LAC DMH
LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH
LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH
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Director
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August 10, 2015

Dear Prospective Proposer:

ADDENDUM NUMBER ONE REVISING
THE REQUEST FOR PROPOSALS FOR
CRISIS STABILIZATION PROGRAMS/PSYCHIATRIC URGENT CARE CENTERS
(BID #DMH07242015B1)

The Los Angeles County Department of Mental Health (DMH) is issuing Addendum Number One (No. 1) to the Request for Proposals (RFP) for Crisis Stabilization Programs/Psychiatric Urgent Care Centers released on July 24, 2015 (BID #DMH07242015B1).

The following revisions are being made to the RFP:

1) **Section 1.0 INTRODUCTION** shall be revised as follows:

The Los Angeles County (County) Department of Mental Health (DMH) is issuing this Request for Proposals (RFP) to solicit proposals from qualified entities that can, consistent with the Investment in Mental Health Wellness Act and regulations promulgated thereunder, develop and operate a Crisis Stabilization Program (also referred to as an Urgent Care Center or UCC). Through this RFP, DMH seeks to establish four UCC facilities. One in the Antelope Valley that is within a five mile radius of Lancaster; one in the San Gabriel Valley that is within a five mile radius of Pomona; and two UCCs in the South Bay/Harbor area, one within a five mile radius of Long Beach and one within a five mile radius of Torrance.

The Investment in Mental Health Wellness Act

In 2013, the Governor approved Senate Bill (SB) 82, establishing the Investment in Mental Health Wellness Act, making funds available to selected counties to increase capacity for client assistance and services in crisis intervention, crisis stabilization, crisis residential treatment, rehabilitative mental health services, and mobile crisis support teams.

In enacting SB 82, the Legislature found and declared:

- Increasing access to effective outpatient and crisis stabilization services provides an opportunity to reduce costs associated with expensive inpatient and emergency room care and to better meet the needs of

individuals with mental health disorders in the least restrictive manner possible.

- Almost one-fifth of people with mental health disorders visit a hospital emergency room at least once per year. If an adequate array of crisis services is not available, it leaves an individual with little choice but to access an emergency room for assistance and, potentially, an unnecessary inpatient hospitalization.

- Recent reports have called attention to a continuing problem of inappropriate and unnecessary utilization of hospital emergency rooms in California due to limited community-based services for individuals in psychological distress and acute psychiatric crisis. Hospitals report that 70 percent of people taken to emergency rooms for psychiatric evacuation can be stabilized and transferred to a less intensive level of crisis care. Law enforcement personnel report that their personnel need to stay with people in the emergency room waiting area until a placement is found, and that less intensive levels of care tend not to be available.

- Comprehensive public and private partnerships at both local and regional levels, including across physical health services, mental health, substance use disorder, law enforcement, social services, and related supports are necessary to develop and maintain high quality, patient-centered, and cost-effective care for individuals with mental health disorders that facilitates their recovery and leads towards wellness.

To this end, the Legislature has appropriated $146 million statewide, with more than $40 million allocated for the Los Angeles County region.

California Health Facilities Financing Authority

SB 82 funding is administered by the California Health Facilities Financing Authority (CHFFA). CHFFA was established in 1979 to provide loans to health institutions for financing or refinancing the acquisition, construction, or remodeling of health facilities.

CHFFA has made funding available to counties through a competitive selection process, providing grant awards for capital capacity and program expansion, including infrastructure for UCCs. Requirements for this grant funding are set forth in regulations issued by CHFFA found in California Code of Regulations, Title 4, Division 10, Chapter 5 (Regulations). Additional information concerning the Investment in Mental Wellness Act may be found at http://www.treasurer.ca.gov/chffa/imhwa/.

