



JOHN CHIANG
California State Controller

May 9, 2011

Ms. Nancy Patton, Asst. Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814

Ms. Greta S. Hansen
Office of the County Counsel
County of Santa Clara
70 W. Hedding Street, East Wing 9th Fl.
San Jose, CA 95110

RE: **Incorrect Reduction Claim**

Handicapped and Disabled Students, 09-4282-I-5
Government Code Sections 7570 et seq. (AB 3632)
Fiscal Years: 2003-04, 2004-05, and 2005-06
Santa Clara County, Claimant

Dear Ms. Patton and Ms. Hansen:

This letter is in response to the County's comments to the Controller's response to the IRC and Draft Staff Analysis. Attached please find a complete and detailed response to the County's comments from our Division of Audits, exhibits, and supporting documentation with declaration.

Sincerely,

A handwritten signature in cursive script that reads "Shawn D. Silva".

SHAWN D. SILVA
Senior Staff Counsel

Attachments

cc: Jill Kanemasu (w/o attachments)
Jim Spano (w/o attachments)

1 **OFFICE OF THE STATE CONTROLLER**

2 300 Capitol Mall, Suite 1850
3 Sacramento, CA 94250
4 Telephone No.: (916) 445-6854

5 **BEFORE THE**
6 **COMMISSION ON STATE MANDATES**
7 **STATE OF CALIFORNIA**

8
9
10 **INCORRECT REDUCTION CLAIM ON:**

11 *Handicapped and Disabled Students Program*

12 Chapter 1747, Statutes of 1984
13 Chapter 1274, Statutes of 1985

14 **SANTA CLARA COUNTY, Claimant**

No.: CSM 09-4282-I-5

AFFIDAVIT OF BUREAU CHIEF

15
16 I, Jim L. Spano, make the following declarations:

- 17 1) I am an employee of the State Controller's Office and am over the age of 18 years.
- 18 2) I am currently employed as a Bureau Chief, and have been so since April 21, 2000.
19 Before that, I was employed as an audit manager for two years and three months.
- 20 3) I am a California Certified Public Accountant (CPA).
- 21 4) I reviewed the work performed by the State Controller's Office (SCO) auditor.
- 22 5) Any attached copies of records are true copies of records, as provided by the City of
23 Los Angeles or retained at our place of business.
- 24 6) The records include claims for reimbursement, along with any attached supporting
25 documentation, explanatory letters, or other documents relating to the above-entitled
Incorrect Reduction Claim.

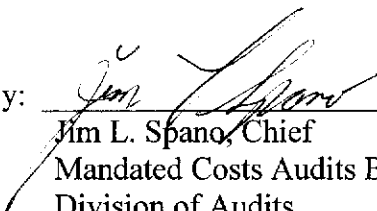
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7) A field audit of the claims for fiscal year (FY) 2003-04, FY 2004-05, and FY 2005-06 was completed on June 30, 2009.

I do declare that the above declarations are made under penalty of perjury and are true and correct to the best of my knowledge, and that such knowledge is based on personal observation, information, or belief.

Date: May 9, 2011

OFFICE OF THE STATE CONTROLLER

By: 

Jim L. Spano, Chief
Mandated Costs Audits Bureau
Division of Audits
State Controller's Office

**RESPONSE BY THE STATE CONTROLLER'S OFFICE (SCO)
TO SANTA CLARA COUNTY'S MAY 4, 2011, REBUTTAL COMMENTS
ON THE SCO'S APRIL 22, 2011, RESPONSE TO
THE COUNTY'S INCORRECT REDUCTION CLAIM (CSM-09-4282-I-5) AND
THE COMMISSION ON STATE MANDATES' DRAFT STAFF ANALYSIS
For Fiscal Year (FY) 2003-04, FY 2004-05, and FY 2005-06**

**Handicapped and Disabled Students Program
Chapter 1747, Statutes of 1984; and Chapter 1274, Statutes of 1985**

SUMMARY

The following is the State Controller's Office's (SCO) response to the rebuttal comments submitted by Santa Clara County relative to the Commission on State Mandates' (CSM) Draft Staff Analysis of the Incorrect Reduction Claim (IRC) filed by the county. The SCO reviewed the county's rebuttal comments to CSM's analysis of the county's IRC for the legislatively mandated Handicapped and Disabled Students Program for the period of July 1, 2003, through June 30, 2006.

We disagree with the county's rebuttal comments submitted in reference to the CSM's analysis of the county's IRC. Our analysis and response is as follows.

I. SANTA CLARA COUNTY'S REBUTTAL COMMENTS

Below is an outline of the county's rebuttal comments to SCO responses to the county's IRC and the CSM's Draft Staff Analysis. For the complete analysis, please refer to the county's rebuttal letter. The county asserts the following:

1. The Commission staff correctly concluded that the mental health rehabilitation services provided by the County are reimbursable under the AB 3632 mandate.
2. The mode and service function codes used in the Medi-Cal context to categorize service delivery units are not relevant to whether rehabilitation services are reimbursable under AB 3632.
3. The footnote in the Commission's statement of decision on reconsideration of the *Handicapped and Disabled Students* program has no bearing on whether the County's rehabilitation services are included within the program.
4. The fact that the County's mental health rehabilitation services may give rise to some ancillary socialization and vocational benefits does not render them ineligible for reimbursement under AB 3632.
5. The County was not required to apply SB 163 Wraparound funding to offset its claim for the services at issue.

II. SCO ANALYSIS OF SANTA CLARA COUNTY'S REBUTTAL COMMENTS

SCO's Analysis

The outpatient rehabilitation services, mode 15, service function code 35, are separate and distinct from day rehabilitation services, mode 10, service function codes 91-99. The two services differ in terms of definition, tracking, reporting, and service delivery. The county continues to assert that portions of outpatient rehabilitation services fall within the definition of day rehabilitation services without fully addressing the aforementioned differences in the context of services provided, reporting mechanisms, and federal Medi-Cal reimbursement. The service definitions and coding

provide the basis for the cost report submitted to California Department of Mental Health (DMH) and for Medi-Cal reimbursement. The county further uses these distinctions to prepare its state-mandated cost claim. The county maintains and reports its services in accordance with these categories. We maintain that outpatient rehabilitation services have not been pled before the CSM as part of any test claim. The only consideration of outpatient rehabilitation services by the CSM was in the reconsideration of the Handicapped and Disabled Students program.

The county continues to assert that our audit scope was limited because we did not consider federal regulations—specifically, the Individuals with Disabilities Education Act (IDEA). Our audit's primary focus was to assess the compliance of the county-filed state-mandated cost claims in accordance with the program's parameters and guidelines adopted by the CSM. However, the portion of IDEA funds allocated from the California Department of Education's (CDE) budget to the California Department of Mental Health's (DMH) budget is for the purpose of funding only eligible state-mandated costs (**Tab 1**). As such, these funds should be applied as offsetting revenues to state-mandated cost program claims. Services provided outside of the scope of the state-mandated program's parameters and guidelines are not subject to reimbursement (i.e., socialization services, vocational services, crisis services, etc.). So, in accordance with the Budget Act, IDEA funds distributed by DMH should not be used to support services provided outside of the state-mandated cost program's parameters and guidelines.

In its response, the county continues to assert that the SB 163 (Chapter 795, Statutes of 1997) Wraparound revenues are not relevant and should not be considered as part of the IRC. SB 163 identifies as eligible children seriously emotionally disturbed pupils placed out of home pursuant to an individualized educational program (Government Code section 7572.5) (**Tab 2**). Further, this information has also been provided in All County Information Notices distributed by the California Department of Social Services (**Tab 3**). The outpatient rehabilitation services provided by the county are identified as Wraparound services (Program 8370-10/Uplift) in progress notes (**Tab 4**), and these services are consistent with vendor contracts (**Tab 5**). Noteworthy items in the sample contract include joint funding (**Tab 5 - Page 2, item 2.a.**), eligibility (**Tab 5 - Page 5, item III.B.3.**), and hours of operation (**Tab 5 - Page 6, Item D.1.-2.**). The contract provides that the Wraparound program is jointly funded (i.e., mental health, social services, etc.), includes AB 3632 clients, and is available on an as-needed basis, similar to a crisis-related service. Consequently, we requested information from our audit contact, Martha Paine, Director of General Fund Financial Services, regarding the rehabilitation services in relation to the Wraparound program and the identification of offsetting revenues (**Tab 6**). The county did not respond to our audit inquiries, nor did the county address the issue in its response to our draft report. Despite the lack of response from the county, we continue to believe that Wraparound revenues deserve consideration in the determination of the eligibility of outpatient rehabilitation services.

Conclusion

The outpatient rehabilitation services are separate and distinct from day rehabilitation services in terms of definition, tracking, reporting and service delivery. The county and the declarations of its experts do not fully address these distinctions. Further, they do not address potential ramifications arising from the misreporting of services to federal and state agencies. The state-mandated cost program's parameters and guidelines do not include outpatient rehabilitation services. Our audit assessed the compliance of county-filed mandated cost claims in accordance with the aforementioned program's parameters and guidelines. The Wraparound program is relevant to the CSM's determination of the eligibility of outpatient rehabilitation services provided by the county because the services are provided as part of that program.

