

**MENTAL HEALTH SERVICES ACT**

**PROPOSED GUIDELINES**

**for the**

**INNOVATION COMPONENT**

**of the**

**COUNTY'S THREE-YEAR PROGRAM AND  
EXPENDITURE PLAN**

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## **PART I: Background**

Welfare and Institutions Code (WIC), section 5830 provides for the use of Mental Health Services Act (MHSA) funds for innovative programs. The Department of Mental Health (DMH) has given the name “Innovation (INN)” to this component of a county’s Three-Year Program and Expenditure Plan (Three-Year Plan) for MHSA services. In order to receive INN funding, a county<sup>1</sup> must draft an INN work plan (work plan) and submit it as part of the INN component of its Three-Year Plan.

The MHSA is less specific in its directives for this component than for other components, forming an environment for the development of new and effective practices/approaches in the field of mental health. Further background is provided in the Mental Health Services Oversight and Accountability Commission’s (MHSAOAC) Innovation Resource Paper (Enclosure 2) and Guiding Principles for DMH Implementation of the Mental Health Services Act. These documents can be found on the DMH’s website: [http://www.dmh.ca.gov/Prop\\_63/MHSA/Innovation/](http://www.dmh.ca.gov/Prop_63/MHSA/Innovation/).

INN projects are novel, creative and/or ingenious mental health practices/approaches that contribute to learning, and that are developed within communities through a process that is inclusive and representative, especially of unserved, underserved and inappropriately served individuals. The INN project must be aligned with the General Standards as set forth in Title 9 of the California Code of Regulations (CCR), section 3320. These guidelines provide direction with examples while maintaining the spirit of flexibility intended by the MHSA for this component.

## **PART II: Community Program Planning**

### **Community Program Planning Funds**

Counties may request up to 25 percent of the combined FY 2008/09 and 2009/10 INN Planning Estimate<sup>2</sup> for Community Program Planning Process (CPP Process) activities necessary for developing the INN component. Refer to DMH Information Notice No.: 08-36, Mental Health Services Act Planning Estimates for Fiscal Year 2009/10. To receive this funding, counties must submit a Request for Funding for Community Program Planning certified by the county’s Mental Health Director (Exhibit G).

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<sup>1</sup> “County” means a 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 (CCR, Title 9, § 3200.090).

<sup>2</sup> “Planning Estimate” means the estimate provided by DMH to a county of the maximum amount of MHSA funding that the county can request per WIC section 5898 (CCR, Title 9, § 3200.250).

## **Community Program Planning Process**

The process undertaken by counties in developing the various components of the Three-Year Plan provides an essential foundation for transformative Innovation planning, and accordingly, Innovations must be developed with the CPP Process set forth in CCR, Title 9, section 3300. If an Innovation was identified previously through the CPP Process, and stakeholders expressed support for making the Innovation the focus of a project, then no additional/separate CPP Process is required and the Local Review process can begin. See below for more detail. It is also conceivable that the planning process itself may be the focus of an INN project.

An example of a quality CPP Process for the INN component would include all of the following characteristics:

- Demonstrates engagement of the leadership and representatives of the community potentially affected by the proposed INN project
- Encourages culturally and linguistically competent outreach and accessibility that results in the inclusion of diverse stakeholders, including current and potential clients, their families and caregivers; people who are unserved and underserved by the mental health system; and service providers or other representatives of unserved communities
- Conducts planning sessions and meetings in convenient, community-based settings
- Conducts a fair, inclusive, respectful and effective process to facilitate community input, from unserved, underserved and inappropriately served individuals of diverse backgrounds (race, ethnicity, language, age, tribal affiliations, lesbian, gay, bisexual, transgendered, etc.)
- Incorporates community strengths in solutions to addressing challenges

## **Local Review**

The INN component of the county's Three-Year Plan shall be developed with local stakeholders and made available in draft form and then circulated for review and comment for at least 30 days to representatives of stakeholder interests and any interested party who has requested a copy of the documents, consistent with MHSA requirements in WIC section 5848, subdivisions (a) and (b) and CCR, Title 9, sections 3300 and 3315. The local Mental Health Board shall conduct a public hearing on the first INN component of the Three-Year Plan, as well as on subsequent Three-Year Plans, pursuant to WIC section 5848, subdivision (b) and CCR, Title 9, section 3315, subdivision (a)(2). The county shall submit a summary and analysis of any substantive revisions made to the INN component of its Three-Year Plan as a result of stakeholder input.