SB 82 Crisis Stabilization Program/Psychiatric Urgent Care Centers

DMH currently operates and contracts with private mental health providers for UCCs throughout the County. UCCs provide intensive crisis services to individuals 13 years and older who would otherwise be taken to or access care in emergency rooms. These individuals include repetitive and high utilizers of emergency and inpatient services, those with co-occurring substance abuse, those needing medication management, and those whose presenting problems can be met with short-term (under 24 hours) immediate care and linkage to community-based solutions. These individuals are less likely to require psychiatric hospitalization or medical care, but are in need of stabilization and linkage to ongoing community-based services.

UCCs provide crisis intervention services, including integrated services for co-occurring substance abuse disorders. The UCCs focus on recovery and linkage to ongoing community services and supports and are designed to impact unnecessary and lengthy, involuntary inpatient treatment, as well as promote care in voluntary treatment settings that are recovery oriented.

The UCCs proposed under this RFP shall provide shall provide rapid access to mental health evaluation and assessment; crisis intervention/stabilization and medication support; case management; linkage to community-based resources for individuals experiencing psychological distress and/or psychiatric crisis; and work collaboratively with crisis residential treatment programs and mobile crisis support teams funded under SB 82 grants throughout the County. The UCCs shall operate 24 hours per day, 7 days per week (24/7), shall obtain Medi-Cal certification, and shall obtain Lanterman-Petris-Short (LPS) designation. Proposers shall work collaboratively with DMH to obtain the proper certification to operate a UCC according to the California Department of Health Care Services (DHCS) standards. UCCs shall provide rapid access to mental health evaluation and assessment; crisis intervention/stabilization and medication support; case management; linkage to community-based resources for individuals experiencing psychological distress and/or psychiatric crisis; and work collaboratively with crisis residential treatment programs and mobile crisis support teams funded under SB 82 grants throughout the County.

In addition to reducing the use of unnecessary and lengthy, involuntary inpatient treatment, the UCCs proposed under this RFP shall serve to divert individuals more likely to be incarcerated without the appropriate community services and supports. The County is currently implementing several diversion programs, such as the Assisted Outpatient Treatment program established under Assembly Bill 1421, also known as Laura's Law. UCCs will serve an important role in the County's efforts to divert individuals from unnecessary incarceration and criminal justice involvement

and shall work collaboratively with DMH and law enforcement agencies to coordinate these efforts.

Funding Under this RFP

DMH was awarded $4,210,526 by CHFFA to develop three UCCs (CHFFA Funding). DMH intends to strategically locate the UCCs in those areas of the County that do not currently have a UCC. These areas are the Antelope Valley, the San Gabriel Valley, and the South Bay/Harbor. Contingent on the availability of funding from other sources, a fourth UCC will be developed. The County reserves the right to designate the funding source(s) of any proposed UCC and thereby determine the appropriate agreement(s) to be executed and similar in form to those found in Appendix B, Sample Lease Agreement for Urgent Care Center and Appendix C, Sample Legal Entity Agreement for UCC Services of this RFP. As further described in this RFP, DMH will make available up to $1,403,508 in CHFFA Funding for each UCC. Eligible Project Costs may include renovation; furnishings and equipment; information technology (not to exceed 1 percent); and up to two months of program start-up costs (Eligible Project Costs). For purposes of this RFP, costs for the purchase of real property and construction are not eligible and will not be reimbursed. In addition, DMH will provide up to $5,453,606 in annual mental health funding for the operation of the UCC program. **Please note the identified funding sources in this RFP may be subject to change at the County's sole discretion.**

A Proposer is any entity responding to this RFP. Proposers will be evaluated based on their ability to provide the required mental health services and satisfy applicable CHFFA's regulations for the use of CHFFA funds, and timeline for completion of the UCC, including Medi-Cal certification, and LPS designation.

The State mandates that the County be on the lease for the UCC Site to use CHFFA Funding. Therefore, Proposers seeking CHFFA Funding to operate a UCC will be required to enter into a leasing arrangement with the County, as described more fully in this RFP, whereby the UCC property is leased to the County.

Further, an award under this RFP will be governed by at least two agreements governing CHFFA Funding, the lease arrangement, and the delivery of mental health services. See Appendix B, Sample Lease Agreement for Urgent Care Center and Appendix C, Sample Legal Entity Agreement for UCC Services for reference purposes only, may be subject to change.

