

APPROVED BY THE CEO

MAR 31 2020

BY DELEGATED AUTHORITY



DEPARTMENT OF MENTAL HEALTH
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JONATHAN E. SHERIN, M.D., Ph.D.
Director

Curley L. Bonds, M.D.
Chief Medical Officer
Clinical Operations

Gregory C. Polk, M.P.A.
Chief Deputy Director
Administrative Operations

March 31, 2020

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:

**APPROVAL TO AMEND EIGHT EXISTING LEGAL ENTITY CONTRACTS
TO INCREASE THEIR MAXIMUM CONTRACT AMOUNTS
FOR FISCAL YEAR 2019-20
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to amend eight existing Department of Mental Health Legal Entity Contracts to increase their Maximum Contract Amounts for the continued provision of mental health services for Fiscal Year 2019-20.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the Director of Mental Health ("Director"), or his designee, to prepare, sign, and execute an amendment to eight existing Department of Mental Health ("DMH") Legal Entity ("LE") Contracts to increase their Maximum Contract Amounts ("MCA") for Fiscal Year ("FY") 2019-20, as listed in Attachment I. The amendment will be effective upon Board approval and for FY 2019-20, the total aggregate increase for these LE Contracts (Attachment I) is \$1,838,190, fully funded by federal, State revenues and an Intrafund Transfer ("IFT") from Department Child & Family Services ("DCFS").
2. Delegate authority to the Director, or his designee, to prepare, sign, and execute future amendments to the LE Contracts in Recommendation 1. Delegate authority to the Director, or his designee to revise the boilerplate language; revise the annual MCAs; add, delete, modify or replace the Service Exhibits and/or Statements of Work; and/or reflect federal, State, and County regulatory and/or policy changes provided that: 1) the County's total payments to each LE Contractor will not

exceed an increase of more than 25 percent of the Board-approved MCA in Recommendation 1; and 2) sufficient funds are available. These amendments will be subject to prior review and approval as to form by County Counsel, with written notice to the Board and Chief Executive Officer ("CEO").

3. Delegate authority to the Director, or his designee, to terminate the Contracts described in Recommendations 1 in accordance with the termination provisions, including Termination for Convenience. The Director, or his designee, will notify the Board and CEO, in writing, of such termination action.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Board approval of Recommendation 1 will allow DMH to amend eight LE Contracts in order to increase the MCA(s) for the continued provision of mental health services; the LE Contracts have reached their previously Board-approved 25 percent delegated authority for FY 2019-20.

The LE Contractors listed on Attachment I provide a variety of mental health services in all Supervisorial Districts. DMH previously amended these LE Contracts up to delegated authority, and is returning to your Board for authority to amend their LE Contract(s) to increase funds for FY 2019-20.

Board approval of Recommendation 2 will allow DMH to amend the LE Contracts in Recommendation 1 in a timely manner, as necessary, for the continuous provision and expansion of mental health services without interruption to clients who are in need of these services.

Board approval of Recommendation 3 will allow DMH to terminate the LE Contracts in accordance with the LE contract's termination provisions, including Termination for Convenience, in a timely manner, as necessary.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the County's Strategic Plan Goal I, Make Investments that Transform Lives, specifically Strategy I.1 – Increase Our Focus on Prevention Initiatives, and Strategy I.2 – Enhance Our Delivery of Comprehensive Interventions.

FISCAL IMPACT/FINANCING

For FY 2019-20, the total aggregate increase for the LE Contracts is \$1,838,190, fully funded by federal, State revenues, and an IFT from DCFS.

Funding for FY 2019-20 is included in DMH's Final Adopted budget.

There is no net County cost impact associated with the recommended actions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On June 6, 2018, your Board authorized the Director to enter into 133 LE Contracts. As part of the June 6, 2018 actions, DMH requested delegated authority to increase the MCAs of all its LE Contracts up to 25 percent of their approved MCAs for the continued provision and expansion of

mental health services.

DMH is seeking your Board's authority to amend the LE Contracts listed on Attachment I, in order to increase their MCAs; these LE Contractors have reached the 25 percent delegated authority for FY 2019-20. Specifically, the increase of funds is for the provision of DMH Mental Health Services, Specialized Foster Care Wraparound, Mental Health Services Act ("MHSA") Recovery, Resiliency & Reintegration, and MHSA Prevention & Early Intervention services.

In accordance with Board Policy, Section 5.120, Authority to Approve Increases to Board-Approved Contract Amounts requirements, DMH notified your Board on March 12, 2020, (Attachment II), of its intent to request delegated authority of more than ten percent.

The amendment format has been approved as to form by County Counsel.

Attachment I lists the LE Contractors and includes their headquarter addresses, Supervisorial District (s), Service Area(s), and the MCA.

