FACT SHEET

AUTHORIZATION FOR ACCEPTANCE AND RECEIPT OF STATE GENERAL FUNDS,
APPROVAL OF REQUEST FOR APPROPRIATION ADJUSTMENT
AND
APPROVAL TO AMEND 32 EXISTING DEPARTMENT OF MENTAL HEALTH
LEGAL ENTITY AGREEMENTS
FOR FISCAL YEAR 2006-07
(ALL SUPERVISORIAL Districts)
(4 VOTES)

REQUEST

1. Authorize the acceptance and receipt of State General Fund (SGF) funds totaling $16,086,217, from the California Department of Mental Health (CDMH) for Fiscal Year (FY) 2006-07 for mental health services to eligible students identified with disabilities and with an individualized education plan (IEP). Effective upon Board approval, these new SGF funds, which were allocated to the Department of Mental Health (DMH) in accordance with the Budget Act of 2006 – Assembly Bill (AB) (Chapter 47, Statutes of 2006), will be transferred to the County of Los Angeles on behalf of DMH.

2. Approve and instruct the Director of Mental Health or his designee to prepare, sign, and execute amendments to 32 existing DMH Legal Entity (LE) Agreements as listed on the Attachment to increase the Maximum Contract Amounts (MCA) by $7,244,806 for FY 2006-07.

3. Approve the Request for Appropriation Adjustment for $16,086,000 for FY 2006-07, which will be fully funded by SGF, to increase the DMH spending authority for the purpose of continuing to provide State-mandated mental health services to eligible students identified with disabilities with an IEP.

4. Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute further amendments to these LE Agreements, as described in the board letter.

PURPOSE/JUSTIFICATION

Board approval is required to receive the SGF from the CDMH, to allow the County to provide State-mandated mental health services (referred to as “AB 3632” or “Chapter 26.5 services”), without interruption, to eligible students identified with disability and with an IEP, pursuant to Government Code Section 7570 et seq. (Chapter 1747, Statutes of 1984).
The Department of Children and Family Services (DCFS) will also receive a portion of this allocation totaling $7,990,024, for reimbursement of residential placement costs. DMH is also allocating $41,768 for out-of-state placement expenditures projected for FY 2006-07 as well as $809,619 for administrative overhead.

Board approval of amendments to 32 LE Agreements will enable Contractors identified in the Attachment to be significantly reimbursed for continuing to deliver federally mandated AB 3632 mental health services.

BACKGROUND

In 1984, the California Legislature enacted AB 3632 in order to maximize and coordinate the provision of mental health services to seriously emotionally disturbed (SED) children by State and local government agencies. Since the inception of AB 3632, DMH has delivered mental health services to clients through a network of directly operated and community-based provider agencies. However, counties have voiced concerns that this mandated program has not been fully funded. With the passage of Proposition 1A, the State has made available a new categorical funding source of $52 million statewide which will augment funding for AB 3632 mental health services to special education pupils.

The Amendment format has been approved as to form by County Counsel. The CAO has reviewed the proposed actions.

CONTRACTING PROCESS

All contract providers who currently serve clients eligible under Chapter 26.5 California Government Code AB 3632 are allocated additional funding based on a number of factors. These factors took into consideration actual expenditures by contractors in FY 2005-06, geographic correlation to Service Areas with high rates of identification and referral of eligible clients and low rates of Medi-Cal eligibility and the desire to improve access to underserved populations within the eligible pool of clients.

IMPACT ON CURRENT SERVICES

Board approval of the Acceptance of the SGF totaling $16,086,217 from the CDMH and Amendments to 32 LE Agreements will enable the County of Los Angeles to continue to provide mandated mental health treatment services and residential placement to eligible disabled students in accordance with Federal and State statute and regulations.
DMH Contact:

Paul McIver, for Olivia Celis-Karim
LAC-DMH
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Attachment
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STATE GENERAL FUND ALLOCATION AB392 SERVICES AMENDMENTS
COUNTY OF LOS ANGELES DEPARTMENT OF MENTAL HEALTH

ATTACHMENT