Proposers may submit one single proposal to develop and operate one UCC or may submit multiple proposals for multiple UCCs. If a Proposer submits multiple proposals, each shall be a distinct and separate proposal.

2) **Section 7.2 RFP Timetable** shall be revised as follows:

The timetable for this RFP is as follows:

1. Release of RFP.....July 24, 2015
2. Request for a Solicitation Requirements Review Due.....**August 31, 2015**
3. Mandatory Proposers Conference.....**September 8, 2015**
4. Release of Proposers' Conference Transcripts.....**September 14, 2015**
5. Mandatory Letter of Intent.....**September 22, 2015**

Proposals are due by Tuesday, October 6, 2015

DEADLINE FOR PROPOSAL PACKAGE SUBMISSION
at or before 12:00 P.M., P.S.T
Tuesday, October 6, 2015
NO EXCEPTIONS

Proposal packages are due at the **5th floor reception desk by 12:00 p.m.** Pacific Standard Time by **Tuesday, October 6, 2015**. Any mail/delivery service to DMH's mail room on the 2nd floor may not be received by the due date. It is the Proposer's responsibility to ensure that your proposal is submitted by the due date. There will be NO EXCEPTIONS.

Proposers intending to submit a proposal(s) in person, **must allow enough time to find parking, go through our security process on the first floor (show proper identification and get visitor pass), and take the elevators to the 5th floor.** It is the Proposer's responsibility to ensure that your proposal is submitted by the due date."

3) **Section 7.4 Proposers Conference** shall be revised as follows:

A **MANDATORY** Proposers Conference will be held to discuss the RFP and Requirements. County staff will respond to questions from potential Proposers. **It is mandatory that all potential Proposers attend this conference or their proposals will be rejected as non-responsive (disqualified) without review and eliminated from further consideration**. The conference is scheduled as follows:

Date: Tuesday, September 8, 2015

Time: Registration begins at 1:30 p.m.
Conference is from 2:00 p.m. through 4 p.m.

Address: Superior Courts Building
600 Commonwealth Ave.
2nd Floor, Conference Room 113
Los Angeles, CA 90005

There will be a sign-in sheet and the Proposer must sign legibly. The sign-in sheet will be removed 15 minutes after the start time and the doors will be closed. If proposers do not sign in, their attendance will not be counted, and, subsequently, the agency's proposal will not be accepted. ***Please bring your own copy of the RFP to the Conference.***

Parking at this location is **not validated**. Parking in the building is $3 for 15 minutes with a daily max of $16. There are public parking lots across the street which range from $5 to $10. Metered street parking is also available; however, it is extremely limited.

PLEASE BRING A COPY OF THIS RFP TO THIS MANDATORY PROPOSERS' CONFERENCE. COPIES WILL NOT BE PROVIDED.

4) **Section 7.5 Proposers' Questions, Subsection 7.5.1** shall be revised as follows:

7.5.1 Proposers may verbally ask questions at the Proposers' Conference on **Tuesday, September 8, 2015,** during the Question and Answer session. All questions will be answered during the Proposers' Conference or responded to in writing after the Proposers' Conference. A recording of the Proposers' Conference that includes the question and answer session and the written responses, if any, will be mailed to all Proposers that attend the Proposers' Conference."

5) **Section 7.6 Mandatory Letter of Intent, Subsection 7.6.1** shall be revised as follows:

7.6 Mandatory Letter of Intent

7.6.1 Proposers shall submit a Mandatory Letter of Intent on agency's letterhead with original signature in order to be qualified to submit

a proposal for this RFP. An original hard copy of the Mandatory Letter of Intent must be delivered to and received by DMH, Contracts Development and Administration Division, 5th floor (as specified below) at or before 12:00 p.m. (P.S.T) on **Tuesday, September 22, 2015,** which is nine days (excluding holidays) after the Mandatory Proposers' Conference. The Mandatory Letter of Intent does not obligate an agency to submit a Proposal. The Mandatory Letter of Intent must be addressed to:

County of Los Angeles-Department of Mental Health
Contracts Development and Administration Division
550 South Vermont Avenue, 5th Floor, Room 500
Los Angeles, CA 90020

Attn: Richard Kushi, Chief

Please note: No facsimile (fax) or electronic mail (e-mail) copy will be accepted.