SCO's Rebuttal Comment

Our brief response to each of the county's following points appears in italic below:

1. The Commission staff correctly concluded that the mental health rehabilitation services provided by the County are reimbursable under the AB 3632 mandate.

We disagree and maintain that outpatient rehabilitation services are separate and distinct from day rehabilitation services. Further, the county and its experts do not fully address these differences; they merely state that portions of outpatient rehabilitation fall within the definition of day rehabilitation. The county discusses IDEA funds, but does not mention that the portion of funds provided by CDE to DMH are to support eligible state-mandated costs. Further, the county appears to misinterpret our audit in that we assessed the compliance of the county-filed claims in accordance with the state-mandated program's parameters and guidelines.

2. The mode and service function codes used in the Medi-Cal context to categorize service delivery units are not relevant to whether rehabilitation services are reimbursable under AB 3632.

We disagree. The mode and service function codes are relevant because the services are separate and distinct. Outpatient rehabilitation services are not day rehabilitation services; the county and its vendors maintain these distinctions when defining, providing, tracking, billing, reporting and claiming reimbursement for services rendered. Also, in accordance with the program's parameters and guidelines, the cost report method is an acceptable method by which to prepare claims and Medi-Cal is identified as offsetting revenue. Both the cost report method and the determination of Medi-Cal revenues rely on the accurate reporting of services within the mode and service function code categories.

3. The footnote in the Commission's statement of decision on reconsideration of the *Handicapped and Disabled Students* program has no bearing on whether the County's rehabilitation services are included within the program.

We disagree because the county claims rehabilitation services that are provided in accordance with the same definition. The outpatient rehabilitation services provided include fringe services that are excluded from reimbursement under the state-mandated cost program. Also, as previously mentioned, the Medi-Cal definitions are pertinent because the county uses the cost report method to file its state-mandated cost claim, and the program's parameters and guidelines identify Medi-Cal as an offsetting revenue.

4. The fact that the County's mental health rehabilitation services may give rise to some ancillary socialization and vocational benefits does not render them ineligible for reimbursement under AB 3632.

*We disagree. The county's argument fails to acknowledge that outpatient rehabilitation and day rehabilitation are separate and distinct services. The county continues to assert that outpatient rehabilitation falls within the definition of day rehabilitation. The county does not address the other distinctions besides the fact that day rehabilitation excludes socialization and vocational services; both socialization and vocational services are separate services under mode 10. The outpatient rehabilitation and day rehabilitation services also differ in terms of definition, tracking, reporting, and service delivery. As noted in our response to the IRC, another key difference is that outpatient rehabilitation can be provided by unlicensed personnel. Lastly, we believe the county's *Manual for Outpatient Mental Health Services* is important because the county uses the cost report method and a portion of the clients served are Medi-Cal.*

5. The County was not required to apply SB 163 Wraparound funding to offset its claim for the services at issue.

We disagree. The SB 163 Wraparound funding is pertinent because outpatient rehabilitation services along with the identification of associated revenues have not been pled before the CSM as part of a test claim, the outpatient rehabilitation services provided are identified as Wraparound by the county, and AB 3632 clients are eligible for Wraparound services. We maintain that outpatient rehabilitation has not been pled before the CSM as part of a test claim and the only time the CSM considered the service was as part of the reconsideration of the Handicapped and Disabled Students program. In accordance with the program's parameters and guidelines all associated federal and state revenues should be offset against claimed costs. The outpatient rehabilitation services provided by the county are identified as part of Wraparound program in progress notes and in vendor contracts. SB 163 identifies AB 3632 clients as eligible for Wraparound services and the California Department of Social Services provides the same in notices distributed to counties.

III. CONCLUSION

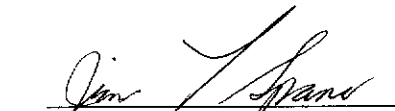
The State Controller's Office reviewed the rebuttal comments put forth by Santa Clara County concerning its claims for costs of the legislatively mandated Handicapped and Disabled Students (Chapter 1747, Statutes of 1984; and Chapter 1274, Statutes of 1985) for the period of July 1, 2003, through June 30, 2006. The county claimed unallowable costs totaling \$19,688,389. The county disputes \$8,658,336 in rehabilitation adjustments.

In conclusion, we believe that once the Commission on State Mandates reviews the relevant facts of the IRC it will reconsider its analysis and find that: (1) the SCO correctly reduced the county's FY 2003-04 claim by \$6,741,221; (2) the SCO correctly reduced the county's FY 2004-05 claim by \$6,884,080; and (3) the SCO correctly reduced the county's FY 2005-06 claim by \$6,063,088.

IV. CERTIFICATION

I hereby certify by my signature below that the statements made in this document are true and correct of my own knowledge, or, as to all other matters, I believe them to be true and correct based upon information and belief.

Executed on May 9, 2011, at Sacramento, California, by:


Jim L. Spano, Chief
Mandated Cost Bureau
Division of Audits
State Controller's Office

Tab 1

STATE OF CALIFORNIA

2003-04
FINAL BUDGET SUMMARY



Published by
DEPARTMENT OF FINANCE

This is an informational publication provided to reflect action of the Governor and Legislature on the Budget Bill/Act. Appropriations reduced or eliminated by the Governor are shown in strike-out type. The appropriations shown in italics incorporate the Governor's veto actions. Errors in the Budget Act (Chapter 157, Statutes of 2003) have been corrected in this publication.

Item

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- accordance with the statutory funding formula required by federal IDEA and the special education funding formula required pursuant to Chapter 7.2 (commencing with Section 56836) of Part 30 of Division 4 of Title 2 of the Education Code, without waiting 30 days, but shall provide a notice to the Legislature each time a transfer occurs.
16. Of the funds appropriated in Schedule (2) of this item, \$250,000 shall be provided to districts for interpreter instruction, training, and certification. This funding shall be annually renewable for two years.
 17. Of the funds appropriated in Schedule (4) of this item, \$69 million shall be used exclusively to support mental health services provided during the 2003–04 fiscal year by county mental health agencies pursuant to Chapter 26.5 (commencing with Section 7570) of Division 7 of the Government Code and that are included within an individualized education program pursuant to the Federal Individuals with Disabilities Education Act (IDEA). Each county office of education receiving these funds shall contract, on behalf of special education local planning areas in their county, with the county mental health agency for the purpose of transferring these funds to the county mental health agency to provide the specified mental health services. This funding shall be considered offsetting revenues within the meaning of subdivision (e) of Section 17556 of the Government Code for any reimbursable mandated cost claim for provision of these mental health services provided in 2003–04. Of the amount available in this provision, \$12,334,000 shall be distributed consistent with an allocation plan formulated by the State Department of Mental Health, in consultation with representatives of county mental health agencies. These funds shall be used exclusively for purposes of funding mental health services, which are identified within an individualized education program, in 2003–04. The State Department of Mental Health shall submit an allocation plan to the Department of Finance and the Joint Legislative Budget Committee. The Department of Fi-

Item

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nance shall review the plan and either approve or disapprove the plan within 21 days of submission. If the Department of Finance fails to approve or disapprove the plan within 21 days the plan shall be deemed to be approved. If the Department of Finance disapproves the plan it shall (a) submit a letter to the Joint Legislative Budget Committee that explains the rationale for disapproval and (b) convene a working group consisting of representatives of the Department of Finance and the State Department of Mental Health and staff of the appropriate policy and fiscal committees of the Legislature. The working group shall jointly develop a revised expenditure plan and submit that plan to the Director of Finance for approval. The remaining funds shall be distributed to counties proportionately based on approved mandated cost claims filed for the 2001-02 fiscal year. It is the intent of the Legislature that the allocation method prescribed by this provision be in effect for the 2003-04 fiscal year only.

6110-163-0001—For local assistance, Department of Education (Proposition 98), for transfer to Section A of the State School Fund, Program 10.60.060.010—The Early Intervention for School Success Program established pursuant to Article 4.5 (commencing with Section 54685) of Chapter 9 of Part 29 of the Education Code

2,169,000

6110-164-0001—For local assistance, Department of Education, for purposes of funding School-to-Career Partnerships, pursuant to Chapter 17 (commencing with Section 53080) of Part 28 of the Education Code (Proposition 98).....

1,700,000

Provisions:

1. For purposes of the local school-to-career partnership grants, local educational agencies may elect to contract with nonprofit or private entities for providing service delivery. Funds appropriated in this item shall be used as matching funds to cash or in-kind contributions raised by local educational agencies, or nonprofit or private entities contracted by local educational agencies, for School-to-Career Partnerships. Funds may not be disbursed from this appropriation until the requesting local educational agency or contracting

Tab 2

Senate Bill No. 163

CHAPTER 795

An act to amend Sections 18250, 18251, 18252, 18253, 18254, 18255, 18256, and 18257 of, to amend the heading of Chapter 4 (commencing with Section 18250) of Part 6 of Division 9 of, and to add Sections 18253.5 and 18256.5 to, the Welfare and Institutions Code, relating to public social services.