Once the county has an approved INN component, it may propose changes to existing approved work plans or add new work plans by submitting an update to

its Three-Year Plan. Counties must follow the local review requirements specified in Title 9, CCR section 3315, Local Review Process.

### **Communicating Results**

Communicating the findings from any Innovation is important to transforming the mental health system. Counties should follow up with the stakeholders/community regarding the findings of the INN project. Counties and communities are encouraged to be creative in determining how best to communicate the results and lessons learned from the INN project. Examples of possibilities for maximizing learning opportunities from the Innovation include holding follow-up stakeholder/community meetings, participating in statewide or regional forums, developing a manual or other medium that describes the INN project in sufficient detail to allow others to replicate or adapt the practice/approach, reporting to other counties, DMH and the MHSOAC at statewide meetings, and/or contributing to national forums.

### **PART III: General Requirements for Innovation**

The following six sections describe general requirements of all INN projects.

#### **Voluntary Participation**

INN projects must be designed for voluntary participation per CCR, Title 9, section 3400, subdivision (b)(2). No person should be denied access based solely on his/her voluntary or involuntary status.

#### **Essential Purposes of Innovation**

The MHSOAC, Part 3.2 Innovative Programs, section 5830, subdivision (a)(1)-(4), specifies that funds for Innovation be used for the following purposes:

- Increase access to underserved groups
- Increase the quality of services, including better outcomes
- Promote interagency collaboration
- Increase access to services

Counties must select one or more of these purposes for each INN project. The selected purpose(s) will be the key focus for learning and change.

#### **Definition of Innovation**

An Innovation project is defined, for purposes of these guidelines, as one that contributes to learning rather than a primary focus on providing a service. By providing the opportunity to “try out” new approaches that can inform current and future practices/approaches in communities, an Innovation contributes to learning in one or more of the following three ways:

- Introduces new mental health practices/approaches including prevention and early intervention that have never been done before, or
- Makes a change to an existing mental health practice/approach, including adaptation for a new setting or community, or
- Introduces a new application to the mental health system of a promising community-driven practice/approach or a practice/approach that has been successful in non-mental health contexts or settings

To clarify, a practice/approach that has been successful in one community mental health setting cannot be funded as an INN project in a different community even if the practice/approach is new to that community, unless it is changed in a way that contributes to the learning process. Merely addressing an unmet need is not sufficient to receive funding under this component. By their very nature, not all INN projects will be successful.

Proposed INN projects that have previously demonstrated their effectiveness in a mental health setting and that do not add to the learning process or move the mental health system towards the development of new practices/approaches may be eligible for funding under other components, such as Community Services and Supports (CSS) or Prevention and Early Intervention (PEI), rather than with INN funds. To clarify, an INN project may include a prevention and early intervention strategy, but such a strategy would have to be distinctive from PEI requirements. If a county wanted to test a new approach that adds to current knowledge by enhancing a PEI strategy in a way that is not currently allowable under the PEI component, a county may do so. For instance, the distinctive characteristics may include:

- The duration of the prevention and early intervention strategies may exceed the time constraints permissible in the PEI Guidelines.
- The prevention and early intervention strategies may be targeted to a population group not listed as a "Priority Population" in the PEI Guidelines.
- The overall design of the INN project includes a full spectrum of integrated services from prevention and early intervention strategies combined with screening and treatment-oriented services.

In addition to the requirement to contribute to learning, the Innovation must be aligned with the General Standards identified in the MHSA when applicable, as set forth in CCR, Title 9, section 3320. The six General Standards are listed below with a brief description of how they might apply to Innovation taken from the MHSOAC Innovation Resource Paper.

