COUNTY OF LOS ANGELES

MARVIN J. SOUTHARD, D.S.W.
Director

ROBIN KAY, Ph.D.
Acting Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

BOARD OF SUPERVISORS
GLORIA MOLINA
YVONNE B. BURKE
ZEV YAROSLAVSKY
DON KNABE
MICHAEL D. ANTONOVICH

DEPARTMENT OF MENTAL HEALTH

http://dmh.lacounty.gov

Reply To: (213) 738-4601
Fax: (213) 386-1297

June 16, 2008

TO: Each Supervisor

FROM: Marvin J. Southard, D.S.W.
Director of Mental Health

SUBJECT: **DEVELOPMENT OF AN INCUBATION PLAN FOR MENTAL HEALTH AGENCIES**

On April 8, 2008, your Board instructed the Director of Mental Health to 1) report back to your Board regarding the possibility of establishing a program, pilot or otherwise, to "incubate" nonprofit organizations to build capacity within the Mental Health system and 2) work with the Chief Executive Office to identify funding that could be used to fund such a program.

In reviewing the potential for incubating new agencies, the Department has determined that an incubation program could be developed and could potentially be funded through one of the upcoming Mental Health Services Act (MHSA) plan, e.g., the Workforce Education and Training (WET), Prevention and Early Intervention (PEI), or the Innovation components of MHSA. In addition, the Department has identified three (3) potential groups of nonprofit agencies that could benefit from such a program: 1) nonprofit agencies that could offer mental health services under MHSA but who have failed to meet the minimum requirements for contracting with the Department; 2) nonprofit organizations that do not currently offer traditional mental health services but have an expressed interest in doing so; and 3) nonprofit organizations that are interested in offering nontraditional services, such as prevention, outreach, and stigma reduction.

Pending allocation of funding from a component of MHSA, the Department recommends a multi-faceted incubation program consisting of several elements, as further described below.

Training Academy

Development of the proposed training academy will require consideration of the differing needs of agencies in the categories listed above and recognition that agencies within each group may require different types of support. While the Department currently

provides technical assistance to agencies that have been unable to meet the minimum requirements to be placed on the MHSA master agreement list, a more formal assistance program would be appropriate.

Potential topics that could be included in the curriculum are outlined in Attachment A.

Resource References

The Office of AIDS Programs and Policy (OAPP) has an existing capacity building program that has published reference materials for community-based organizations. The Department proposes to work with OAPP to ascertain if the Department can utilize some of these existing materials and adapt them, as necessary, for the mental health system.

Technical Assistance - General

Some community-based agencies may lack the organizational capacity to meet County contract, financial and audit requirements even with training. As part of the incubation program, the Department would seek to enter into as-needed contracts with various nonprofit agencies that specialize in assisting smaller nonprofit agencies with specific administrative, financial and technical support, as well as providing tailored in-depth training on specific topics. Such contracts would allow the Department to engage an agency to develop and offer workshops on responding to Requests For Proposals (RFP) for programs under MHSA.

Technical Assistance – Mental Health Services

Agencies that wish to engage in the provision of traditional mental health services will likely require "mentorship" and/or sponsorship by an existing provider. As part of the incubation program, the Department proposes to do an RFP for the provision of these services and develop a contract separate from the legal entity agreement to specifically address these services.

Nontraditional Agencies

The Department will develop a separate RFP process that will qualify agencies to provide nontraditional mental health services, particularly for the areas of prevention and outreach. A separate RFP will allow the Department to ensure that minimum requirements are relevant to the type of services to be offered and do not include potential barriers associated with agencies that receive Medi-Cal revenue. A separate service contract will also be developed based on services that are not traditional mental health services and differ from consultant type services.

Conclusion

The Department will continue to determine the staffing and financial requirements for implementing the Incubation Program as part of the development of the proposed MHSA program.

If you have any questions, please contact me at (213) 738-4601, or your staff may contact Robin Kay, Ph.D., Acting Chief Deputy Director, at (213) 738-4108.

MJS:RK:KW:SR:cm

Attachment

c: William T Fujioka, Chief Executive Officer
Sheila Shima, Deputy CEO
Jonathan E. Fielding, M.D., M.P.H., Director of Public Health
Robin Kay, Ph.D.
Lyn Wallensak
Dennis Murata

ATTACHMENT A

Proposed Topics For Training Academy Curriculum

Mental Health 101 ▪ Overview of Mental Health Service Delivery in L.A. County and the State ▪ Mental Health Services Act (MHSA) and its Plans ▪ Hope, Wellness and Recovery ▪ Glossary of Mental Health Terms ▪ Service Priorities	*Getting to Know the County and Department of Mental Healh (DMH)* ▪ DMH organizational structure ▪ Board of Supervisors and CEO ▪ Role of the Mental Health Commission ▪ MHSA Stakeholder Process ▪ Network of Care ▪ Service Areas, SAAC and SPA ▪ Role of the District Chief	*Staffing and Workforce* ▪ Staffing requirements and Scope of Practice ▪ Consumers, Parents and Family Members in the workplace ▪ Hiring and human resource practices ▪ Cultural competence.
Agency Development ▪ Board of Directors ▪ Executive Management ▪ Strategic Planning ▪ Fiscal Management ▪ Resource Development	*Performance Based Services* ▪ Evidence-Based Practices ▪ Promising Practices ▪ Culturally Appropriate Practices ▪ Ensuring the Fidelity of your services ▪ Performance Based Outcomes	*Financial Viability* ▪ Financial Viability ▪ Federal, State, County and DMH Accounting Practices ▪ County and DMH Requirements
Becoming an Incubator ▪ Goals of Incubation ▪ Role of Incubators ▪ Sub-contracting ▪ Mentoring ▪ Risks and Responsibilities	*Medi-Cal vs. Non-Medi-Cal Services* ▪ Types of Mental Health Services – Direct and Indirect Services ▪ Medi-Cal Certification Process ▪ Developing agency policies and procedures ▪ EPSDT, Healthy Families, SSI and other funding sources	*Financial Reporting* ▪ Reimbursement Rates ▪ Cost Reporting & Cost Settlement ▪ Negotiated Rate Contract ▪ Cost Reimbursement Contracts ▪ Maximum Contract Amount (MCA)
MHSA Proposal Process (for existing Master Agreement List) ▪ Getting Started-Request for Statement of Qualification (RFSQ) ▪ Statement of Qualifications (SOQ) ▪ The Notification Process for Request for Proposals ▪ The Proposers' Conference	*Record Keeping* ▪ Documentation ▪ Developing Individualized Plans for services ▪ PHI, HIPAA and confidentiality ▪ Quality Assurance vs. Quality Improvement ▪ Record Retention	*Surviving an Audit and Contract Monitoring* ▪ Type of Audits ▪ Performance Based Contracting ▪ Technical Assistance ▪ Preparing for an audit ▪ Audit disallowances ▪ Plan of Correction
Contracting Process ▪ Board Approval Process ▪ Types of Contracts ▪ Legal Entity Contracts ▪ The Negotiation Package – How to complete it ▪ Amendments ▪ Funding Streams and Leveraging	*Service Location* ▪ What is "Siting"? ▪ Zoning issues ▪ Basic building requirements ▪ Transportation issues ▪ Stigma and Neighborhood concerns ▪ Golden Rod Requirements	*Information Technology and Integrated System (IS)* ▪ Business operations and County requirements ▪ Electronic Health Records ▪ IS Reports and IS Plans ▪ Rendering Providers and NPI