[Approved by Governor October 8, 1997. Filed
with Secretary of State October 9, 1997.]

LEGISLATIVE COUNSEL'S DIGEST

SB 163, Solis. Children: wrap-around services.

Existing law creates the Aid to Families with Dependent Children-Foster Care program, under which a combination of federal, state, and county funds are used to provide reimbursement to families and facilities providing foster care to eligible children.

Existing law also requires each county to provide child welfare services.

Existing law also provides, until July 1, 2001, for the establishment in Santa Clara County, at the county's option, of a pilot project to continue the provision of intensive wrap-around services, as defined, to eligible children in foster care or at imminent risk of this placement. These provisions would be repealed on January 1, 2002.

This bill would, instead, permit each county to participate in this pilot project, if approval for the county's participation is given by the State Department of Social Services, and would make various other changes in these pilot project provisions.

The bill would also extend the operative date of these provisions until October 1, 2003, and the date of their repeal until April 1, 2004.

The people of the State of California do enact as follows:

SECTION 1. The heading of Chapter 4 (commencing with Section 18250) of Part 6 of Division 9 of the Welfare and Institutions Code is amended to read:

CHAPTER 4. COUNTY WRAP-AROUND SERVICES PILOT PROJECT

SEC. 1.5. Section 18250 of the Welfare and Institutions Code is amended to read:

18250. (a) It is the intent of the Legislature that all counties be authorized to provide children with service alternatives to group home care through the development of expanded family-based

services programs. These programs shall include individualized or "wrap-around" services, where services are wrapped around a child living with his or her birth parent, relative, adoptive parent, licensed or certified foster parent, or guardian. The wrap-around services developed under this section shall build on the strengths of each eligible child and family and be tailored to address their unique and changing needs.

(b) It is further the intent of the Legislature that the pilot project include the following elements:

(1) Making available to the county the state share of nonfederal reimbursement for group home placement, minus the state share, if any, of any concurrent out-of-home placement costs, for children eligible under this chapter, for the purpose of allowing the county to develop family-based service alternatives.

(2) Enabling the county to access all possible sources of federal funds for the purpose of developing family-based service alternatives.

(3) Encouraging collaboration among persons and entities including, but not limited to, parents, county welfare departments, county mental health departments, county probation departments, county health departments, special education local planning agencies, school districts, and private service providers for the purpose of planning and providing individualized services for children and their birth or substitute families.

(4) Ensuring local community participation in the development and implementation of wrap-around services by county placing agencies and service providers.

(5) Preserving and using the service resources and expertise of nonprofit providers to develop family-based and community-based service alternatives.

SEC. 2. Section 18251 of the Welfare and Institutions Code is amended to read:

18251. As used in this chapter:

(a) "County" means each county participating in an individualized or "wrap-around" pilot project.

(b) "County placing agency" means a county welfare or probation department, or a county mental health department with respect to those children placed pursuant to Section 7572.5 of the Government Code.

(c) "Eligible child" means a child who is any of the following:

(1) A child who has been adjudicated as either a dependent or ward of the juvenile court pursuant to Section 300, 601, or 602 and who would be placed in a group home licensed by the department at a rate classification level of 12 or higher.

(2) A child who would be voluntarily placed in out-of-home care pursuant to Section 7572.5 of the Government Code.

(3) A child who is currently, or who would be, placed in a group home licensed by the department at a rate classification level of 12 or higher.

(d) "Wrap-around services" means community-based intervention services that emphasize the strengths of the child and family and includes the delivery of coordinated, highly individualized unconditional services to address needs and achieve positive outcomes in their lives.

(e) "Service allocation slot" means a specified amount of funds available to the county to pay for an individualized intensive wrap-around services package for an eligible child. A service allocation slot may be used for more than one child on a successive basis.

SEC. 3. Section 18252 of the Welfare and Institutions Code is amended to read:

18252. Each county shall, at the county's option, develop a county plan for intensive wrap-around services and monitor the provision of those services in accordance with the plan. This plan shall be submitted to the department for informational purposes. Where a county operates both systems of care under the Children's Mental Health Services Act, Part 4 (commencing with Section 5850) of Division 5, and wrap-around services, these plans shall be coordinated. Each county's plan shall include all the following elements:

(a) A process and protocol for reviewing the eligibility of children and families for service and for monitoring accessibility and availability of service to the targeted population. Children shall be determined as eligible for wrap-around services pursuant to subdivision (c) of Section 18251, except that:

(1) Once a child is determined to be eligible for wrap-around services under this chapter, he or she shall remain eligible for the time period specified in his or her individualized services plan.

(2) A child and family participating in a family maintenance services program as described in Section 16506 and the wrap-around services program, shall not be subject to the time limitations specified in Section 16506.

(b) A process to accept, modify, or deny proposed individualized service plans for eligible children and families.

(c) A process for parent support, mentoring, and advocacy that ensures parent understanding of, and participation in, wrap-around services programs.

(d) A planning and review process to support and facilitate the following principles in delivering intensive wrap-around services to eligible children and families:

(1) Focusing on an individual child and family through the creation of service plans designed specifically to address the unique needs and strengths of each child and his or her family.

(2) Providing services geared toward enabling children to remain in the least restrictive, most family-like setting possible.

(3) Developing a close collaborative relationship with each child's family in the planning and provision of wrap-around services.

(4) Conducting a thorough, strengths-based assessment of each child and family that will form the basis for the development of the individualized intervention plan.

(5) Designing and delivering services that incorporate the religious customs, and regional, racial, and ethnic values and beliefs of the children and families served.

(6) Measuring consumer satisfaction to assess outcomes.

(e) Written interagency agreements or memorandums of understanding between the county departments of mental health, social services, and probation that specify jointly provided or integrated services, staff tasks and responsibilities, facility and supply commitments, budget considerations, and linkage and referral services.

SEC. 4. Section 18253 of the Welfare and Institutions Code is amended to read:

18253. Each county shall ensure that an evaluation of the pilot project is conducted to determine the cost and treatment effectiveness of outcomes such as family functioning and social performance, preventing placement in more restrictive environments, improving emotional and behavioral adjustments, school attendance, and academic performance for eligible children. Systems of care outcomes shall be included to the extent they are applicable to the target population.

SEC. 5. Section 18253.5 is added to the Welfare and Institutions Code, to read:

18253.5. Each county shall ensure that staff participating in the pilot projects have completed training provided or approved by the department, on providing individualized wrap-around services.

SEC. 6. Section 18254 of the Welfare and Institutions Code is amended to read:

18254. (a) Reimbursement rates for intensive wrap-around services, under this pilot project, shall be based on the average cost of rate classification levels 12 to 14, inclusive, in each county, minus the cost, if any, of concurrent out-of-home placement of those children.

(b) The annual maximum limit on funding available for the pilot project authorized by this chapter shall be based on the average cost, determined pursuant to subdivision (a), for the number of service allocation slots assigned to each county.

(c) The department shall reimburse each county, for the purpose of providing intensive wrap-around services, up to 100 percent of the state share of nonfederal funds, to be matched by each county's share of cost as established by law, and to the extent permitted by federal

law, up to 100 percent of the federal funds allocated for group home placements of eligible children, at the rate authorized pursuant to subdivision (a).

(d) State and, to the extent permitted by federal law, federal foster care funds shall remain with the administrative authority of the county welfare department, which may enter into an interagency agreement to transfer those funds, and shall be used to provide intensive wrap-around services.

(e) General Fund costs for the provision of benefits to eligible children pursuant to subdivision (c) of Section 18251 at rates authorized by subdivision (a) through the pilot project authorized by this chapter shall not exceed the costs which would otherwise have been incurred had the eligible children been placed in a group home.

SEC. 7. Section 18255 of the Welfare and Institutions Code is amended to read:

18255. This pilot project may be extended to any county that applies to, and is granted approval, by the department. The number of service allocation slots assigned to each county shall be determined by each county and approved by the department.

SEC. 8. Section 18256 of the Welfare and Institutions Code is amended to read:

18256. Each county shall evaluate its pilot project, prepare interim and final evaluations, and submit them to the appropriate committees of the Legislature and to the department. The interim report shall be submitted not later than six months following the start of the third year of the pilot project. The final report shall be submitted not later than six months following the end of the five-year pilot project. These reports shall assess the effectiveness of the pilot project authorized by this chapter. The reports shall include, but need not be limited to, all of the following:

(a) The effectiveness of the project in reducing the level of out-of-home services required, and in reducing the average length of stay in out-of-home care.

(b) A comparison of the cost of placement and services for children in the pilot project with the average cost of out-of-home placement for the same number of children.

(c) The effectiveness of the pilot project in assisting children and families in attaining their service goals.

SEC. 9. Section 18256.5 is added to the Welfare and Institutions Code, to read:

18256.5. At the end of a county's pilot project, in order to prevent disruption to the child, each child remaining in the pilot project shall continue to receive all planned services specified in the child's individualized services plan until his or her case is closed.