Depending upon the Innovation, the application of these six General Standards will vary. A county is only required to apply the General Standards that are appropriate for the INN project:

- Community Collaboration  
Initiates, supports and expands collaboration and linkages, especially connections with systems, organizations, healers and practitioners not traditionally defined as a part of mental health care
- Cultural Competence, as defined in CCR, Title 9, section 3200.100  
Demonstrates cultural competency and capacity to reduce disparities in access to mental health services and to improve outcomes
- Client Driven Mental Health System  
Includes the ongoing involvement of clients (and participants in prevention programs) in roles such as, but not limited to, implementation, staffing, evaluation and dissemination
- Family Driven Mental Health System  
Includes the ongoing involvement of family members in roles such as, but not limited to, implementation, staffing, evaluation and dissemination
- Wellness, Recovery and Resilience Focus  
Increases resilience and/or promotes recovery and wellness
- Integrated Service Experience  
Encourages and provides for access to a full range of services provided by multiple agencies, programs and funding sources for clients and family members

### **Scope of Innovation**

INN projects may address issues faced by children, transition age youth, adults, older adults, families (self-defined), neighborhoods, tribal and other communities, counties, multiple counties, or regions. The project may initiate, support and expand collaboration and linkages, especially connections between systems, organizations and other practitioners not traditionally defined as a part of mental health care. The project may influence individuals across all life stages and all age groups, including multigenerational practices/approaches.

An INN project may introduce a novel, creative, and/or ingenious approach to a variety of mental health practices, including those aimed at prevention and early intervention. As long as the INN project contributes to learning and maintains alignment with the MHSA General Standards set forth in CCR, Title 9, section 3320, it may affect virtually any aspect of mental health practices or assessment of a new application of a promising approach to solving persistent, seemingly intractable mental health challenges. To illustrate the breadth of possibilities outside of practices/approaches currently considered part of mental health, proposed INN projects may have an impact on (for example):

- Administrative/governance/organizational practices, processes or procedures
- Advocacy
- Education and training for service providers (including non- traditional mental health practitioners)

- Outreach, capacity building and community development
- Planning
- Policy and system development
- Prevention, early intervention
- Public education efforts
- Research
- Services and/or treatment interventions

A county may submit an INN work plan that adds a strategy to a currently approved CSS or PEI work plan, keeping in mind that the addition must meet all of the criteria for an INN project.

### **Time Limit**

By their nature, INN projects are similar to pilot or demonstration projects and are subject to time limitations to assess and evaluate their efficacy. Since the project takes time to develop and implement, a work plan should be completed within a time frame that is sufficient to allow learning to occur and to demonstrate the feasibility of the project being assessed.

When developing a work plan, counties should consider the time needed to implement and assess the INN project and arrive at a timeframe that is logically needed for the particular project. This is not intended to fund longitudinal studies or ongoing services that would be more appropriately funded from CSS or PEI funds.

It is expected that Innovations will evolve and that some elements of a project might not work as originally envisioned. Such learning and adaptations are likely to be key contributions of the INN project. However, if the county and its stakeholders conclude that an INN project is not meeting design and outcome expectations to the extent that continuation is not useful and will not add to the learning, the county may terminate the project. The county must notify DMH in writing within 30 days of its decision to discontinue a project and provide the basis for the decision, including an explanation of how stakeholders provided input to the decision. The county must also describe the reasonable efforts made to ensure that all parties affected, including stakeholders, have been advised by public notice of the project's discontinuance. In the rare instance when a project needs to be terminated immediately due to unforeseen legal, ethical or other risk-related reasons, the county should immediately notify in writing, both the DMH and all parties affected of its decision and the basis for the decision. When a project is terminated early, any unspent distributed funds must be identified in the County's Revenue and Expenditure Report for the fiscal year.

### **Reporting**

The following reports are expected to be included as a part of the county's annual update or integrated Three-Year Plan:



(a) Annual Reporting

Counties are required to provide a brief description on the progress of each of their projects in their annual update to DMH, consistent with the requirements contained in the proposed guidelines for annual updates.

