

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

**F A C T   S H E E T**

**APPROVAL TO RENEW A SOLE SOURCE SERVICES AGREEMENT WITH  
MENTAL HEALTH ADVOCACY SERVICES, INC.  
FOR FISCAL YEAR 2010-11  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**SUBJECT**

Request approval to renew a Sole Source Services Agreement with Mental Health Advocacy Services, Inc. to continue assisting clients with mental illness to file applications for financial benefits and provide advocacy services for families in need of Special Education services from public schools.

**REQUEST**

Approve and authorize the Director of Mental Health, or his designee, to prepare, sign, and execute a Sole Source Services Agreement with Mental Health Advocacy Services, Inc. (MHAS), for Fiscal Year (FY) 2010-11 with the option to extend up to six additional months to allot time for the completion of a new solicitation. The Services Agreement will be effective July 1, 2010. The Total Compensation Amount (TCA) for FY 2010-11 is \$404,900, funded by Sales Tax Realignment revenue.

Delegate authority to the Director of Mental Health, or his designee, to prepare, sign, and execute future Amendments to the Services Agreement provided that: 1) the County's total payments under this Agreement for the applicable FY does not exceed an increase of 20 percent from the applicable Board approved TCA; 2) any such increase will be used to provide additional services or to reflect program and/or policy changes; 3) your Board has appropriated sufficient funds for all changes; 4) approval of County Counsel and the Chief Executive Officer (CEO), or their respective designees, is obtained prior to any such Amendment; 5) the parties may by written Amendment, mutually agree to reduce programs or services; and 6) the Director of Mental Health notifies your Board of Agreement changes in writing within 30 days after execution of each Amendment.

**PURPOSE/JUSTIFICATION**

Board approval of the recommended actions is required to renew the Agreement with MHAS that will ensure uninterrupted services. Currently, the FY 2009-10 Agreement is scheduled to expire on June 30, 2010. During FY 2010-11, DMH plans to develop and implement a solicitation process to identify new agencies that can provide the same services as MHAS.

MHAS is a non-profit organization that provides legal services to people with mental and developmental disabilities. This agency's specialty in assisting severely and persistently mentally ill adults through the application process for Supplemental Social Security (SSI)/Medi-Cal benefits is best supported by MHAS' demonstrated area of expertise and knowledge for protocols regarding the filing and processing of SSI/Medi-Cal applications that result in quick approval of benefits. MHAS' staff has developed a unique rapport with the Social Security Administration (SSA) and the State Disability Evaluation Division (DED) that further facilitates the agency's ability to assist the needs of all its clients with great efficiency. This has established MHAS as a reputable agency with consistently successful outcomes for its clients, which in turn has also benefitted the Department of Mental Health (DMH) financially by increasing its generated Medi-Cal revenue.

MHAS is uniquely qualified to provide the services needed to assist this population as the combination of its programmatic expertise and program design has led to consistently successful outcomes which have established it as the leader in its industry. Since initially obtaining a contract with DMH in 1997, MHAS has assisted over 4,600 adult consumers obtain SSI and Medi-Cal benefits, and currently serves 600 new consumers each year. MHAS has a success rate of 80 percent in helping consumers acquire benefits, compared to an overall 50 percent national success rate. It is estimated that the total value of SSI and Medi-Cal benefits received by the project's consumers will be close to \$50 million by the end of 2010.

There have been consistently positive advantages and benefits that County departments have gained from MHAS' assistance to clients in obtaining Medi-Cal and SSI benefits. Services provided by various County departments, such as DMH, Department of Health Services, and the Department of Public Social Services, will potentially be covered or replaced by services provided through Medi-Cal/SSI benefits. For example, mental health clients who obtain SSI benefits through the help of MHAS will no longer have a need (or be eligible) for General Relief (GR) services, and subsequently, these clients become independent from soliciting GR services. Thus, once-limited County resources and net County cost can be reallocated to other areas as mentally ill persons become beneficiaries of SSI and Medi-Cal, and thus minimize the use of costly resources to the County (e.g., receiving community-based health treatment rather than obtaining emergency treatment).

MHAS also offers education and legal advocacy for low-income parents of disabled school-aged children to access special education services which they are entitled to under federal and State laws.

Renewal of the MHAS contract will ensure immediate access to benefits for mentally and developmentally disabled clients. In addition, Board approval will allow the Department to amend the Sole Source Services Agreement, as the need arises.

## **BACKGROUND**

SSI advocacy plays an important role in helping people with mental disabilities become eligible for benefits. For DMH clients who are unable to work due to their disability, SSI becomes one of the few sources of income available for this population. The SSI application process is cumbersome and complex for many people with mental illness, and MHAS has become an entity known for its ability to retain experienced and knowledgeable advocates who are able to successfully assist the mentally ill population in obtaining and maintaining their SSI payments.

Administrative staff of DMH will continue to administer and monitor Contractor's adherence to the Agreement to ensure quality services are provided to clients.

The Agreement format includes the following revised and new provisions: Defaulted Property Tax Reduction Program, Contractor's Obligations as a Business Associate under the Health Insurance Portability and Accountability Act (HIPAA) of 1996 and the Health Information Technology for Economic and Clinical Health Act (HITECH), Immediate Termination by County, and Indemnification and Insurance. The attached Agreement format has been approved as to form by County Counsel. The CEO has reviewed the proposed actions.

## **CONTRACTING PROCESS**

Solicitation requirement process and time limitations will prevent DMH from completing the entire solicitation process before the beginning of the new contract term on July 1, 2010. During FY 2010-11, DMH plans to undertake a solicitation process to identify new agencies that may be able to provide the services that are offered by MHAS. The selected agency will be one able to render such services during FY 2011-12.

DMH is requesting approval of a Sole Source contract with MHAS based on historical evidence that MHAS has negotiated with the SSA and DED to establish a special process for developing and evaluating the program's Medi-Cal/SSI applications. Notification of intent to award a Sole Source contract was submitted to your Board on April 19, 2010.

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