



C A L I F O R N I A D E P A R T M E N T O F

Mental Health

1600 9th Street, Sacramento, CA 95814
(916) 654-2309

October 18, 2007

DMH INFORMATION NOTICE NO.: 07-21

TO: LOCAL MENTAL HEALTH DIRECTORS
LOCAL MENTAL HEALTH PROGRAM CHIEFS
LOCAL MENTAL HEALTH ADMINISTRATORS
COUNTY ADMINISTRATIVE OFFICERS
CHAIRPERSONS, LOCAL MENTAL HEALTH BOARDS

SUBJECT: ADDITIONAL ONE-TIME FUNDING AUGMENTATION TO
EXPAND LOCAL MENTAL HEALTH SERVICES

REFERENCE: WELFARE & INSTITUTIONS CODE SECTION 5847 (d), SECTION
5878.3, SECTION 5892, SECTION 5893 AND CALIFORNIA CODE
OF REGULATIONS SECTION 3315

The purpose of this Department of Mental Health (DMH) Information Notice is to inform the Counties¹ that receive funding under the Mental Health Services Act (MHSA) that DMH intends to release \$64 million additional Community Services and Supports (CSS) funds on a one-time basis to 58 counties and two cities providing mental health services in their communities.

The MHSA calls for setting aside up to five percent of total funds collected for administrative costs associated with implementation and oversight by DMH. Under the provisions of the MHSA, the balance of unused Administrative funds is distributed to the counties for services to persons with severe mental illness. After reviewing expenditure projections, DMH determined that unused Administrative funds should be released now to augment each County's Planning Estimate and help further expand CSS mental health services at the local level.

I. General Requirements

To access these additional one-time funds, a County must submit both an update to its existing Three-Year Program and Expenditure Plan and a request to amend its existing MHSA Agreement. The County may not implement any new program or program expansion until: (1) DMH has issued written approval of the County's update; and (2) a modification to the MHSA Agreement addressing the distribution of MHSA funds for the approved programs and/or services has been fully executed.

¹ "County" means the County Mental Health Department, two or more County Mental Health Departments acting jointly, and/or city-operated programs receiving funds per WIC Section 5701.5.

As required by California Code of Regulations (CCR) Section 3620, a county shall direct the majority of its CSS funding to Full Service Partnerships (FSPs). Small counties must fulfill this requirement by no later than Fiscal Year (FY) 2008-09.

II. Process to Update the County's Three-Year Program and Expenditure Plan

The County must submit to DMH an update to its Three-Year Program and Expenditure Plan that is signed by the County Mental Health Director. The update must include:

- ✓ A list of the proposed new and/or expanded programs/services, identified by the service category under which the program/service will be funded;
- ✓ A description of each program/service, including the population to be served, number of clients served, services to be provided and methods of service delivery;
- ✓ An explanation of how each program/service relates to the issues identified in the Community Program Planning Process, including how each program/service will reduce or eliminate the disparities identified in the CSS assessment in the County's existing Three-Year Program and Expenditure Plan;
- ✓ An assessment of the County's capacity to implement the proposed programs/services, including the factors listed in Section 3650(a)(1) of the CCR;
- ✓ A statement explaining how the requirements of the Community Program Planning Process in Section 3300 of the CCR were met;
- ✓ Documentation of the local review process required by Section 3315;
- ✓ Certification by the County Mental Health Director that the County will comply with the non-supplant requirements of Section 3410 of the CCR.

For each new CSS program(s) or service(s) not already included in its Three-Year Program and Expenditure Plan, in addition to the elements set forth in section 3650(a)(6), the update shall also include:

- ✓ The amount of new funding requested;
- ✓ For each new program proposed, responses to questions 1 through 13 in Enclosure I;
- ✓ The following budget information for the amount of funding being requested:
 - a. Budgets substantiating any proposed funding increase above the previously approved fiscal year amount;
 - b. The County must complete and submit to DMH the MHSA CSS Budget Worksheet (Exhibit 5a, DMH Letter No.: 05-05, page 53); and the Detailed Staffing Worksheet (Exhibit 5b, DMH Letter No.: 05-05, page 57), along with a

budget narrative for each proposed new program. Note: Only one budget per fiscal year is required for each new program and not for each service category (i.e., Full Service Partnership, General System Development, or Outreach and Engagement) or population (i.e., Children, Transition Age Youth, Adults, or Older Adults) within a program.

- ✓ A revised CSS Program Work Plan Listing, (Exhibit 2, DMH Letter No.: 05-05, page 45) that clearly demonstrates that the majority of the County's total CSS funds support FSPs;
- ✓ A revised Three-Year Plan Quarterly Report: Estimated/Actual Populations Served (Exhibit 6, DMH Letter No.: 05-05, page 60) for the proposed new programs/services; and
- ✓ A description of the County's capacity for implementing the proposed program or service expansion on the projected timeline if the County has not implemented all programs/services as approved by DMH in the initial plan or subsequent updates.

When the update expands an existing program, the following information shall also be included:

- ✓ A brief description of the proposed program expansion (e.g., population to be served, increased number of clients served, new services added, new methods of service delivery, etc.), the amount of funding being requested, and the proposed effective date;
- ✓ The net cost per client resulting from the proposed expansion. If the net cost per client is greater than the originally approved program, the County must also complete and submit a revised MHSA CSS Budget Worksheet (Exhibit 5a, DMH Letter No.: 05-05, page 53), and the Detailed Staffing Worksheet (Exhibit 5b, DMH Letter No.: 05-05, page 57), along with a budget narrative for the proposed expanded program. If the net cost per client for the expanded program is the same or less, there is no need to resubmit the Budget Worksheets;

The update (with three copies) should be sent to the following address:

Assistant Deputy Director, Community Program Support
Community Services Division
California Department of Mental Health
1600 9th Street, Room 130
Sacramento, CA 95814

The Mental Health Services Oversight and Accountability Commission (MHSOAC) will review and comment on the proposed Plan updates and DMH will review and approve the proposed updates, as specified in Statute 5847(a) of the Welfare and Institutions Code.

Within 30 days of submission of a complete amendment request, a decision will be issued to approve or disapprove an amendment requesting to expand previously-approved programs/services. Within 60 days of submission of a complete amendment request, a

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decision will be issued to approve or disapprove an amendment request to add a new program/service to an MHSA Agreement or Contract.

Enclosure II shows the amounts available for the one-time funding augmentation to each County's CSS Planning Estimate for FY 07/08. These augmentations were based on principles provided by the County Mental Health Directors Association (CMHDA) and existing distribution formula methodologies. The release of these increased Planning Estimates is on a one-time basis.

If you have any questions, please contact your County Operations liaison identified on the following internet site: <http://www.dmh.ca.gov/CountyOps/contact.asp>.

Sincerely,

Original signed by:

STEPHEN W. MAYBERG, Ph.D.
Director

Enclosures