(b) Final Innovation Report

Each county must provide to DMH and the MHSOAC a final report upon completion of the project. The final report may be included in the County's annual update or its integrated Three-Year Plan, whichever is due during the year the project is completed; the county does not have to provide a separate report. The Final Innovation Report will be posted on the DMH and MHSOAC websites from which others can learn about the project and its findings. The final report should include:

- A brief description of the issue addressed (up to one-half page)
- A description of the project including the purpose(s) and expected outcome (up to one page)
- An analysis of the effectiveness of the project using the data that was collected and including the perspective of the project participants. The analysis should include at least the following information: (up to three pages)
  - Any changes or modifications made during implementation
  - How it affected those who used it
  - What was learned
  - Whether the project would be recommended for others to replicate, including any lessons learned in implementation, with a comment about its cost effectiveness
  - Whether the project will be continued under a different funding source:
    - If not, why not?
    - If yes, what is the source for new, ongoing funding?
- A description or links to any reports, manuals, CDs or DVDs or videos, or other materials that have been developed and will be used to communicate lessons learned and project results

**PART IV: Innovation Funding**

WIC, section 5892, subdivision (a)(6) states:

Five percent of the total funding for each county mental health program for Parts 3, 3.6 and 4 shall be utilized for Innovative Programs pursuant to an approved plan required by Section 5830 and such funds may be distributed by the department only after such programs have been approved by the Oversight and Accountability Commission established pursuant to Section 5845.

This component has its own Planning Estimate (see DMH Info Notice 08-36). This funding source is independent of requirements and priorities adopted for CSS and/or PEI guidelines. Up to 100 percent of available funding may be

requested in the initial work plan submission for the INN component. Any remaining funds may be requested in subsequent updates expanding the initial INN work plan or beginning an entirely new work plan. INN Funding is subject to the three-year reversion requirement set forth in WIC section 5892, subdivision (h) (See DMH Information Notice 08-07).

### **Regional Collaboration**

While regional collaboration among counties is allowed by the MHSA, it is encouraged under Innovation. Two or more counties can work together on a joint INN project. Each county will need to submit its own work plan as part of an INN component or update to access its Planning Estimate funds; however, the content of the work plans can be the same for all members of the regional collaborative and include the total budget that clearly displays each county's share of the budget.

### **Sustaining the Innovation**

If an INN project has proven to be successful and a county chooses to continue it, the work plan must transition to a different funding source (as determined by the county), for example the CSS component, the PEI component, (i.e., a new work plan) or another source of stable funding. Counties should consider integrating a successful INN project into other components when planning for the future.

### **Non-Supplant**

According to CCR, Title 9, Division 1, Chapter 14, section 3410, the MHSA non-supplant requirements related to county expenditures must be met.

### **Community Partnering and Collaboration**

It is anticipated that the INN project will contribute to the development of collaborative partnerships, especially with organizations and systems not traditionally defined and funded as a part of mental health care.

Leveraging of resources is not required but is expected, when appropriate, to maximize the impact of a county's allocation for this component as a way of building capacity by extending the reach and impact of the project through collaboration with community partners. For the purposes of this component, the term "leveraging" is used broadly and may include, (for example):

- Cash match
- Federal reimbursements in the health system
- In-kind contributions
- Use of facilities and other resources

- Time commitment to develop, implement, assess and communicate the impact of the Innovation

Leveraging of resources is encouraged, for example, through forming partnerships outside the mental health system that broaden the scope of current mental health practice and enhance the work plan. Additionally, regional approaches, which are also encouraged, can leverage resources through collaboration.

## **PART V: Innovation Work Plan**

Work plans should include Exhibits A through F. Exhibit G is optional.

### **County Certification (Exhibit A)**

Provide a signed statement by the county's Mental Health Director that all requirements for the planning, implementation and funding of the work plan have been considered and will be followed, including non-supplant requirements, the CPP and Local Review processes. The certification should include a statement of assurance that an individual's participation in any INN project is voluntary and that all the information included in the documents submitted is true and correct.

The name and contact information of the Mental Health Director's designated project lead for all matters related to this work plan, along with a name for the project must also be provided.

### **Community Program Planning Process and Local Review (Exhibit B)**

Counties must provide sufficient detail documenting that the requirements of CCR, Title 9, sections 3300 and 3315 were met. The documentation of the CPP and Local Review processes that were conducted shall include:

- (a) A description of the Community Program Planning Process for development of the INN project, including the methods for obtaining stakeholder input;
- (b) Identification of the stakeholder entities involved in the Community Program Planning Process, and
- (c) The dates of the 30-day stakeholder review and public hearing including substantive comments received during the stakeholder review and public hearing and responses to those comments.

