

COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH

F A C T S H E E T

**APPROVAL OF THE TERMINATION OF THE DEPARTMENT OF MENTAL
HEALTH'S LEGAL ENTITY AND COMMUNITY CARE RESIDENTIAL FACILITY
AGREEMENTS WITH PORTALS HOUSE
AND
THE EFFECTUATION OF A MUTUALLY AGREED UPON MERGER BETWEEN
PORTALS HOUSE AND PACIFIC CLINICS
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

REQUEST

1. Authorize the Director of Mental Health or his designee to effectuate a mutually agreed upon termination of the Department of Mental Health's (DMH) Legal Entity (LE) Agreement No. MH120145, and Community Care Residential Facility (CCRF) Agreement No. MH160013 with Portals House (Portals), contingent upon implementation of a mutually agreed upon merger by and between Portals and Pacific Clinics. DMH, under delegated authority, approved by your Board on June 20, 2006, will enter into a new CCRF Agreement with Pacific Clinics to continue uninterrupted basic care services.

The quantity and quality of services previously provided separately by Portals will not be diminished, and Pacific Clinics will assume all past, present, and future responsibilities and obligations of Portals. The currently anticipated merger effective date is July 1, 2007.

The merger will increase the Maximum Contract Amount (MCA) of Pacific Clinics by \$14,400,400 for a total of \$78,123,400. The funding for FY 2007-08 is included in DMH's Proposed Budget. The funding for FY 2008-09 will be requested during DMH's annual budget process.

2. Approve and instruct the Director of Mental Health or his designee to prepare, sign, and execute an Amendment to DMH's LE Agreement No. MH120144 with Pacific Clinics, the surviving entity after the merger, for the continuation of mental health services to clients who were previously receiving services from Portals.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The purpose of the recommended actions is to accomplish the termination of Portals DMH LE Agreement No. MH120145 and CCRF Agreement No. MH160013, and to effectuate and implement the merger of Portals and Pacific Clinics into Pacific Clinics DMH LE Agreement No. MH120144 and to enter into a new CCRF Agreement, as

requested by these entities. It is understood that the merger, as set forth herein, will not diminish the quantity and quality of services previously provided separately by Portals, and that Pacific Clinics will be fiscally responsible for all of Portals obligations, past, present, and future. In particular, and without in any way limiting the scope of the financial obligations assumed, Pacific Clinics understands and agrees: (1) that it will be entirely responsible for any and all audit exceptions applied at any time against the previous entity, Portals, through any of its agreements with County or any Department thereof, whether assessed by Federal, State, or County audit(s); and (2) that these audit exceptions may arise and become payable before and after the effective date of the merger and the cessation of the existence of Portals. The parties agree that all applicable review and dispute resolution procedures under the contract at issue shall apply.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Portals, through its current contract with DMH, provides mental health care for adolescents, adults, and their families in Supervisorial Districts 1 and 2. Portals has provided mental health treatment services to communities within Los Angeles since 1950. The agency's primary administrative site is located at 679 South New Hampshire Avenue, Los Angeles, CA 90005. The program accepts referrals from DMH, the Department of Public Social Services (DPSS), the Probation Department, school districts, and other family service agencies.

Pacific Clinics, through its current contract with DMH, provides mental health care for children, adolescents, adults, and their families in Supervisorial Districts 1, 3, 4, and 5. The agency has served the greater Pasadena area since 1926. Services are delivered in Altadena, Commerce, Covina, Downey, El Monte, Glendale, Glendora, Irwindale, La Puente, Monrovia, Norwalk, Pasadena, Pico Rivera, Pomona, Rosemead, Santa Fe Springs, Sierra Madre, and West Covina. The agency's primary administrative site is located at 800 South Santa Anita Avenue, Arcadia, CA 91006. The program accepts referrals from the DMH, Department of Children and Family Services, DPSS, the Probation Department, school districts, Wraparound, Systems of Care, and other family service agencies.

The proposed merger of Portals and Pacific Clinics into Pacific Clinics will result in administrative and service delivery efficiencies that will benefit the communities and clients currently being served by each agency as separate legal entities. Under the proposed merger, Pacific Clinics will continue to deliver the same array of services at the Medi-Cal certified sites currently used by Portals and Pacific Clinics. The quantity and quality of services previously provided separately by Portals will not be diminished.

This will minimize any unintended consequences related to continuity of care for clients and service delivery staff.

IMPACT ON CURRENT SERVICES

Under the merger of Pacific Clinics and Portals, Board approval of these actions will allow for a smooth transition in the provision of mental health services, with Portals clients being able to continue to receive services at the same locations and from their same clinicians. It is anticipated that service levels and quality will be maintained so that there will be no negative impact on current services.

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Attachment

MJS:SAS:RK:FM

**COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH
Contracts Development and Administration Division**

**Merger Between Portals House and Pacific Clinics
CURRENT SERVICES CONTRACTED BY DMH WITH BOTH PROVIDERS
All Supervisorial Districts**

Portals DMH Contracted Services

Pacific Clinics DMH Contracted Services

24-Hour Services	-	Adult Residential	
Day Services	-	Vocational Services	Day Services
	-	Socialization	Socialization
			Day Treatment Intensive: Half Day
			Day Treatment Intensive: Full Day
			Day Rehabilitation: Half Day
			Day Rehabilitation: Full Day
Outpatient Services	-	Targeted Case Management Services	Outpatient Services
	-	Mental Health Services	Targeted Case Management Services
	-	Medication Support	Mental Health Services
	-	Crisis Intervention	Therapeutic Behavioral Services (TBS)
			Medication Support
			Crisis Intervention
Outreach Services	-	Mental Health Promotion	Outreach Services
	-	Community Client Services	Mental Health Promotion
Support Services	-	Client Supportive Services	Community Client Services
			Support Services
			Client Supportive Services
Basis Care Services			Family Crisis Services/Respite Care Program
Medi-Cal Administrative Activities			