

MARVIN J. SOUTHARD, D.S.W.
Director

DAVID MEYER
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director



BOARD OF SUPERVISORS
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DEPARTMENT OF MENTAL HEALTH

<http://dmh.co.la.ca.us>

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

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

March 27, 2003

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

Dear Supervisor:

**APPROVAL OF SPENDING PLAN FOR EXPANSION OF
CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS
(CalWORKs) PROGRAM,
APPROVAL OF AMENDMENT FORMAT
AND REQUEST FOR APPROPRIATION ADJUSTMENT
FOR FISCAL YEAR 2002-2003
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the proposed spending plan for expanding the California Work Opportunity and Responsibility to Kids (CalWORKs) Program that includes funding for 29 specific contractors and restoring 15.0 Department of Mental Health (DMH) permanent/full-time equivalent (FTE) positions and costs related to these positions to work in a directly operated CalWORKs program (Attachments IA and IB).
2. Delegate authority to the Director of Mental Health to sign and execute amendments, substantially similar to the amendment format (Attachment II). These amendments, totaling \$3,396,000, are for the purpose of expanding CalWORKs Mental Health Services throughout the current fiscal year and are effective upon Board approval.
3. Approve the Request for Appropriation Adjustment (Attachment III) for DMH in the amount of \$4,942,000 for Fiscal Year (FY) 2002-2003. The appropriation increase is fully funded with an Intrafund Transfer from Department of Public Social Services

(DPSS) and will provide DMH with spending authority to expand mental health programs that provide individual and family-focused treatment and community-based interventions to CalWORKs participants and their families. The Appropriation Adjustment will permit DMH to expand the current service levels for CalWORKs participants with mental health barriers to employment.

4. Delegate authority to the Director of Mental Health to prepare, sign and execute future amendments to the DMH Legal Entity Agreements provided that: 1) the County's total payments to contractor under each Agreement for each fiscal year shall not exceed a change of twenty percent from the applicable revised Maximum Contract Amount; 2) any such increase shall be used to provide additional services or to reflect program and/or policy changes; 3) the Board of Supervisors has appropriated sufficient funds for all changes; 4) approval of County Counsel and the Chief Administrative Officer or his designee is obtained prior to any such Amendment; and 5) the Director of Mental Health shall notify the Board of Supervisors of Agreement changes in writing within 30 days after execution of each Amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

State and County plans require CalWORKs participants, who have a mental health-related barrier to employment, to have timely access to mental health supportive services. The overall goal of DMH's CalWORKs Mental Health Program is to assist CalWORKs participants to achieve long-term self-sufficiency for themselves and their families. This program provides an array of mental health treatment and community outreach services to adult CalWORKs/ Greater Avenues for Independence (GAIN) participants whose clinical assessments have determined that they have a mental health-related barrier to employment. CalWORKs participants will receive specialized mental health services to assist them in obtaining and retaining employment. These services will be coordinated with DPSS and be included in participants' GAIN Welfare to Work Plans. All services will be rendered in accordance with the DMH/DPSS Memorandum of Understanding (MOU).

The recommended actions will allow DMH to expand its current CalWORKs Mental Health Services to a growing number of CalWORKs participants in need of services. Further, it would allow for additional services to be provided to CalWORKs participants who face time limits during this Fiscal Year. DMH and DPSS have established procedures and protocols for serving these participants whose 60-month cash aided benefits will terminate during this fiscal year.

The CalWORKs Mental Health Program provided treatment services to more than 7,500 CalWORKs parents in FY 2001-2002. It is estimated that as many as 10,000 CalWORKs parents will receive direct mental health services during the current fiscal year.

This budget adjustment is a result of the Adopted FY 2002-2003 State Budget, which allocated \$24.9 million to the County's CalWORKs Mental Health Program. This allocation represents a net increase of \$4.9 million to DMH's existing Board adopted budget of \$20 million. (The State allocation methodology that is used to distribute CalWORKs State General Fund (SGF) dollars to counties is based on caseload growth and actual program expenditures.)

The additional \$4.9 million to DMH CalWORKs budget is necessary due to service demands exceeding the current Board approved amount of \$20 million. Twenty-nine contracted mental health agencies are currently projected to go over budget due to increasing service demands of CalWORKs participants requiring mental health services. Also, County operated programs are unable to meet these additional demands with their existing resources. These additional funds and your Board's approval of these recommendations would: 1) permit these agencies to continue to serve clients until the end of June 2003 while avoiding service reductions; 2) in some areas, enable DMH to significantly reduce the waiting list of CalWORKs participants in need of mental health services; and 3) provide expanded services to accommodate the increase demand for CalWORKs Mental Health Services, especially CalWORKs participants who are facing time-limits.