The county should indicate if no substantive comments were received. Counties should maintain copies or a log of all comments that were submitted during this process, including those submitted anonymously.

### **Work Plan Narrative (Exhibit C)**

Counties shall respond to the following:

1. Indicate the purpose(s) and the reason for this selection.
2. Describe the INN project, the issue it addresses and the expected outcome, i.e. how the innovation may create positive change. Include a statement of how the project supports and is consistent with the General Standards as set forth in CCR, Title 9, section 3320.
3. Describe how this project is new to the field of mental health and contributes to learning, consistent with one or more of the three approaches to learning outlined in “Definition of Innovation.”
4. Indicate the timeframe within which the project will operate: The county should provide a brief explanation why this timeline will allow sufficient time for the desired learning to occur and to demonstrate the feasibility of replicating the project.
5. Describe how the project will be reviewed and assessed and how the county included the perspectives of stakeholders in the review and assessment.
6. Provide a list of resources to be leveraged, if applicable.

### **Work Plan Description (Exhibit D)**

Counties are to provide a concise overall description of each proposed project, including services to be provided, if applicable, along with the features of the project that further the goals of the MHSA. This information will be posted on the DMH website. In addition, if applicable, the county should provide a description of the population(s) to be served, number of clients to be served annually, and demographic information including age, gender, race, ethnicity and language spoken as well as situational characteristic(s) of the population to be served for each proposed INN project.

### **Innovation Funding Request (Exhibit E)**

Counties must complete an Innovation Funding Request worksheet to obtain funding for the component.

### **Innovation Projected Revenues and Expenditures (Exhibit F)**

Counties must provide a completed Innovation Projected Revenues and Expenditures.

### **Request for Community Program Planning Funds (Exhibit G) [Optional]**

Counties may submit a Request for Community Program Planning Funds at any time before submission of its initial INN component. The intent of funding for the Innovation CPP Process is to provide the resources (if needed) to engage in activities necessary to develop the county’s INN component of its Three-Year

Plan. Counties should submit a hard copy of the Request for Funding with the original signature of the county Mental Health Director and transmit an electronic copy to:

Mailing address: Local Program Support  
Department of Mental Health  
1600 9th Street, Room 100  
Sacramento, CA 95814

Email: [ccta@dmh.ca.gov](mailto:ccta@dmh.ca.gov)

#### **PART VI: Submission Guidelines and Work Plan Approval Process**

Counties may request MHSA INN component funding through a work plan, which is to be submitted to DMH and the MHSOAC. Counties can submit more than one work plan, up to the total of the county's Innovation Planning Estimate.

One original copy should be submitted to Local Program Support liaison. In addition, one electronic copy should be submitted to both the Local Program liaison and to the MHSOAC:

Mailing address: Local Program Support  
Department of Mental Health  
1600 9th Street, Room 100  
Sacramento, CA 95814

Email: [ccta@dmh.ca.gov](mailto:ccta@dmh.ca.gov)

MHSOAC copies should be sent to:

Mailing Address: MHSOAC  
1300 17th St., Suite 1000  
Sacramento, CA 95811  
Attn: Sheri Whitt

E-mail: [MHSOAC@dmh.ca.gov](mailto:MHSOAC@dmh.ca.gov)

All work plans must include:

- County Certification (Exhibit A)
- Community Program Planning Process and Local Review (Exhibit B)
- Work Plan Narrative (Exhibit C)
- Work Plan Description (Exhibit D)
- Innovation Funding Request (Exhibit E)
- Innovation Projected Revenues and Expenditures (Exhibit F)

Request for Community Program Planning Funds (Exhibit G) is optional.

Final electronic versions of the exhibits will be posted on the DMH website.

## **Review and Approval**

Upon receipt of a Three-Year Plan or an update containing a completed work plan, DMH and the MHSOAC will have sixty days to review and comment on the plan, including the approval of funds by the MHSOAC. Staff from the MHSOAC will work closely with county staff to assist with submission, identifying any needed information and obtaining approval of the Three-Year Plan or update from the MHSOAC.