SEC. 10. Section 18257 of the Welfare and Institutions Code is amended to read:

18257. This chapter shall become inoperative on October 1, 2003, and, as of April 1, 2004, is repealed, unless a later enacted statute, that becomes operative on or before April 1, 2004, deletes or extends the dates on which it becomes inoperative and is repealed.

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Tab 3



JOHN A. WAGNER
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



ARNOLD SCHWARZENEGGER
GOVERNOR

November 25, 2008

ALL COUNTY INFORMATION NOTICE NO. I-91-08

REASON FOR THIS TRANSMITTAL

- State Law Change
- Federal Law or Regulation Change
- Court Order
- Clarification Requested by One or More Counties
- Initiated by CDSS

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY FISCAL OFFICERS
ALL COUNTY CHILD WELFARE SERVICE PROGRAM MANAGERS
ALL CHIEF PROBATION OFFICERS
ALL ADOPTION DISTRICT OFFICES

SUBJECT: QUESTIONS AND ANSWERS ON CALIFORNIA WRAPAROUND SERVICES (SENATE BILL 163)

REFERENCE: SB 163 (CHAPTER 795, STATUTES OF 1997), ACIN I-28-99, ACIN I-55-00, ACIN I-39-02, ACL 01-55, ACL I2-01, CFL 98/99-18, CFL 98/99-19, CFL 01/02-32, CFL 01/02-51

The purpose of this All County Information Notice (ACIN) is to provide answers to frequently asked questions submitted by counties regarding the California Wraparound Services Program (hereinafter referred to as Wraparound). The questions and answers section relates to, but is not limited to, program and funding topics regarding Wraparound, the California Work Opportunity and Responsibility to Kids (CalWORKs) Program, and the Adoption Assistance Program (AAP).

Overview and Background

Wraparound was implemented in 1997 pursuant to Senate Bill (SB) 163. The SB 163 legislation allowed California counties to pilot the Wraparound process using non-federal Aid to Families with Dependent Children – Foster Care (AFDC-FC). Counties utilize non-federal foster care dollars to provide children and families with family-based service alternatives to group home care using the Wraparound process. The Wraparound process is designed to enhance the strengths inherent in families by maximizing the family's voice to create independence for the family. As a result of the

All County Information Notice No. I-91-08
Page Two

Wraparound planning process, services and supports for children and their families are family-centered, strength-based, needs-driven, and individually tailored. Currently, there are 40 California counties that have implemented Wraparound and five counties actively planning for the implementation of Wraparound.

Wraparound Information

The following documents may be found by accessing the California Department of Social Services Wraparound Website at www.childsworld.ca.gov:

- Wraparound County List
- County Wraparound Contacts
- Wraparound Consultants

For questions regarding SB 163 Wraparound, please contact California Department of Social Services Wraparound Consultants at (916) 651-6600. There is also an email address which may be used to submit questions or request information. The email address is wraparound.questions@dss.ca.gov.

Sincerely,

Original Document Signed by

LINNÉ STOUT, Acting Chief
Child Protection and Family Support Branch

Attachment

Questions and Answers

California Wraparound

Eligibility

1. Who is eligible for California Wraparound services?

ANSWER: For the purpose of claiming Aid to Families with Dependent Children – Foster Care (AFDC-FC) assistance payments, the target population is children in or at risk of placement in group homes at Rate Classification Level (RCL) 10 to 14. Pursuant to Welfare and Institutions Code (W&IC), Section 18251, any child or youth meeting any of the following criteria is eligible for Wraparound services:

- a) A child who has been adjudicated as either a dependent or ward of the Juvenile Court and who would be placed in a group home licensed by the department at RCL 10 or higher,
- b) A child who is voluntarily placed in out-of-home care pursuant to Section 26.5 of the Government Code Assembly Bill (AB) 3632; or
- c) A child who is currently placed in, or who is at risk of being placed in, a group home licensed by the department at RCL 10 or higher.

In addition, adopted children who are eligible for Adoption Assistance Program (AAP) benefits in accordance with requirements of W&IC Section 16121, and who meet the definition of the target population, are also eligible for Wraparound using AAP as the underlying funding source. (See Questions #20 through #29 regarding AAP and Wraparound).

2. Foster care has very specific regulations regarding the claiming of AFDC-FC after a child reaches the age of 18. Do these regulations apply to a child in Wraparound?

ANSWER: The regulations regarding age do apply to a Wraparound child when the county is claiming AFDC-FC funding. The California Department of Social Services (CDSS) Manual of Policy and Procedures (MPP), Section 42-101, states a child meets the age requirement until his/her 18th birthday. However, a child who is 18 years of age, enrolled as a full-time student in a program that does not result in a college degree (high school, General Equivalency Diploma, vocational, technical) is eligible for Wraparound provided that he/she can reasonably be expected to complete the program before reaching the age of 19. In addition, according to W&IC Section 18252 (a)(1), "Once a child is determined to be eligible for Wraparound services under this chapter, he or she shall remain eligible for the time period specified in his or her

individualized service plan.” The service plan referenced is the Wraparound plan developed with the child and family team. As the child moves closer to transitioning out of foster care or graduating from Wraparound, the individualized service plan should state the transitional goals and identify the needs and strategies to help the child achieve these goals.

Counties may continue to provide Wraparound to children who have reached the age limit for claiming AFDC-FC with Wraparound cost savings (reinvestment) or with Mental Health Services Act (MHSA) funding if these activities are part of their MHSA plan.

Funding

3. What is the source of funding for Wraparound?

ANSWER: Wraparound is funded with non-federal AFDC-FC assistance payments. The legislation does not provide new funding, but allows the flexible use of non-federal AFDC-FC funds, minus the cost of any out-of-home placement, to develop in-home service alternatives to high-end group home placement.

Federal AFDC-FC (Title IV-E) cannot be used to pay for Wraparound services. Therefore, federal AFDC-FC cannot be claimed when a federally-eligible child in Wraparound is placed **at home**. However, when a federally-eligible child is in an eligible placement, the county can claim the federal share of the actual placement costs, which is currently 50 percent.

4. What are the rates for Wraparound?

ANSWER: W&IC Section 18254 established the reimbursement rates for Wraparound services. These rates are based on the current RCL for group homes in California. The current Wraparound rates were published in All County Letter 08-01E, issued April 11, 2008. The rates are:

Non-Federal Child

- The rate for RCL 13 is \$6,294 per month
- The rate for RCL 10/11 is \$5,291 per month

Federally Eligible Child (State and County Share Only)

- The rate for RCL 13 rate is \$3,147 per month
- The rate for RCL 10/11 is \$2,646 per month (See answer to #3)

Per W&IC Section 18254(c), the county can claim up to 100 percent of the State share of non-federal funds, which must be matched by the county share.

As long as there is model fidelity and with approval from CDSS, it is allowable for the county to contract with the provider at a lower, capitated rate or cost reimbursement basis. The county can claim the full RCL rate even when their contract with the provider is less than the full rate.

5. Is there a limit on the amount of funds that can be spent on a youth and family for one month?

ANSWER: The CDSS issued the Wraparound Fiscal Standards in All County Information Notice (ACIN) No. I-28-99, issued April 7, 1999 to ensure that the Child and Family Individualized Wraparound Services Plan aligned with the vision and values of the Wraparound approach.

Each county's policies and procedures should include a process for accessing funds that will be spent on a child and family in any one month or year based on needs identified in the Child and Family Individualized Wraparound Services Plan. (Fiscal Standard #1) It is important to remember that once the claimed AFDC-FC funds are received by the county and identified as Wraparound flexible funds, they are not child-specific. Therefore, based on an individualized plan, a county may choose to spend more than the RCL rate for a child and family as long as the total Wraparound Services model is cost neutral to the State. Also, the Standard states that "the organization has fiscal procedures for managing and accounting for the use of the flexible fund." (Fiscal Standard #3) Therefore, it is the county's responsibility to manage the receipt of funds and expenditures of Wraparound's flexible funding to ensure that all participating children and families are served.

It is important to note that the amount a county may spend on a child and family differs from the amount a county claims for each Wraparound "slot."

Counties should remember that Wraparound requires a braided funding strategy. Children in foster care have multiple funding streams that should be accessed to pay for mental health and health care needs. It is important to continue to utilize and leverage these funding streams for the child and family.

**Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Program
Medi-Cal**

6. What information is available about EPSDT for a Wraparound youth who is Medi-Cal eligible?

Answer: The Department of Mental Health (DMH) issued a letter (DMH 08-07) on October 30, 2008 that provides clarification regarding Medi-Cal billing for specialty mental health services under the EPSDT Program for children in

foster care and the child welfare system. The letter may be accessed at http://www.dmh.cahwnet.gov/DMHDocs/2008_Letters.asp. This letter clarifies DMH Letter 06-05, issued on July 24, 2006.