6) **Section 7.8 PROPOSAL FORMAT, Subsection 7.8.1, Subsection 7.8.1.10 Description of Proposed Site-SECTION E, Subsection E.1 Site Location** shall be revised as follows:

E.1 Site Location

Provide the Site's commonly known address and Assessor's Parcel Number. Provide the Site's usable square footage and overall lot dimensions. Proposers demonstrating the proposed site is within a five mile radius of the cities of Lancaster, Long Beach, Pomona, or Torrance will receive a higher score in this section.

7) **Section 8.0 SELECTION PROCESS AND EVALUATION CRITERIA, Subsection 8.1 Selection Process** shall be revised as follows:

8.1 Selection Process

The County reserves the sole right to judge the contents of the proposals submitted pursuant to this RFP and to review, evaluate, and select the successful proposal(s). The selection process will begin with receipt of the proposal on **Tuesday, October 6, 2015.**

Evaluation of the proposals will be made by an Evaluation Committee selected by the Department using the Informed Averaging Method (Board

of Supervisors Policy No. 5.054). The Committee will evaluate the proposals and will use the evaluation approach described herein to select a prospective Contractor. All proposals will be evaluated based on the criteria listed below. All proposals will be scored and ranked in numerical sequence from high to low. The County **MAY** also, at its option, invite Proposers being evaluated to make a verbal presentation or conduct site visits, if appropriate. The Evaluation Committee may utilize the services of appropriate experts to assist in this evaluation.

After a prospective Contractor has been selected, the County and the prospective Contractor(s) will negotiate a Contract for submission to the Board of Supervisors for its consideration and possible approval. If a satisfactory agreement cannot be negotiated, the County may, at its sole discretion, begin contract negotiations with the next qualified Proposer who submitted a proposal, as determined by the County.

The recommendation to award a Contract will not bind the Board of Supervisors to award a Contract to the prospective Contractor.

The County retains the right to select a proposal other than the proposal receiving the highest number of points if County determines, in its sole discretion, another Proposal is the most overall qualified, cost-effective, responsive, responsible and in the best interests of the County.

8) **Section 8.0 SELECTION PROCESS AND EVALUATION CRITERIA, Subsection 8.3 Disqualification Review** shall be revised as follows:

A proposal may be disqualified from consideration because a Department determined it was non-responsive at any time during the review/evaluation process. If a Department determines that a proposal is disqualified due to non-responsiveness, the Department shall notify the Proposer in writing. Upon receipt of the written determination of non-responsiveness, the Proposer may submit a written request for a Disqualification Review within the timeframe specified in the written determination.

A request for a Disqualification Review may, in the Department's sole discretion, be denied if the request does not satisfy all of the following criteria:

1. The person or entity requesting a Disqualification Review is a Proposer;

2. The request for a Disqualification Review is submitted timely (i.e., by the date and time specified in the written determination); and

3. The request for a Disqualification Review asserts that the Department's determination of disqualification due to non-responsiveness was erroneous (e.g. factual errors, etc.) and provides factual support on each ground asserted as well as copies of all documents and other material that support the assertions.

The Disqualification Review shall be completed and the determination shall be provided to the requesting Proposer, in writing, prior to the conclusion of the evaluation process.

Proposer can also be disqualified for non-responsibility – See Section 5.11.

All other content will remain the same. No additional information will be provided by DMH staff.

Sincerely,

for

Richard Kushi, Chief
Contracts Development and Administration Division

RK:oh

c: Robin Kay, Ph.D.
Dennis Murata, M.S.W.
Deputy Directors
District Chiefs
Stephanie J. Reagan
Michelle Cervera