

**COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH**

**F A C T    S H E E T**

**APPROVAL UNDER DELEGATED AUTHORITY FOR THE DEPARTMENT OF MENTAL HEALTH TO ENTER INTO FUTURE AGREEMENTS WITH PHARMACIES, COMMUNITY CARE RESIDENTIAL FACILITIES, PATIENT/CLIENT TRANSPORTATION SERVICES, OUT-OF-STATE CHILD PLACEMENT, LICENSED CLINICAL ASSESSORS AND SCHOOL DISTRICTS  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**REQUEST**

Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute future service agreements, substantially similar to previously Board-approved Agreement formats identified in item number 29 of agenda April 12, 2005 and item number 55 of agenda June 21, 2005, with qualified and/or licensed Pharmacies, Community Care Residential Facilities (CCRF) Patient/Client Transportation Providers, Out-Of-State Child Placement Mental Health Service Providers, Clinical Assessors (Assessors) and School Districts.

**BACKGROUND**

In the past when your Board authorized Department of Mental Health to enter into, renew, or supersede pharmacy, CCRF, patient/client transportation, out-of-state child placement, assessor, and school district agreements, you also allowed DMH to enter into future new service agreements with other qualified and/or licensed Pharmacies, CCRFs, Patient/Client Transportation Providers, Out-Of-State Child Placement Providers, Assessors and School Districts. This provision was inadvertently omitted in the June 21, 2005 Board-approved letter renewing 56 Pharmacy Agreements, 11 CCRF Agreements, two (2) Out-of-State Child Placement Mental Health Services Agreements, 62 Services Agreements for the Clinical Assessment Program and three (3) School Districts, and the April 12, 2005 Board-approved letter superseding 11 Patient/Client Transportation Services Agreements.

**INTENT**

Upon Board approval, the Director of Mental Health will have delegated authority to prepare, sign, and execute new agreements with qualified and/or licensed Pharmacies, CCRF's, Patient/Client Transportation Services, Out-of-State Child Placement Mental Health Providers, Assessors and School Districts provided that: 1) any increase shall be used to provide additional services or to reflect program and/or policy changes; 2) the

Board of Supervisors has appropriated sufficient funds for all changes; 3) approval of County Counsel and the CAO or their designee is obtained prior to any such Amendment; 4) County and Contractor may by written Amendment reduce programs or services and revise the applicable contracted rate; 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.

### **JUSTIFICATION**

This action is appropriate because through attrition the number of these service providers constantly declines, and it is necessary for DMH to find other qualified providers to fill the need for services. Since there is no increase in net County cost for any of these future agreements, and DMH's service delivery system needs are continually changing, it is not feasible or cost effective to develop a contract solicitation process (e.g. Request for Information, Request for Proposal). Therefore, Board approval of this request will once again allow DMH, under delegated authority, to enter into future agreements with qualified and/or licensed Pharmacies, CCRFs, Patient/Client Transportation Providers, Out-Of-State Child Placement Providers, Assessors, and School Districts as you have authorized DMH to do so in the past.

### **CONTRACTING PROCESS**

Responsible Pharmacies, CCRFs, Patient/Client Transportation Providers, Out-Of-State Child Placement Mental Health Service Providers, Assessors, and School Districts will be selected by program staff based upon 1) states' regulations/licensing requirements that govern the specific type of services being rendered, 2) unmet geographic and/or service delivery system needs, and 3) experience, qualifications, and/or cost effectiveness of each future contractor.

Upon Board approval, the Director of Mental Health will have delegated authority to execute new Service Agreements with Pharmacies, CCRFs, Patient/Client Transportation Providers, Out-Of-State Child Placement Mental Health Service Providers, Assessors, and School Districts.

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