If the requested action is not approved or is significantly delayed, these agencies, including County operated programs, would be required to curtail services to this population and the County would not maximize its CalWORKs revenue. If the County does not fully expend its current fiscal year's CalWORKs SGF dollars, this would result in a significant reduction in the County's CalWORKs mental health allocation for FY 2003-2004.

Implementation Of Strategic Plan Goals

The recommended Board action is consistent with the County's Goal Number 5, Children and Families' Well-Being, Strategy 1, within the Countywide Strategic Plan.

FISCAL IMPACT/FINANCING

On September 20, 2002, the California Department of Social Services released the FY 2002-2003 allocations for the CalWORKs Mental Health and Substance Abuse programs.

For FY 2002-2003, Los Angeles County was allocated \$ 24,942,000 for mental health services. This obviates the need for your Board to use Single Allocation and Performance Incentives funds to cover the cost of the mental health services.

An Appropriation Adjustment is required in the amount of \$4,942,000 for the CalWORKs Mental Health Program Expansion and is fully funded with an Intrafund Transfer from DPSS. This amount is included in the FY 2003-2004 Proposed Budget. There is no additional net County cost.

DMH proposed spending plan for the CalWORKs Mental Health Program Expansion allocated funding to 29 specific DMH contractors, 15.0 restored DMH permanent/full-time equivalent positions, and associated cost related to the directly operated CalWORKs Mental Health Program.

FACTS AND PROVISIONS

CalWORKs Program augmentation for mental health services will comply with legislative mandates and the Board of Supervisors' Motion of June 30, 1999. This action will enable both Departments to enhance current service delivery efforts to CalWORKs participants.

The Amendment format (Attachment II) has been approved as to form by County Counsel. In addition, the Chief Administrative Office, DPSS and DMH's Fiscal and Program staff have reviewed this proposed action.

CONTRACTING PROCESS

DMH negotiated and will execute a contract Amendment with the existing contract providers to ensure that the distribution of CalWORKs funds for program enhancement remains equitable and meets DPSS' requirements.

IMPACT ON CURRENT SERVICES

Upon Board approval, DMH will augment Agreements with the existing contract providers and hire additional clinical staff for County operated CalWORKs programs. With these funds, adult CalWORKs/GAIN participants with a mental health-related barrier to employment would have timely access to a broad array of specialized mental health services. These additional funds would have the following impact on services:

- Increase and enhance services to existing CalWORKs participants and their families

- Serve additional CalWORKs participants, including those facing time limits
- Provide more timely access to services
- Produce Consumer and Program Outcomes Studies
- Permit agencies to continue community-based interventions, include orientation services at DPSS, GAIN, Job Club and other CalWORKs service sites
- Coordinate mental health clinical assessments for CalWORKs participants screened at DPSS/GAIN offices who are referred to Alcohol and Drug Program Administration contracted Community Assessment Service Centers (CASC)
- Provide ongoing training of all CalWORKs staff and focused training of specialized DPSS staff by experts in the field of mental health, welfare, employment and cultural competency.

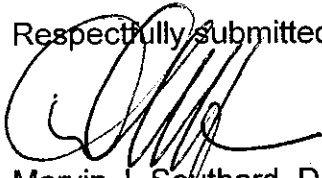
These funds, specifically set aside for CalWORKs Mental Health Services, should ensure that non-CalWORKs mental health clients who meet the medical necessity criteria would continue to receive services and not be negatively impacted.

The Honorable Board of Supervisors
March 27, 2003
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CONCLUSION

The Department of Mental Health will need one (1) copy of the adopted Board's action. It is requested that the Executive Officer, Board of Supervisors notify the Department of Mental Health's Contract Development and Administration Division at (213) 738-4684, when these documents are available.

