



DEPARTMENT OF MENTAL HEALTH
hope. recovery. wellbeing.

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

May 19, 2020

APPROVED BY THE CEO

MAY 19 2020

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

BY DELEGATED AUTHORITY

Dear Supervisors:

**APPROVAL TO AMEND EXISTING LEGAL ENTITY CONTRACTS
TO INCREASE THEIR MAXIMUM CONTRACT AMOUNTS FOR
FISCAL YEAR 2019-20 FOR THE CONTINUED PROVISION
OF SPECIALTY MENTAL HEALTH SERVICES
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to amend six existing Department of Mental Health Legal Entity Contracts to increase their Maximum Contract Amounts for the continued provision of specialty 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 six 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 \$7,749,453, fully funded by Federal, State revenues, and an Intrafund Transfer (IFT) from Department of Children and 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 Recommendation 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 six LE Contracts in order to increase the MCAs for the continued provision of specialty 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 Contracts 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 \$7,749,453, 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, which included the LE Contracts listed in Attachment I. DMH was given delegated authority by your Board on June 13, 2017 to execute the LE Contract with Tri-City Mental Health Center (Tri-City MHC) to provide outpatient mental health services to Medi-Cal eligible adults and children residing in Pomona, Claremont, and La Verne. Tri-City MHC's LE Contract will only serve as a pass through for federal and State payments.

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. The increase of funds is for the provision of Specialized Foster Care (SFC) Enhanced Mental Health Services, SFC Wraparound, Federal/Medi-Cal Revenues, and Mental Health Services Act (MHSA) Recovery, Resiliency & Reintegration services.

In accordance with Board Policy, Section 5.120, Authority to Approve Increases to Board-Approved Contract Amounts requirements, DMH notified your Board on April 21, 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.

The Honorable Board of Supervisors
May 19, 2020
Page 4

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Board approval of the recommended actions will allow the LE Contractors to provide ongoing 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

Attachments

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

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH

APPROVAL TO AMEND EXISTING LEGAL ENTITY CONTRACTS
 TO INCREASE THE MAXIMUM CONTRACT AMOUNT FOR FISCAL YEAR 2019-20
 FOR THE CONTINUED PROVISION OF SPECIALTY MENTAL HEALTH SERVICES

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
Bayfront Youth and Family Services	324 East Bixby Road Long Beach, CA 90807	4	8	\$4,437,786	\$249,079	\$4,686,865
Institute for Family Centered Services, Inc.	9166 Anaheim Place Suite 200 Rancho Cucamonga, CA 91730	2, 3, 4, & 5	1, 2, 3, 6, 7 & 8	\$8,668,297	\$1,748,008	\$10,416,305
JWCH Institute, Inc.	5650 Jillson Street Commerce, CA 90040	1, 2, & 4	4, 6,7	\$2,693,538	\$300,000	\$2,993,538
Tarzana Treatment Centers, Inc.	18646 Oxnard Street Tarzana, CA 91356	3, 4 & 5	1, 2, & 8	\$15,145,630	\$437,413	\$15,583,043
The Children's Center of the Antelope Valley	45111 Fern Avenue Lancaster, CA 93534	5	1	\$3,030,599	\$186,951	\$3,217,550
Tri-City Mental Health Center	1717 North Indian Hill Blvd. Claremont, CA 91711	1	3	\$9,178,373	\$4,828,002	\$14,006,375
TOTAL AGGREGATED AMOUNTS BEING AMENDED FOR FISCAL YEAR 2019-20					\$7,749,453	



DEPARTMENT OF MENTAL HEALTH
 hope. recovery. wellbeing.

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

April 21, 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 May 19, 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 previous Board-approved 25 percent delegated authority for FY 2019-20. Specifically, the increases are for the provision of Specialized Foster Care (SFC) Enhanced Mental Health Services, SFC Wraparound, Federal/State Medi-Cal and Mental Health Services Act (MHSA) Recovery, Resiliency, & Reintegration Services.

Each Supervisor
April 21, 2020
Page 2

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 May 19, 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