The CDSS offers Technical Assistance (TA) on EPSDT Medi-Cal billing to participating Wraparound counties and providers. This TA is conducted jointly with county Medi-Cal auditing staff to ensure consistency with each county's practices and their contract with the provider(s). The TA assists providers in understanding billing codes and provides a method of ensuring accurate reporting.

7. Can a Wraparound youth who is placed in another county access specialty mental health services?

Answer: Yes. DMH Letter 08-24, issued on August 13, 2008 provides the SB 745 regulatory changes that require local mental health plans to establish a procedure to ensure access to outpatient specialty mental health services for foster children placed outside of their county of origin. This would include Medi-Cal eligible Wraparound youth.

Cost Savings

8. If Wraparound results in cost savings or reinvestment funds to the county, are there any restrictions on how the county may reinvest those savings?

ANSWER: Wraparound is an effective alternative to group home care. The purpose of implementing Wraparound services is not to generate savings. Nevertheless, the effective use of Wraparound can result in cost savings. Over time, the cost of providing Wraparound services to children and families may decrease, resulting in cost savings. The Fiscal Standards require that the county shall ensure that "Policies are in place to ensure that any cost savings realized from utilizing Wraparound are reinvested to further expand or enhance services and resources for children and families." (Fiscal Standard #6)

The W&IC Section 18254(c) states that CDSS will reimburse the county the non-federal share to be matched by the county share as established by law. If a county realizes cost savings, then both the state and county general fund must be used for resources or expansion of services for children and families.

Miscellaneous

- 9. County Fiscal Letter (CFL) 01/02-32 states that "All children in SB 163 Wraparound slots must remain Family Reunification cases in order to continue foster care board and care payment." Please clarify this. Do Family Maintenance (FM) cases qualify for Wraparound?**

ANSWER: The information in CFL 01/02-32 is incorrect. A youth in FM can receive Wraparound services paid with SB 163 dollars. The youth's designation should remain as FM to maintain the accuracy of the child's placement. The FM youth must meet the target population outlined in WIC Section 18251(c), which states an eligible child is a child who is currently placed, or who would be placed, in a group home at RCL 10 or higher. Therefore, the county should have documentation stating why this child is "at risk" of placement into a group home at RCL 10 or higher. This is the population referred to as "at risk."

However, it is important to remember that a county's Wraparound Services Program must be cost neutral to the State. W&IC Section 18254(e) states that the costs for providing services to an eligible child shall not exceed the costs which would otherwise have been paid if the eligible child had been placed in a group home. This is the definition of cost neutral.

- 10. Does the county need to complete an eligibility determination for an FM child in Wraparound?**

ANSWER: Yes. The eligibility determination will determine the correct amount of the AFDC-C assistance payment the county can claim. The regulations regarding determination of federal eligibility are in CDSS MPP 45-201 and 202. These regulations do not change when a child is in Wraparound.

- 11. Are the FM time limits waived when a FM child is in Wraparound?**

W&IC Section 18252(a) (2) states that a child and family participating in a family maintenance services program and Wraparound shall not be subject to the time limitations specified in W&IC Section 16506.

- 12. Can a youth in Wraparound be included as an eligible person in the CalWORKs assistance unit?**

ANSWER: ACIN No. I-39-02 issued July 22, 2002, provides clarification regarding CalWORKs families who are receiving Wraparound services. Based on this ACIN, a youth in Wraparound can be included in the Assistance Unit when a family receiving CalWORKs cash aid as the foster care payment is not made directly to the family. Instead, the funds are used to provide

intensive services to the family either by the county or by an approved provider. The payment, therefore, is not considered a duplicate aid payment. Consequently, the family can continue to receive their CalWORKs payment, with the youth included in the assistance unit, provided all other eligibility requirements are met.

13. When a youth is in Wraparound, would the parent or relative caregiver receive any exemptions from meeting requirements for Welfare to Work (WTW) activities?

ANSWER: The parent or caregiver would need to meet the WTW exemption regulations in CDSS MPP Section 42-712. There are no special exemptions when a parent is participating in Wraparound.

14. Who pays for out-of-home placement or respite when a youth is in Wraparound?

ANSWER: The county or the provider would need to pay the placement cost out of the RCL rate. Per W&IC Section 18254(a) (1) and (2), when a child is in placement, the costs are paid from the Wraparound rate. For example, if a 15 year old non-federally eligible child is in an approved relative placement, the cost of the placement, per ACL 08-01 is \$627.

For a federally-eligible child who is in an eligible placement, the county can claim the federal share on the appropriate CA 800 assistance claim form. The non-federal share would be paid from the RCL rate as stated in W&IC Section 18254(a) (1) and (2).

For respite care, when deemed necessary by the child and family team, the cost would be paid from the RCL rate or other appropriate funding.

15. How does the Mental Health Services Act (Proposition 63) affect Wraparound?

ANSWER: The Mental Health Services Act (MHSA), also known as Proposition 63, became effective January 1, 2005. The MHSA intends to reduce the long-term adverse impact on individuals, families, and state and local budgets resulting from untreated serious mental illness. To prevent out of home placements for children, the MHSA "requires that counties provide children with services such as Wraparound services, pursuant to W&IC, Section 18250, commonly referred to as SB 163 Wraparound." Specifically, the MHSA, Section 10, Part 3.7, 5847 (a) (2) requires that the plan counties submit to the California Department of Mental Health include the following:

"A program for services to children in accordance with Part 4 to include a program pursuant to Chapter 6 of Part 4 of Division 9 commencing with section 18250 or provide substantial evidence that it is not feasible to establish a wraparound program in that county."

The CDSS provides technical assistance to individual counties to assess and address their specific needs and concerns, and ensure successful Wraparound implementation. More information about the MHSA can be found at the California Department of Mental Health's website at [MHSA](#).

16. How do counties request Wraparound training and technical assistance provided by CDSS?

ANSWER: To receive training, counties must send a request (email or letter) to their CDSS Wraparound Consultant, who will forward the request to the UC Davis Extension, Resource Center for Family-Focused Practice. The Resource Center will work directly with the county to schedule the training.

The CDSS also has a contract with EMQ Family Partnership Institute (FPI) to provide TA to counties. The TA is available on a variety of topics. Additionally, the county can determine their specific TA needs and request TA through their CDSS Wraparound Consultant or from EMQ FPI directly.

Counties can also request training or TA needed to meet other specific needs of their county. The CDSS reviews and evaluates each request in consultation with the county and CDSS contractors. Limited fiscal TA is available and can be tailored to meet the specific needs of the requesting county.

The CDSS offers training and TA to counties at no cost to the county. The CDSS provides training to involve active family participation and helps ensure effective implementation of the Wraparound approach. Training is required for staff who provide direct services, as well as for supervisory and administrative staff. This ensures that staff have the education, training, and support necessary to design, implement, and operate Wraparound at the systems, program, and practice levels. Children and families are offered training and information that will support them in their roles as active, informed decision-makers.

Wraparound training is defined by the standardized training required by W&IC Section 18253.5. The required training is between one and four days. Each county shall ensure that both county and community-based organization staff who participate in the project have completed training that is provided by or approved by CDSS. This may also include customized training that is based on regional areas and on county concerns.

Counties are required to address in their Wraparound Implementation Plan how they will develop and maintain the expertise and resources to meet ongoing training needs. To help counties meet this requirement, CDSS offers a Wraparound Training for Trainers course each year in both the north and south regions of the State. Counties are not required to use the CDSS trainers, but the curriculum used by counties must be approved by CDSS.

17. How is Wraparound claimed?

ANSWER: The SB 163 allows participating counties to use the assistance payment that is normally paid to a group home provider as the fund source for Wraparound. The counties claim the assistance payments on the appropriate CA 800 Assistance Claim form. According to W&IC Section 18254(e), Wraparound is cost neutral. Therefore, it is not necessary for the Assistance Claim form to track Wraparound as a separate payment.

18. How does CDSS collect specific data about Wraparound such as costs, caseload, participating counties, etc.?

ANSWER: The CDSS cannot access accurate aggregate Wraparound data from Child Welfare Services Case Management System (CWS/CMS). In order to further improve data collection from CWS/CMS, CDSS will instruct participating counties to identify a Wraparound child in CWS/CMS using one State Special Project Code. However, with the CWS/CMS 6.3 Release, it is anticipated that the application will also provide the capability to associate specified services with Wraparound.

The CDSS maintains the list of approved Wraparound counties, counties that are actively planning to implement Wraparound, and a list of current county Wraparound contacts. These documents are available on the Children and Family Services Division Webpage, and updated as needed. The CDSS also maintains a monthly count of the children receiving Wraparound services in California. Each county is requested to provide a monthly report via email to CDSS by the first Tuesday of each month. A standardized form and instructions for completing these counts is available from CDSS.

Counties should provide updates for the County Wraparound Contact list to their assigned Wraparound Consultant. The monthly count should be sent to Caroline Prod, Wraparound Consultant, at Caroline.Prod@dss.ca.gov.

When a county is initially approved to participate in Wraparound, a Memorandum of Understanding is executed for three years and requires a county to provide a bi-annual Wraparound Services Activity Report to CDSS. This report contains county specific data on claiming costs, approved slots, and outcomes.

