

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

**F A C T   S H E E T**

**APPROVAL OF AN AMENDMENT TO THE CONSULTANT SERVICES  
AGREEMENT WITH OUTLOOK ASSOCIATES, INC.  
(ALL SUPERVISORIAL DISTRICTS)**

**REQUEST**

Approve and instruct the Director of the Department of Mental Health (DMH) or his designee to prepare, sign and execute the following:

1. Amendment No. 1 to the DMH Consultant Services Agreement No. DMH-02380 with Outlook Associates, Inc., consenting to an assignment of the Agreement to Outlook Associates LLC, a wholly-owned subsidiary of Qualis Health; and
2. Amendment No. 2 to the Consultant Services Agreement No. DMH-02380 with Outlook Associates, LLC, clarifying and revising Objectives V and VI and their associated deliverables for Revenue Management Planning and Implementation services.

**PURPOSE/JUSTIFICATION**

Outlook Associates, Inc., through its current Consultant Agreement with DMH, provides consultant services to DMH's Revenue Management Division. Outlook Associates, Inc., was recently acquired by Qualis Health, a Washington-based, non-profit corporation, and desires to delegate and assign all its rights, duties, and obligations under the Agreement to Outlook Associates, LLC, a wholly-owned subsidiary of Qualis Health. The Agreement prohibits the delegation of duties and assignment of rights without the County's consent. Qualis Health and Outlook Associates, Inc. have asked the County for such consent. DMH has reviewed the financial statements and other background material required by this Board's policy regarding mergers and acquisitions and finds Qualis Health and Outlook Associates, LLC, to be responsible and capable of carrying out the services.

Additionally, the parties desire to amend the Agreement to clarify and revise Objectives V and VI and their associated deliverables for Revenue Management Planning and Implementation Initiative and their associated deliverables are as follows:

Objective V – Document processes for provider claims submissions, interpreting and configuring benefit, contract and other administrative rules and parameters necessary to accurately adjudicate claims, tracking claims transmission and

correcting errors for claims data transmissions between the various data repositories on the Integrated System (IS) and Mental Health Management Information System (MHMIS) and obtain all necessary validations and approvals.

#### Deliverables for Objective V

- Documented process for providers to submit claims into IS and exception processing “trouble shooting” guide.
- Documented “best practice” process and tools for interpreting and configuring all benefit, contract and other administrative rules for accurate claims adjudication and payment approvals.
- Documented control procedures and tools for tracking claims transmission and correcting errors for claims data transmissions between the various data repositories on the IS and MHMIS systems.

Objective VI – In preparation of the IS/MHMIS Replacement Project, develop operational scenarios and test cases and document expected outcomes to support product demonstrations and system validation processes.

#### **BACKGROUND**

Outlook Associates, Inc., through its current Agreement with DMH, provides consultant services to the Revenue Management Division. Qualis Health is a Washington based non-profit corporation that provides quality improvement and other services to government and private parties involved in health care.

On December 28, 2005, Qualis Health acquired the assets of Outlook Associates, Inc. As a result of the acquisition, Outlook Associates, Inc. became Outlook Associates, LLC, and a wholly owned subsidiary of Qualis Health. Qualis Health and Outlook Associates, Inc. have asked the County to consent to an assignment of the Agreement to Outlook Associates, LLC.

Pursuant to this Board’s newly adopted policy regarding mergers and acquisitions, DMH has conducted the required review for assignments and finds Qualis Health and Outlook Associates, LLC, to be viable and experienced and capable of performing the required services.

Outlook Associates, Inc.  
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Outlook Associates, LLC, will continue to deliver the same array of services provided by Outlook Associates, Inc. The quantity and quality of services previously provided will not be diminished. Outlook Associates, LLC, will be administratively headquartered at 17962 East 17<sup>th</sup> Street, Suite 207, Tustin, CA 92780.

EM:em  
Outlook Fact Sheet  
2/22/05