Respectfully submitted,



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

MJS:RK:CK:DWM

Attachments (4)

- c: Chief Administrative Officer
- County Counsel
- Executive Officer, Board of Supervisors
- Auditor-Controller
- Department of Public Social Services
- Chairperson, Mental Health Commission
- Chairperson, Public Social Services Commission

Supervisory District	Program Site (Contracted Agencies)	Initial FY 02-03 Allocation	Additional CalWORKs Allocation	Revised FY 02-03 Allocation	Supervisory District	Program Site (Contracted Agencies)	Initial FY 02-03 Allocation	Additional CalWORKs Allocation	Revised FY 02-03 Allocation	
1st District	ALMA Family Services	418,500	\$ 125,000	\$ 543,500	4th District	1736 Family Crisis Center	\$ 150,000	\$ 75,000	\$ 225,000	
	Community Counseling Service	459,350		459,350		Community Family Guidance Center	50,000	75,000	125,000	
	ENKI Health and Research	1,400,000	200,000	1,600,000		Greater Long Beach Child Guidance Center	230,000	50,000	280,000	
	Intercommunity Child Guidance	65,000		65,000		Pacific Clinics (Also in SD 1 & 5)	525,103	72,500	597,603	
	Pacific Clinics (Also in SD 4 & 5)	706,173	106,235	812,408		WRAP Family Services (Also in SD 2)	39,000	15,000	54,000	
	Portals (Also in SD 2)	191,260	60,740	252,000		Sub-total	\$ 994,103	\$ 287,500	\$ 1,281,603	
	Telecare		350,000	350,000		Child and Family Center (Santa Clarita)	340,064	65,000	405,064	
	United American Indian Involvement	35,000	25,000	60,000		Child and Family Guid CTR (SFV Child)	275,000	25,000	300,000	
Sub-total	\$ 3,275,283	\$ 866,975	\$ 4,142,258	5th District	D'Veal Corporation	175,000	25,000	200,000		
2nd District	Children's Institute International	54,000			54,000	Pacific Clinics (Also in SD 1 & 4)	579,424	80,000	659,424	
	Didi Hirsch Psychiatric Service (Also in SD 3)	757,500			757,500	Pasadena Children's (The Sycamores)	10,000	55,000	65,000	
	Kedren CHC	220,000	25,000		245,000	Prototypes	65,000	85,000	150,000	
	Los Angeles Child Guidance Clinic	310,000	200,000		510,000	Verdugo Mental Health Center (Also in SD 2)	227,500	105,000	332,500	
	Mental Health Association	75,000	25,000		100,000	Sub-total	\$ 1,671,988	\$ 440,000	\$ 2,111,988	
	Portals (Also SD 1)	150,275	47,725		198,000	Tri-City MHC	1,115,000	250,000	1,365,000	
	SHIELDS for Families Project, Inc.	181,000	25,000		206,000	To be allocated	196,001.0	-	196,001	
	South Central Health & Rehabilitation	465,000	250,000	715,000	Sub-total	\$ 1,311,001	\$ 250,000	\$ 1,561,001		
Special Service For Groups (Also in SD 3)	520,000	80,000	600,000	Other	Total CalWORKs Mental Health Services Contract Allocations	\$ 11,941,000	\$ 3,396,000	\$ 15,337,000		
Verdugo Mental Health Center (Also in SD 5)	97,500	45,000	142,500							
WRAP Family Services (Also in SD 4)	221,000	85,000	306,000	II Salary and Employee Benefits						
Youth Intervention Program	65,000		65,000	FTE	Title of Position					
Sub-total	\$ 3,116,275	\$ 782,725	\$ 3,899,000	4.000	Clinical Psychologist	\$	389,834			
3rd District	Children's Bureau of Southern California	25,000		25,000	2.000	Intermediate Typist Clerk		72,644		
	Children's Hospital of Los Angeles	220,000	223,800	443,800	2.000	Medical Case Worker II		107,692		
	El Centro De Amistad, Inc.	65,000	75,000	140,000	4.000	Mental Health Counselor RN		337,918		
	Hathaway Children And Family Svcs	5,000		5,000	2.000	MH Psychiatrist (Ordinance No. - 4)		357,948		
	Didi Hirsch Psychiatric Service (Also in SD 2)	252,500		252,500	1.000	Occupational Therapist		80,217		
	Hillview Mental Health Center	50,000		50,000	0.000	Student Professional Worker Rounding		24,302	446	
	L A Center For Therapy and Education	130,000	100,000	230,000	Total Salary and Employee Benefits	\$	6,409,000	\$ 1,371,000	7,780,000	
	Nat'l Foundation for the Treatment of Emotionaly (Penny Lane)	55,000	150,000	205,000	III Services and Supplies					
	Saint John's Hospital and Health	25,000		25,000	MOC	DESCRIPTION				
	San Fernando Valley CMHC	525,000	175,000	700,000	3580	Consultation & Training (CIMH)	\$	100,000	\$ -	\$ 100,000
	Special Service For Groups (Also in SD 2)	130,000	20,000	150,000	3891	Ancillary DHS-Community Assessment & Services		1,400,000	-	1,400,000
Stirling Academy, Incorporated	89,850	25,000	114,850	5122	Training and Competency (CalWORKs Training Program)		150,000	-	150,000	
Sub-total	\$ 1,572,350	\$ 768,800	\$ 2,341,150	3791	Computer Workstations		-	175,000	175,000	
				Services and Supplies	\$	1,650,000	\$ 175,000	\$ 1,825,000		
				Total CalWORKs Program	\$	20,000,000	\$ 4,942,000	\$ 24,942,000		