Also, as stated in the Fiscal Standards and fiscal trainings, each county should track Wraparound costs and caseloads at the county level. (Fiscal Standard #6)

19. How should Wraparound cases be tracked in CWS/CMS?

Answer: An ACL will be issued shortly instructing all Wraparound counties to use the existing State Special Projects Code for any open CWS case that is receiving wraparound services. The State Special Project Code will be modified to label the special project code as "Wraparound." The use of this Special Project Code statewide will allow CDSS to access consistent statewide data. Counties may, at their option, create county use Wraparound special project codes to track subpopulations of these children reported in the Wraparound State Project Code.

20. When a child is in Wraparound and at home with their parent(s), is that parent(s) required to pay child support to the Local Child Support Agency?

ANSWER: ACL No. 05-37, dated November 22, 2005, issued new regulations, found in the Child Welfare Services MPP Division 31-206 and 31-503, and the Eligibility Assistance Standards Manual, Division 45-201, which require the social worker to make and document a determination as to whether it is in a child's best interest to make a referral to the local child support agency. These regulations specify what should be considered in making this determination, even when there is an existing child support case. Social workers with a Wraparound child placed at home should review these regulations.

Adoption Assistance Program and Wraparound

21. What is the Adoption Assistance Program?

ANSWER: The Adoption Assistance Program (AAP) provides necessary assistance to families who are willing and able to assume parental responsibility for children in the foster care system, but need additional financial resources based on the needs of the child and the circumstances of the family. The AAP removes or reduces barriers to the adoption of children who would otherwise remain in long-term foster care. Recognizing that adoptive parents often experience financial difficulty meeting the special needs of children who were formerly placed in California's foster care system, AAP was created as an assistance program. The services are intended to benefit children in foster care by providing the security and stability of permanent homes.

Counties that provide their own adoption services or CDSS District Offices determine eligibility for participation in the program and negotiate a signed

Adoption Assistance Agreement with the adoptive parents. The Agreement stipulates the need for and the amount of the AAP benefit. The signed agreement must specify the duration of the assistance and a reassessment date that cannot exceed two years. The amount of the AAP payment is determined based upon the special needs of the child and the circumstances of the child and family, and is limited to the amount of AFDC-FC that shall not exceed the foster care maintenance payment.

More information on AAP can be found on CDSS website at www.childsworld.ca.gov.

22.What is the connection between SB 163 Wraparound and AAP?

ANSWER: In certain circumstances, AAP may cover an out-of-home placement. The adoptive parents must notify the responsible public adoption agency when the child has a condition that the parents believe requires placement in a group home or residential treatment facility in or out of California.

However, adopted children who are eligible for AAP-funded group home placement, in accordance with the requirements of W&IC Section 16121, and who meet the definition of the target population for SB 163 Wraparound, may also access the Wraparound planning process and services in lieu of a group home placement. Best practices dictate that counties should establish a process for providing Wraparound as part of any post-adoptive service array that exists for the adopted child. Counties, in consultation with CDSS, will determine the target population, number of allocated slots, and the eligibility determination process for adopted children.

The AAP children receiving Wraparound are not enrolled in a Wraparound slot as these children are in addition to the target population.

23.If a child is placed into an adoptive home at a rate consisting of the basic rate plus specialized care increment, is the adoptive family still entitled to receive the same amount while the child is receiving Wraparound services? If yes, who pays the family?

ANSWER: When an adoptive family agrees to participate in Wraparound, the amount of the AAP benefit is increased to the appropriate group home rate (RCL 13 or 10/11) for that child. The family continues to receive their negotiated AAP benefit – including any specialized care increment – and the remaining funds are used to pay for Wraparound services. Counties may distribute the funds using one of the following models:

- a) County pays the entire amount to the Wraparound provider, and the provider pays the family their AAP benefit (county issues one check).
- OR**
- b) County pays the family their AAP benefit directly and then pays the Wraparound provider per the contract established with that provider. (county issues two checks).

Counties should establish which method they will use, and take steps to ensure that it is applied consistently and appropriately. It is further suggested that counties or CDSS District Offices and providers develop a formal agreement, as well as an authorization form that is specific to AAP Wraparound Services. A formal agreement documents a family's choice to participate in Wraparound and should include terms that apply to a family, to the provider, and to both parties. An authorization form is needed to use the family's AAP benefit to pay for Wraparound services. This document should tell families that they will continue to receive their AAP payment and also identify who will pay them. The authorization form should also disclose what happens to the remaining funds and how they will be spent. Examples of these documents may be accessed on CDSS web site at www.childsworld.ca.gov.

24. What rate is used for AAP children who are receiving Wraparound?

ANSWER: The rates are the same for all children accessing services using the Wraparound planning process. The rate for AAP children placed in Wraparound is dictated by W&IC Section 18254 (a) (1) and (2), as explained in the answer in the Eligibility Section.

25. Can AAP funds be pooled into a flexible fund per the current Wraparound fiscal model? Do AAP/Wraparound dollars remain youth specific?

ANSWER: Unlike federal AFDC-FC funds, federal AAP funds are not limited to paying only board and care costs, but also to provide for payment to adoptive parent to enable them to meet the needs of the child.

1. Public Agencies should not "pool" AAP funds with SB 163 funding. However, the county may pool AAP funds separately, as long as children served are receiving the agreed upon service level and the county follows their standard accounting procedures regarding the use of these funds.
2. Private Wraparound providers are paid the specific rate for each child enrolled in Wraparound. As long as children served are receiving the agreed upon service level and the provider follows their standard accounting procedures regarding the use of the funds for adoptive children, then AAP funds received by the provider may be "pooled" in the same manner that providers "pool" any federal, state and county foster care funds.

26. What is the sharing ratio for AAP funding in Wraparound?

ANSWER: When Wraparound services are paid with AAP funds, AAP ratios for federally eligible children are 50 percent federal, 37.5 percent state, and 12.5 percent county.

For non-federally eligible children, the sharing ratio is 75 percent state, and 25 percent county.

Regardless of the service provided, the AAP funding source does not change for adoptive youth. The funding source would remain either federal or non-federal and would not change as a result of the youth/family choice to participate in Wraparound.

27. What are the key state statutes that address AAP criteria for financial aid to adoptive families?

ANSWER: The California statutes that specifically address AAP are W&IC Sections 16119 and 16120.

28. What are the key Federal statutes that address AAP?

ANSWER: The Social Security Act - Sections 473(a) (2) and 473(c) address the eligibility requirements for AAP.

29. How long can an adopted child receive Wraparound services funded by AAP?

ANSWER: Typically, time limits are associated with the child and family individualized plan. W&IC Section 18252 (1) reads, in part, "...once a child is determined to be eligible for Wraparound services under this chapter, he or she shall remain eligible for the time period specified in his or her individualized services plan." Time limits for Wraparound services are not to be confused with W&IC 16121(b) which states that "...benefits shall not be authorized for payment of an eligible child's group home or residential treatment facility placement that exceeds an 18 month cumulative period of time for a specific episode or condition justifying that placement." In Wraparound, the child is placed at home with their adoptive parents. The child and family individualized plan is created by the Wraparound service provider and the family. This plan establishes the needs, goals, strategies and time frames to help the family to manage the circumstances without the Wraparound supports.

30. Can there be consecutive use of Wraparound services or is there a wait period for adopted youth?

ANSWER: Ideally, a family should be able to access Wraparound as many times as needed with no wait period. Keep in mind that Wraparound is a process for coordinating the service needs. In some counties the ability to provide Wraparound is limited by the capacity of a provider to serve a child. Participation is subject to consultation with the AAP worker and/or CDSS District Office staff, or subject to the local decision making or review process that is in place to recommend post adoptive services.

31. If an AAP youth from another county is placed in our county and needs services, who can provide Wraparound services?

ANSWER: Nothing precludes a county from contracting with a Wraparound provider, who meets the requirements articulated in the Wraparound standards. A Wraparound provider should have the capacity and experience with the Wraparound planning process and able to adhere to the principles and values. The CDSS recommends that counties establish a process that requires the provider to meet specific Wraparound deliverables and outcomes.

Another reference for mental health services is DMH Letter 08-24 issued on August 13, 2008 regarding Senate Bill 745 regarding access to outpatient specialty mental health services for children placed outside the county of origin.

32. How are AAP funded Wraparound cases claimed?

Answer: The AAP funded Wraparound cases are claimed on the Summary Report of Assistance Expenditures Adoption Assistance federal CA 800A FED claim form or the Summary Report of Assistance Expenditures Adoption Assistance Program, Nonfederal CA 800A NONFED claim form.