As mandated by your Board, the performance of all contractors is evaluated by DMH on an annual basis to ensure the contractor's compliance with all contract terms and performance standards.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Board approval of the proposed actions will allow the LE Contractors to continue providing mental health services, and allow DMH the ability to make revisions/updates to the work provided by the LE Contractors in a timely manner.

Respectfully submitted,



JONATHAN E. SHERIN, M.D., Ph.D.

Director

JES:ES:SK:sc

Enclosures

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

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH

Attachment I

APPROVAL TO AMEND EIGHT EXISTING LEGAL ENTITY CONTRACTS
TO INCREASE THE MAXIMUM CONTRACT AMOUNT
FOR FISCAL YEAR 2019-20

Legal Entity Name	Headquarter Address	Service Provider Supervisorial District(s)	Service Provider Service Area(s)	Current MCA for FY 2019-20	Increase for FY 2019-20	Revised MCA for FY 2019-20 upon Board Approval
Exceptional Children's Foundation	5350 Machado Road Culver City, CA 90230	2	5	\$2,059,539	\$165,980	\$2,225,519
Filipino-American Service Group, Inc.	135 N. Park View Street Los Angeles, CA 90026	1	4	\$88,917	\$40,965	\$129,882
Helpline Youth Counseling, Inc.	14181 Telegraph Road Whittier, CA 90604	4	7, 8	\$2,882,256	\$328,176	\$3,210,432
Korean American Family Services, Inc.	3727 W. 6th St., Suite 320 Los Angeles, CA 90020	3	4	\$366,922	\$70,481	\$437,403
*Maryvale	7600 E. Graves Avenue Rosemead, CA 91770	5	3	\$9,665,121	\$100,800	\$9,765,921
SPIRITT Family Services, Inc.	8000 Painter Avenue Whittier, CA 90602	1, 4	3, 7	\$3,096,512	\$480,677	\$3,577,189
*St. Anne's Maternity Home	155 North Occidental Blvd. Los Angeles, CA 90026	1, 2	6	\$9,803,985	\$221,760	\$10,025,745
Topanga-Roscoe Corporation DBA Topanga West Guest Home	22115 Roscoe Blvd. Canoga Park, CA 91304	5	2	\$1,055,744	\$429,351	\$1,485,095
TOTAL AGGREGATED AMOUNTS BEING AMENDED FOR FISCAL YEAR 2019-20					\$1,838,190	

*Legal Entity has Short Term Residential Therapeutic Program (STRTP) funding which is not subject to 25% delegated authority limitations



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March 12, 2020

TO: Supervisor Kathryn Barger, Chair
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Janice Hahn

FROM: Jonathan E. Sherin, M.D., Ph.D.
Director

SUBJECT: **NOTICE OF INTENT TO REQUEST DELEGATED AUTHORITY FOR A PERCENTAGE INCREASE EXCEEDING TEN PERCENT OF THE MAXIMUM CONTRACT AMOUNT FOR DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY CONTRACTS**

In accordance with Los Angeles County Board of Supervisors' (Board) Policy 5.120, the Department of Mental Health (DMH) is notifying your Board of our Department's intent to request delegated authority for a percentage increase exceeding ten percent of the Maximum Contract Amounts (MCAs) for its Legal Entity (LE) Contracts. DMH will request delegated authority for a 25 percent increase of their MCAs for Fiscal Year (FY) 2019-20.

JUSTIFICATION

On March 31, 2020, DMH will present to your Board a letter for approval to amend existing LE Contracts to increase their MCAs for the continued provision of mental health services for FY 2019-20, as the LE Contractors have reached their previously Board-approved 25 percent delegated authority for FY 2019-20. Specifically, the increases are for the provision of DMH Mental Health Services, Specialized Foster Care Wraparound Services, Mental Health Services Act (MHSA) Recovery, Resiliency, & Reintegration Services and MHSA Prevention & Early Intervention Services.

Each Supervisor
March 12, 2020
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The authority to increase the percentage exceeding ten percent allows DMH to amend the LE Contracts in a timely manner for the continuous provision and expansion of mental health services without interruption to clients who are in need of these services.

NOTIFICATION TIMELINE

Board Policy No. 5.120 requires departments to provide written notice to your Board, with a copy to the Chief Executive Officer, at least two weeks prior to the Board Meeting at which the request to exceed ten percent of the MCA will be presented. In compliance with this policy, DMH is notifying your Board of our intent to request delegated authority up to 25 percent of the MCA through a Board letter to be presented at the March 31, 2020 Board Meeting.

If you have any questions or concerns, please contact me at (213) 738-4601, or your staff may contact Stella Krikorian, Division Manager, Contracts Development and Administration Division, at (213) 738-4023.

JES:ES:SK:sc

c: Executive Office, Board of Supervisors
Chief Executive Office
County Counsel
Gregory Polk
Edgar Soto
Stella Krikorian
Lynn Robnett