Proposed Innovation Regulations
Response to Public Comments

MHSOAC
October 23, 2014

Order of Presentation

- Brief background
- Overview of Next Steps
- Structure of Commission discussion
- Summary of staff's suggested changes to Innovation regulations
- Proposed motion on suggested changes
- Staff's suggested rejections of changes to Innovation regulations proposed by public comments
- Proposed motion on suggested rejections

Brief Background on Innovation Regulations

- Nov 21, 2013: MHSOAC adopted proposed Innovation regulations
- July 11, 2014: Notice published by Office of Administrative Law and start of 45-day notice
- August 28, 2014: MHSOAC held public hearing and 45-day public comment period closed

Overview of Next Steps

- October 23, 2014: MHSOAC considers staff responses to public comments on regulations, including proposed changes
- Early to mid Nov: 15-day Public Comment Period on modifications to original regulations
- December 18, 2014: MHSOAC considers comments received during the 15-day comment period adoption of INN Regulations
- February 2015 estimated time for submitting rulemaking file to Office of Administrative Law

Structure of Discussion

- Consider staff's suggested changes to Proposed Innovation Regulations
  - Commissioner questions on suggested changes
  - Commission motion regarding suggested changes
  - Public comment on the motion
  - Commissioner discussion on the motion and vote
- Consider staff's suggested rejections of public comments regarding Proposed Innovation Regulations
  - Same process as above

Summary of Suggested Changes

- 1 new definition: Mental health practice or approach that has already demonstrated its effectiveness §3910(b)(1)
- 8 substantive changes
  - §3580.010(a)(3) – add/edit demographic reporting categories
  - §3580.020(a)(5) – report how the County will continue INN Project
  - §3910.020(b)(1)(A) – delete families from continuity requirement
  - §3915(e) – allow qualitative and/or quantitative methods
  - §3915(f) – require data analysis
  - §3930(c)(1) – include name of program
  - §3930(d)(6) – specify additional minimum budget categories
  - §3935(b)(1) – link CPP requirements to Change INN Project Request
- 21 non-substantive changes: clarify language, correct grammar, enhance internal consistency, move section

Suggested Substantive Changes

Section topic:	Rationale
§3580.010(a)(3) Annual INN Report (Pages 1– 3 of Proposed Changes document)	• Suggested ethnicity categories are included in at least one Federal reporting requirement and each has a population in California above 100,000 according to 2010 census data. •Necessary for consistency with Proposed PEI Regulations
§3580.020(a)(5) Final INN Report (Page 3 of Proposed Changes document)	•Final report includes whether and how the County will continue the Innovative Project •Necessary to understand success of INN component in implementing new effective mental health practices and for consistency with other requirements

Suggested Substantive Changes

Section topic:	Rationale
§3910(b) and (b)(1) INN Project Requirements (Page 4 of Proposed Changes document)	• Most INN projects are changes to existing effective mental health practices, not something entirely new. •INN funds cannot be used for practices that have demonstrated their effectiveness • This change defines what constitutes a mental health practice that has demonstrated its effectiveness

Suggested Substantive Changes

Section topic:	Rationale
§3910.020(b)(1)(A) Early Termination of INN Project (Page 7 of Proposed Changes document)	• Corrects an inadvertent inconsistency between 3910.020(b)(1)(A) and other sections of Proposed INN Regulations, all of which require continuity for individuals with serious mental illness at the conclusion of an Innovative Project •Ethical planning for the best interest of clients with a serious mental illness is a critical element of designing and conducting a time-limited pilot project. Omitting requirement for family members removes unnecessary burden for counties and programs.

Suggested Substantive Changes

Section topic:	Rationale
§3915(e) INN Project Evaluation (Page 7 of Proposed Changes document)	• Allows a County to use quantitative and/or qualitative methods for Innovative Project, as applicable • While generally both quantitative and qualitative methods are useful for an evaluation of an Innovative Project, both are not necessarily applicable nor feasible for every Innovative Project • Supports county flexibility for the broad range of Innovative Projects

Suggested Substantive Changes

Section topic:	Rationale
§3915(f) INN Project Evaluation (Page 7 of Proposed Changes document)	•Require data analysis for evaluations of Innovative Projects •Data analysis is a fundamental element of a sound evaluation, necessary for the County to draw the conclusion about whether to continue the Innovative Project without Innovation funding and about what to recommend to other counties
§3930(c)(1) INN Project Plan (Page 9 of Proposed Changes document)	•Require name of Project in INN Project Plan •Specifying the project name is necessary for clarity, especially if a County is implementing more than one Innovative Project

Suggested Substantive Changes

Section topic:	Rationale
§3930(d)(6) INN Project Plan (Page 11 of Proposed Changes document) Regs)	• Added categories for projected expenditure for each Innovative Project, by fiscal year: personnel expenditures, operating expenditures, non-recurring expenditures; training consultant contracts; and other expenditures • Necessary for fiscal accountability, to support MHSOAC approval of budgets for Innovative Projects • Consistent with budget categories currently in use per 2011-2012 Annual Update instructions for new Innovative Projects

Suggested Substantive Changes

Section topic:	Rationale
§3935(b)(1) INN Project Change Request (Page 12 of Proposed Changes document) Regs)	• Clarify that if a County submits an Innovative Project Change Request as a separate request, not part of an Annual Update or Three-Year Program and Expenditure Plan, all community planning requirements in Title 9 California Code of Regulations sections 3300-3315 apply

Proposed Motion

The Commission adopts Staff's suggested changes to Proposed Innovation Regulations.

Staff's Suggested Rejections of Changes Proposed by Public Comments to Innovation Regulations

- Matrix of Public Comments with Staff's Suggested Responses
  - Matrix sent to Commissioners and posted on the MHSOAC website contains the public comments verbatim and staff responses
- Commissioner questions?

Proposed Motion

The Commission adopts Staff's rejections of public comments to Proposed Innovation Regulations as set forth in the, "Matrix of Public Comments with Staff's Suggested Responses."