Tab 4

Progress Note

SERVICE DATE	LENGTH	LOC	SERVICE	SERVICE FUNCTION
09/22/2003	140	Outside	MH = Mental Health	Rehabilitation

Progress Note Type: Daily

NOTES:

This writer from Los Gatos to Palo Alto (ttt: 55 min.) to support [redacted] with the behavioral goals of increasing his self awareness and social skills. Upon arrival at the Ester B. Clark School, for a Child and Family Team Meeting, [redacted] appeared to be in a good space. He spoke to staff in an appropriate manner. Staff prompted [redacted] to indicate how he was doing. [redacted] said he was fine, but a little tired. Staff acknowledged [redacted] for being at school even though he was tired. [redacted] said he wanted to take part in this Child and Family Meeting since it was related to him. Staff acknowledged [redacted] started telling staff a few details about his school. Staff thanked [redacted] tried to figure out what room the meeting was in. [redacted] was very polite to the adults. Staff acknowledged [redacted] for his courtesy. [redacted] said thank you. Staff acted as a supportive presence during the meeting. [redacted] gave his viewpoints. Staff and others acknowledged [redacted] demonstrated appropriate verbal and nonverbal behaviors. Staff will continue to support [redacted] with his behavioral goals.

Disclosure Details

No Disclosures Reported

Signature: Brenda Davis MHR Date Completed: 10/1/03
 Davis, Brenda 15233

 Cosigner's Signature (if needed) Date Cosigner's Name - Please Print



EMQ Children & Family Services

Client ID	Admission Date
Individual's Name	11/13/2002
Date of Birth	
Program 8370-10	UPLIFT
County Client ID	

Staff Completing Reports Davis, Brenda 15233

Regular Progress Note

SERVICE DATE	LENGTH	LOC	SERVICE	SERVICE FUNCTION
05/19/2004	215	Outside	MH = Mental Health	Rehabilitation

Progress Note Type: Daily

Service Sub-Function:

NOTES:

Staff traveled to and from Palo Alto (TTT: 58 minutes) to assist [redacted] with his behavioral goals: 1) to appropriately communicate with peers and adults, 2) to utilize effective social skills, and 3) to practice appropriate personal care and hygiene. Upon arrival, [redacted] was appeared to be in a good space, as he greeted staff and had good eye contact. Staff greeted [redacted] and offered non-verbal cue for [redacted] to remain engaged in classroom activity. [redacted] complied. Staff acknowledged [redacted] for rejoining group activity and showing respect for peers and teacher through attentiveness and participation. [redacted] responded well to praise. Few interventions were needed while [redacted] was engaged in classroom activity. Staff offered verbal and non-verbal cues to [redacted] when behavior was disruptive or inappropriate (making comments under his breath about peers, interrupting the teacher). Staff addressed [redacted] concerns regarding negative peer interaction inbetween classes. Staff assisted [redacted] in strategizing around how to respond to teasing, focusing on [redacted] tendency to personalize comments. [redacted] participated in conversation and acknowledged that sometimes he is overly sensitive to what his peers say about him. Staff acknowledge [redacted] for openly sharing thoughts and feelings and assisted him in acknowledging the talents and abilities he brings to class that others have recognized. [redacted] actively participated in discussion and appeared more aware of his peers and the level to which he allows them to dictate his behavior or mood. Staff shared observation with [redacted] [redacted] was receptive to feedback and appeared pleased with the results of managing his behavior more effectively. Staff acted as a supportive presence for a lengthy period of time. Staff continued to check in with [redacted] regarding his behavior choices, offering encouragement, support, and feedback. [redacted] was receptive to support and continued to make positive behavior choices and to self-correct inappropriate behavior. Staff used proximity when [redacted] was off-task or disruptive. [redacted] responded well to support. Staff will update team and continue to support [redacted] with service plan goals.

Disclosure Details

No Disclosures Reported

Document Signed By: _____

Jessica Lenneman
Lenneman, Jessica L P 15220

Date Completed: 5/21/04

Co-Signer/Reviewer Signature: _____

Mona Tahsini
Tahsini, Mona 15660

Date Completed: 5/21/04



EMQ Children & Family Services

Client ID	Admission Date	11/13/2002
Individual's Name		
Date of Birth		
Program	8370-10 UPLIFT	
County Client ID		
Staff Completing Reports	Lenneman, Jessica L P 15220	

Tab 5

**Exhibit A6: Reporting Unit Grouping #16
Family and Children Division
FY 2003-2004**

Contractor Name: EMQ Children & Family Services
Office: 251 Llewellyn Avenue, Campbell, CA 95008
Telephone: (408) 379-3790
Contact Person: Craig Wolfe, MFT, Division Director
Telephone: (408) 364-4106
Program Type: Outpatient (Wraparound)

Reporting Unit	837010
Program Name	Uplift (Wrap Around) Program
Program Location Address	251 Llewellyn Ave Campbell, CA 95008 (408) 364-4129
Contact Person	Laura Champion, MFT, Senior Clinical Director

I. DESCRIPTION OF SERVICE INTENT & GOALS

A. MISSION AND GOALS:

1. System-wide Service Intent and Goals:

- a. To treat and ameliorate the mental health symptoms and dysfunction of children and adolescents at risk for institutional placement, to prevent the need for locked psychiatric hospitalization, and to allow safe and appropriate care in the least restrictive and least intrusive manner.
- b. To provide outpatient Wraparound services within the context of the individual's placement, family, culture, language, and community; and according to developmental age-appropriate needs.
- c. To deliver a level of services in the placement, clinic, home, school, and community, as appropriate to the treatment needs and service goals of the child and family, as outlined in the child and family Treatment Plan;
- d. To promote coordination and collaboration in care planning efforts with other child-serving agencies and institutions involved in delivering services to the child and their family, to insure comprehensive and consistent care.

- e. To direct service objectives towards achieving the individual, family, and system desired results as identified in the Mental Health Service Plan, and to move the child to a less intensive service within the earliest possible amount of time.
 - f. The Mental Health Department will promote an Asset Development approach in service delivery to children and families that is strength based, client centered, family focused and culturally proficient.
2. Program Specific Description of Service Intent & Goals:
- a. Outpatient Wraparound Treatment is a unique collaborative program which is jointly funded by the Santa Clara County Social Services Agency (SSA), Department of Family and Children's Services, and the Santa Clara Valley Health and Hospital System (SCVHHS), Department of Mental Health. The program will provide community based highly individualized Wraparound services to seriously emotionally disturbed children and adolescents (up to age 18) who are involved in SSA, Juvenile Probation, or Mental Health, and who would otherwise be served in intensive out-of-home residential placements. Services will be wrapped around the child/adolescents living with birth parent, relative, adoptive parent, foster parent or in specialized foster care. The goals of this service will be to build and maintain a more normative lifestyle in their own community and to prevent more restrictive and costly out-of-home placement. Services will be tailored to meet the specific and unique needs of the child/adolescent and family.

B. DESCRIPTION OF SERVICES

1. System-wide Description of Services and Treatment Methods:
- a. Available treatment methods include assessments, medication evaluation and support services, crisis intervention, individual, group, collateral and family therapy; and rehabilitation and case management brokerage services. Services will be provided in a variety of settings, including home, clinic, school, and community agencies as necessary and needed by the clients served.
 - b. Service Plans are developed by a youth and family team, focusing on the multiple life domains such as family, living situation, educational/vocational, social/recreational, psychological/emotional, medical, legal, and safety.
 - c. Caregivers are involved as an integral part of the team to foster participation, input and ownership of the process.

All services are delivered consistent with the Short-Doyle Medi-Cal Rehabilitation Option. Services will be individualized and will consider each person's age, maturational level, culture, family values and structure, educational functioning level and physical health. The peer group is utilized as a major resource for individual support, reality testing and feedback.

2. Program Specific Description of Services and Treatment Methods:

- a. Program Uplift will serve children/adolescents and their families in the Santa Clara County service area. Provision of service will extend into the community and involves the delivery of services in client's home neighborhood, schools, and other provider and client support networks.
- b. Program staff will facilitate the individualized service planning process which will include conducting strength based assessments, configuring child and family teams representing the family and their informal/formal support network, conducting in-depth life domain needs assessments, and developing individualized child and family service plans. Once the plan is developed, staff will implement and monitor services focused on functioning in the following life domain areas: Family life, education, emotion/behavior, safety, recreation, cultural, safety, social, spiritual, residents, legal, vocation, health, community safety, creativity and basic needs.
- c. Services will be provided by a Facilitator/Case Manager and Family Specialists, as required to implement the individualized plan, providing direct home-based and community-based services which include case management, crisis support, individual, family, and group treatment, accessing community resources, assistance with daily living, social skills building, school support, supporting the family environment, advocacy, and ongoing service coordination/case management.

II. POPULATION SERVED

A. Target Demographics, by Percentage (+/- 5%)

Active Caseload:	173
Total Clients Served/Year:	250
SERVICE DURATION:	TARGET %
0 - 2 months	2%
3 - 6 months	5%
7-12 months	25%
13-23 months	68%
over 23 months	0%
SERVICE FREQUENCY	TARGET %
0-5 hours per week	0%
6-10 hours per week	30%
Over 10 hours per week	70%

ETHNIC PROFILE	TARGET %
Caucasian	53%
Latino	29%
Asian/Pacific Islander	7%
African American	10%
American Indian	0%
Other	1%

AGE	TARGET %
0- 5	0%
6-12	44%
13-17	55%
18-59	1%
60+	0%

SERVICE REGION	TARGET %
North	20%
South	4%
East	38%
West	38%

The Contractor will provide its programs to youth and families throughout Santa Clara County. No person will be denied access on the basis of race/ethnicity.