	Contracted Agencies - Legal Entity	Address (Headquarters)	Supervisory District Location of Services	Additional CalWORKs Allocation	Revised Maximum Contract Amount
1	1736 Family Crisis Center	2116 Arlington Avenue, Suite 200 Los Angeles, CA 90018	4th	\$ 75,000	\$ 379,805
2	ALMA Family Services	9140 Whittier Boulevard Pico Rivera, CA 90660	1st	125,000	2,882,932
3	Child and Family Center (Santa Clarita)	P.O. Box 801330 Santa Clarita, CA 91380	5th	65,000	5,154,860
4	Child and Family Guid CTR (SFV Child)	9650 Zelzah Avenue Northridge, CA 91325	5th	25,000	16,040,075
5	Children's Hospital of Los Angeles	5000 Sunset Blvd., 7th Floor Los Angeles, CA 90027	3rd	223,800	5,478,460
6	Community Family Guidance Center	10929 South Street, Suite 208B Cerritos, CA 90703	4th	75,000	3,439,665
7	D'Veal Corporation	855 No. Orange Grove Blvd., Suite 207 Pasadena, CA 91103	5th	25,000	4,585,962
8	El Centro De Amistad, Inc.	21044 Sherman Way, Suite 101 Canoga Park, CA 91303-3647	3rd	75,000	1,397,034
9	ENKI Health and Research	150 E. Olive Ave., Suite 203 Burbank, CA 91502	1st	200,000	19,456,124
10	The Guidance Center	4335 Atlantic Blvd., Long Beach, CA 90807	4th	50,000	8,931,777
11	Kedren CHC	4211 S. Avalon Boulevard Los Angeles, CA 90011	2nd	25,000	18,525,125
12	The HELP Group Child & Family Center	13130 Burbank Boulevard Sherman Oaks, CA 91401	3rd	100,000	6,612,046
13	Los Angeles Child Guidance Clinic	3787 S. Vermont Avenue Los Angeles, CA 90007	2nd	200,000	8,945,321
14	Mental Health Association	1336 Wilshire Blvd. Los Angeles, CA 90017	2nd	25,000	10,208,276
15	Nat'l Foundation for the Treatment of Emotionaly (Penny Lane)	15317 Rayen Street North Hills, CA 91343	3rd	150,000	13,078,923
16	Pacific Clinics	800 Santa Anita Avenue Arcadia, CA 91006	1st, 4th & 5th	258,735	48,068,943
17	Pasadena Children's (The Sycamores)	210 S. De Lacey Ave., Suite 110 Pasadena, CA 91105	5th	55,000	11,302,160
18	Portals	679 New Hampshire Avenue 5th Floor Los Angeles, CA 90005	1st & 2nd	108,465	11,371,390
19	Prototypes	5601 W. Slauson Avenue, Suite 200 Culver City, CA 90230	5th	85,000	1,106,944
20	San Fernando Valley CMHC	14535 Sherman Circle Van Nuys, CA 91405	3rd	175,000	20,077,362
21	SHIELDS for Families Project, Inc.	12714 S. Avalon Blvd., Suite 300 Los Angeles, CA 90061	2nd	25,000	5,248,172
22	South Central Health & Rehabilitation	2610 Industry Way Lynwood, CA 90262	2nd	250,000	5,000,455
23	Special Service For Groups	605 W. Olympic Blvd., Suite 600 Los Angeles, CA 90015	2nd & 3rd	100,000	12,093,202
24	Stirling Academy, Incorporated	31824 Village Center Road-Suite #E Westlake Village, CA 91361	3rd	25,000	1,521,734
25	Telecare	2899 Agoura Road, #128 Westlake Village, CA 91361	1st	350,000	6,510,279
26	Tri-City MHC	2750 S. Towne Avenue Pomona, CA 91766	1st, 4th & 5th	250,000	10,576,445
27	United American Indian Involvement	1125 West Sixth Street, Suite 400 Los Angeles, CA 90017	1st	25,000	763,382
28	Verdugo Mental Health Center	1540 E. Colorado Street Glendale, CA 91205	2nd & 5th	150,000	5,637,967
29	WRAP Family Services	8616 La Tijera Blvd., Suite #200 Los Angeles, CA 90045	2nd & 4th	100,000	1,887,339
Total CalWORKs FY 2002-03 Contract Amendments				\$ 3,396,000	

