

PREPARED BY: Yeroshek, Lee

AGENDA ITEM: Second Read: Review and Adopt Proposed Innovation (INN) Regulations (Action)

ENCLOSURES: • Revised Draft Proposed INN Regulations

OTHER MATERIAL RELATED TO ITEM: The PowerPoint Presentation handout will be available at the meeting.

Issue:

The Draft Proposed Innovation (INN) regulations are attached and hereby provided for a “second read” and adoption by the Mental Health Services Oversight and Accountability Commission (MHSOAC or Commission).

Background:

Background on the proposed INN regulations was provided in greater detail at the September and October 2013 Commission meetings. The following are some highlights of the regulations process to date:

- On June 26, 2013 Governor Brown signed into law Assembly Bill (AB) 82, which went into effect immediately. AB 82 mandated that the MHSOAC adopt regulations for Prevention and Early Intervention (PEI) and INN programs and expenditures.
- The PEI and INN Regulations Work Group (comprised of three members from each of the five MHSOAC Committees) had two all-day meetings, first on August 12, 2013 and then on September 20, 2013 to provide input and review the draft regulations.
- At the September 26, 2013 Commission meeting, staff presented the broad framework and overall structure of the Draft Proposed INN Regulations and explained how the regulations clarify and strengthen current law.
- On October 11, 2013, the MHSOAC Services Committee met to review and provide input on the draft PEI and INN regulations.
- On October 24, 2013, the Commission met for a “first read” and discussion of the Draft Proposed INN Regulations. The draft presented to the Commission incorporated suggestions from the Work Group, Services Committee, California Mental Health Directors Association, and the public. This meeting, like the meetings referenced above, was open to the public.

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- The enclosed revised draft INN regulations incorporates comments received at the October 24, 2013 Commission meeting as well as staff-initiated changes. Language that is new to this version of the regulations is indicated by bold and underlined text and language that has been removed is indicated by strikethrough text.

Next Steps:

The following is a list of some of the next steps in the regulations process:

- Upon Commission adoption of the Draft Proposed INN Regulations, MHSOAC staff will prepare and finalize the Initial Statement of Reasons, and all other forms and documents necessary for submittal to the Office of Administrative Law (OAL).
- It is anticipated that the Notice of Proposed Rulemaking will be submitted to the OAL in early January 2014 which will start the 45 day public comment period.
- The MHSOAC holds a public hearing at the end of the 45 day public comment period.
- Depending on the public comments received, the MHSOAC may need to meet to decide if changes are necessary to the proposed regulations. Changes to the regulations may trigger an additional public comment period.
- Upon the completion of any subsequent public comment period and changes to the proposed regulations, the Rulemaking Record is closed and submitted to the OAL for review.
- The OAL has 30 days to decide if the rulemaking file satisfies the Administrative Procedure Act.

ACTION:

Proposed Motion: The Commission approves the Draft Proposed Innovation Regulations in substantially the form as presented by MHSOAC staff. The Executive Director is authorized to approve any non-substantive editorial changes and submit the approved regulations with the supporting documentation required by law to the Office of Administrative Law and proceed as required by the Administrative Procedures Act.