B. DIAGNOSTIC SPECTRUM & FUNCTIONAL IMPAIRMENT

Family and Children's Outpatient programs will provide services to youth whose level of functioning, symptoms, and psychiatric history necessitate service intervention to maintain clients in community settings, to help clients achieve agreed upon desired outcomes and to achieve a sense of their own power and ability to positively influence their own lives.

The diagnostic spectrum includes schizophrenia and other psychotic disorders, major affective disorders, post-traumatic stress disorder, disorders of behavior and bodily function, anxiety and adjustment disorders, and the dual diagnosed (mental health, developmental disability or drug and alcohol related diagnosis).

FUNCTIONAL IMPAIRMENT

In addition to diagnostic assessment, the Contractor will assess youth and families as to functional impairments in seven areas: Self-care, School/job Performance, Moods/emotions, Behavior Towards Others, Substance Abuse, Family Functioning, and Cultural Adjustment.

III. PROGRAM PERFORMANCE STANDARDS

A. REFERRALS:

The Contractor will accept referrals according to Department guidelines established for Wraparound Outpatient Treatment programs.

The Contractor's ability to achieve the targets established in Section II is directly related to the referrals received. The Contractor will not be held to targets if the referral pattern varies from the proposed population targets.

The Contractor will accept referrals only through the County Resource and Intensive Services Committee (RISC) Team. All referrals will be screened for consistency with County Mental Health inclusionary criteria. County Mental Health inclusionary criteria will be determined by guidelines developed with community and provider input and approved by the County Mental Health Director.

Referrals determined by The Contractor as inappropriate will be directed to alternative resources appropriate to resolve the presenting issues.

B. ASSESSMENTS:

All referrals for services will be assessed for eligibility according to the following criteria:

1. Evidence of symptoms of mental health problems which meet the criteria for diagnosis in the DSM IV; and,
2. Evidence of impaired functioning in one or more of the areas of self-care, behavior towards others, family functioning, school performance, moods/emotions, substance abuse, and/or cultural adjustment, as measured by the Functional Impairment Scale; and/or,
3. Approved AB3632/ Ch. 26.5 eligibility through authorized County F & C assessors.

Each child will be assessed according to Mental Health Department Outcomes Guidelines. In addition, this information will be used to determine prognosis, duration of treatment, service plan, and coordination plan.

C. DISCHARGE:

Clients shall be discharged: 1) Upon mutual agreement (client and therapist) that the goals of treatment have been met; 2) Upon parent or guardian refusal of services, or refusal to comply with objectives outlined in the Mental Health Services Plan; 3) Upon parent or guardian's unilateral decision to terminate treatment; 4) Upon a good faith determination by the Contractor that the individual youth cannot be effectively served by the program; 5) Upon a determination that the individual is a danger to other youth, staff or the individual; or 6) Upon transfer out of the County or to another region. Appropriate follow-up or other service linkage will be made.

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Discharge planning occurs throughout the treatment process, with follow-up service provided by the referring agency, the Contractor or another F&C provider. Following crisis services responses (assessment and crisis intervention), the crisis team will either facilitate a psychiatric hospitalization, if necessary, or will facilitate a linkage to follow-up services at a Contractor or Santa Clara County Mental Health Program, private therapy or other mental health service. If the youth has a therapist prior to the crisis intervention, every effort is made to facilitate follow-up by the therapist.

D. HOURS OF OPERATION PLAN:

1. System-wide Requirements:

Outpatient Wraparound. All outpatient Wraparound services, including TBS services will be available year-round, seven days a week/24 hours/day. In addition, arrangements for emergency on-call crisis, F&C providers must be available for clients being served in the program.

2. Specific Hours of Operation Plan:

EMQ Outpatient Wraparound Program will be opened Monday, Tuesday, Thursday and Friday from 8:30 a.m. to 6:30 p.m., and Wednesday from 8:30 a.m. to 7:00 p.m. The staff will be available 24 hours daily as needed to address the regular and emergency needs of the clients and to receive emergency referrals. The program will have daily on-duty staff rotating on a weekly basis and that be reached after normal working hours and on weekends through an answering service.

Changes to this plan shall be submitted to the Division Director for approval prior to implementation.

E. ADMINISTRATIVE PARTICIPATION:

A suitable representative of the Contractor shall attend provider meetings regularly, training sessions, seminars or other meetings as scheduled by the Director of Mental Health or his/her designee.

IV. STAFFING

A. MINIMUM STAFFING REQUIREMENTS:

Staffing will be provided at least at the minimum licensing requirements as set forth in Title 9, Title 19, Title 22 and Medi-Cal regulations where applicable or at such higher level as necessary for some programs.

B. ADDITIONAL STAFFING REQUIREMENTS:

The following additional experience, training and skills will be required of staff in this program:

1. The staff should be bilingual and bicultural.
2. All new staff will receive intensive clinical training and orientation about the agency, program, and county systems, including Rehabilitation Option Orientation.
3. All staff will attend training in cultural context and mental health services to ensure cultural competency/proficiency and is scheduled biweekly.
4. Clinical group consultation and individual supervision is on a weekly basis.

C. PROJECTED STAFF LISTING:

NO. OF FTE'S	TITLE	TYPE OF LICENSE/ CERT. TRAINING	LANGUAGE CAPABILITY	
			Language (No.)	Bilingual Certified (No.)
.08	Division Director	LMFT		
.50	Clinical Services Director	LMFT		
1.8	Associate Directors	LMFT	Sinhalese	
8.0	Clinical Program Mgrs.	LMFT, Ph.D.		
.75	Psychiatrist	M.D.		
31.0	Facilitators	MSW, MA, Ph.D.	Hindi 1, Punjabi 1, Malay 1, Mandarin 1, French 1	(Cont'd.) Creole 1, German 1,
69.0	Family Specialists		Spanish 9, Vietnamese 3, French 1, Swedish 1, Korean 1, Portuguese 1	(Cont'd.) Hindi 1, Gujarati 1, Farsi 1, German 2, ASL 1
1.0	Parent Involvement Coordinator			

Exhibit A6/ Page 7 of 8

AGREEMENT BY AND BETWEEN THE COUNTY OF SANTA CLARA AND EASTFIELD MING QUONG INC. FOR THE PROVISION OF MENTAL HEALTH SERVICES FOR FISCAL YEAR 2004

NO. OF FTE'S	TITLE	TYPE OF LICENSE/ CERT. TRAINING	LANGUAGE CAPABILITY	
7.0	Family Partners		Hebrew 1, Spanish 1	
2.0	Community Development Specialist			
3.0	Program Support Spec.			
4.0	Administrative Assistant		Spanish 1	
1.0	Secretarial			
7.0	Program Supervisors			

D. CULTURAL KNOWLEDGE SKILLS:

The Contractor shall provide culturally competent services as set forth in the description provided by the Contractor to the Director.

Tab 6

Pilipyuk, Anna

From: Pilipyuk, Anna
Sent: Friday, May 15, 2009 02:34 PM
To: 'Paine, Martha'
Cc: Ryan, Christopher
Subject: HDS (2003-06)- Wraparound Services

Martha,

Based on our conversation this morning, we have the following questions regarding wraparound services. Please provide documentation to support your responses/assertions.

1. How does the county implement its wraparound program? What is the primary county agency responsible for implementing the program? Are these services coordinated in-house or is this function contracted out to a vendor?
2. Are the services provided in-house or by vendors? What vendors provide wraparound services for the county? Are there lead or subordinate vendors?
3. How are the services tracked?
4. Does the county provide wraparound services to AB 3632 clients? If so, how are these services identified from other wraparound clients?
5. How are vendors compensated for services provided to wraparound clients? Is there a cost settlement process or flat contract rate used?
6. Are the vendor costs shared by more than one local agency? If so, is there a cost sharing mechanism in place?
7. Is this cost sharing process a part of formal agreement or understanding between the agencies (memorandum of understanding)? If so, please describe the terms of the agreement and provide support.
8. What revenue sources are used to support wraparound services (i.e., Medi-Cal, EPSDT, Wraparound, etc.)?
9. Do Handicapped and Disabled Students mandated cost claims filed for reimbursement of AB 3632 costs consider wraparound revenues received from the California Department of Social Services as an offset to claimed costs? If so, how are these funds allocated? If not, then please provide the basis for the exclusion?

If you have any further questions you can contact either Chris or me.

Thank you,
-Anna

Anna Pilipyuk
Auditor

05/15/2009

Prepared by: AT Date: 5/15/09
Reviewed by: CR Date: 5/18/09

State Controller's Office
Division of Audits - Mandated Cost
(916) 323-4206 - phone
(916) 324-7223 - fax
apilipyuk@sco.ca.gov

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05/15/2009