ATTACHMENT II

CONTRACT NO. DMH-_____

AMENDMENT NO. _____

THIS AMENDMENT is made and entered into this _____ day of _____, 2003, by and between the County of Los Angeles (hereafter "County") and _____ (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement dated _____, identified as County Agreement No. _____, including any subsequent Amendments, (hereafter collectively "Agreement"); and

WHEREAS, for Fiscal Year 2002-2003 only, County and Contractor intend to amend Agreement only as described hereunder; and

WHEREAS, for Fiscal Year 2002-2003 only, County and Contractor intend to amend Agreement to add Department of Public Social Services (DPSS) CalWORKs funds in the amount of \$ _____ to the Maximum Contract Amount to fund mental health supportive services to CalWORKs recipients.

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

1. Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph B (Reimbursement For Initial Period) shall be deleted in its entirety and the following substituted therefor:

“B. Reimbursement For Initial Period: The Maximum Contract Amount for the Initial Period of this Agreement as described in Paragraph 1 (TERM) shall not exceed _____ DOLLARS (\$ _____) and shall consist of County, State, and/or Federal (excluding Medicare Partial Hospitalization services) funds as shown in the applicable Financial Exhibit column(s) which are identified on the Financial Summary. This Maximum Contract Amount includes Cash Flow Advance which is repayable through cash and/or appropriate SFC units and/or actual and allowable costs as authorized by other provisions of this Agreement. Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more than this Maximum Contract Amount for Contractor's performance hereunder during the Initial Period.”

2. Financial Summary - _____ for Fiscal Year 2002-2003 shall be deleted in its entirety and replaced with Financial Summary - _____ for Fiscal Year 2002-2003, attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - _____ for Fiscal Year 2002-2003 shall be deemed amended to state “Financial Summary - _____ for Fiscal Year 2002-2003”.
3. Contractor shall provide services in accordance with the Contractor's Fiscal Year 2002-2003 Negotiation Package for this Agreement and any addenda thereto approved in writing by Director.

4. 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, 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
BY THE OFFICE OF THE COUNTY COUNSEL

LLOYD W. PELLMAN
County Counsel

APPROVED AS TO CONTRACT
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By _____
Chief, Contracts Development
and Administration Division

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPT'S. NO. 435

DEPARTMENT OF Mental Health

19

AUDITOR-CONTROLLER.

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

3 VOTES

Sources:

Department of Mental Health
Intrafund Transfer-Department of Public Social Services
A01-MH 20500-6800
\$4,942,000

Uses:

Department of Mental Health Salaries & Employee Benefits
A01-MH 20500-1000
\$1,371,000
Department of Mental Health Services & Supplies
A01-MH 20500-2000
\$3,571,000

This request is to provide spending authority for the expansion of services for California Work Opportunities and Responsibility to Kids (CalWORKs) clients.

Handwritten signature: M.J. Southard / Cef
Marvin J. Southard, D.S.W.
Director of Mental Health

CHIEF ADMINISTRATIVE OFFICER'S REPORT

Form with fields for: REFERRED TO THE CHIEF ADMINISTRATIVE OFFICER FOR ACTION, RECOMMENDATION, APPROVED AS REQUESTED, AS REVISED, APPROVED (AS REVISED) BOARD OF SUPERVISORS, AUDITOR-CONTROLLER NO. 183, BY [Signature], MARCH 20 2003, DEPUTY COUNTY CLERK.

SEND 5 COPIES TO THE AUDITOR-CONTROLLER