

COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH

F A C T S H E E T

**APPROVAL OF AMENDMENT NO. 1 TO MENTAL HEALTH SERVICES
AGREEMENT- LEGAL ENTITY WITH ASC TREATMENT GROUP DBA
THE ANNE SIPPI CLINIC FOR FISCAL YEAR 2004-2005
(SUPERVISORIAL DISTRICT 1)
(3 VOTES)**

REQUEST

Approve and instruct the Director of Mental Health or his designee to prepare, sign, and execute Amendment No. 1 to Contract No. DMH-01755 with ASC Treatment Group dba The Anne Sippi Clinic (Anne Sippi), a legal entity, to continue to fund 18 residential treatment beds. The Amendment will be effective upon Board approval through March 1, 2005. The Amendment adds \$181,440 of one-time only Realignment Funds to the Maximum Contract Amount (MCA), making the revised MCA \$590,813 for Fiscal Year (FY) 2004-2005.

Approve the Request for Appropriation Adjustment for \$181,000, shifting budgeted appropriation from Other Charges to Services & Supplies for FY 2004-2005.

BACKGROUND

The Anne Sippi facility, established in Los Angeles County in 1978 at 2457 Endicott Street, Los Angeles, California 90032, provides a 37-bed residential mental health treatment program. The facility, which is licensed by Community Care Licensing as an Adult Residential Facility is located in Mental Health Service Area 4.

DMH has had a contract with Anne Sippi since 1998 to serve eight (8) clients at the rate of \$140 per day, funded by realignment dollars. During June through August 2003, the number of persons placed at the facility was increased from 8 to 18. DMH uses this contract to place clients from long-term care institutions who have been evaluated as ready for community living with intensive mental health support. Clients that receive Supplemental Security Income (SSI) pay the SSI Adult Residential Care rate as a share of cost, which is reported as third-party revenue to the Legal Entity Agreement with DMH and is not included in the MCA.

INTENT

Approval for the above action is requested to enable DMH to continue to provide funds for 18 treatment beds from the date of Board approval through March 1, 2005, with

monies shifted through the budgeted appropriation from Other Charges to Services & Supplies for FY 2004-2005, pending conversion of the mental health treatment component of the program to a Medi-Cal certified clinic.

JUSTIFICATION

As previously indicated, during June through August 2003, DMH increased the number of clients to be served at the facility site at 2457 Endicott Street, Los Angeles, California, 90032 from 8 to 18 to assist in accommodating clients needing placement due to the termination of another provider's contract.

For FY 2004-2005, the Department is working with Anne Sippi to develop a Medi-Cal certified clinic, off-site from the residential location, to provide mental health services for the residential clients. This would allow the realignment funding, which currently is the only funding source for the program, to be matched by Federal Financial Participation revenue for Medi-Cal reimbursable outpatient services, thus reducing the amount of realignment dollars required per client for this residential treatment program. Savings realized by this conversion will help to reduce the cost of continuing to fund the 18 beds in FY 2004-2005.

CONTRACTING PROCESS

This subject does not apply.