Medi-Cal Mental Health Policy Branch

Enclosure: AdminRateMedian.doc

**NEW ADMINISTRATIVE DAY RATES FOR FISCAL YEAR 2005-2006  
PROVIDERS THAT ARE BELOW MEDIAN RATES**

	<u>Rate</u>	<u>25 Percent</u>	<u>Total</u>
<b>Standard Rate</b>	\$299.80	74.95	\$374.75
<b><u>Below Median Rates</u></b>			
Hebrew Home for the Aged	\$258.30	64.58	\$322.88
Ojai Valley	\$244.85	61.21	\$306.06
Palomar	\$296.76	74.19	\$370.95
Tuolumne General	\$208.76	52.19	\$260.95

**CHARITABLE CONTRIBUTIONS CERTIFICATION**

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
Internal Revenue Service Employer Identification Number

\_\_\_\_\_  
California Registry of Charitable Trusts "CT" number (if applicable)

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act which regulates those receiving and raising charitable contributions.

**Check the Certification below that is applicable to your company.**

Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a County contract, it will timely comply with them and provide County a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.

**OR**

Proposer or Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name and Title of Signer (please print)