

COUNTY OF EL DORADO

HEALTH & HUMAN SERVICES

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AGENCY DIVISIONS

Administration & Finance
Behavioral Health
Community Services
Protective Services
Public Health
Self-Sufficiency

DATE: June 3, 2022

TO: Honorable Board of Supervisors
Cc: Don Ashton, Chief Administrative Officer

FROM: Daniel Del Monte, Interim Director of Health & Human Services *DDM*

SUBJECT: Retroactive Funding Agreement Notification – Item 22-0922 6/14/22
New Morning Youth & Family Services Agreement 5615 Amendment 1

This memo is to provide notification of a retroactive contract request that has been created and is set for the Board of Supervisor's Agenda on June 14, 2022 (File ID: 22-0922).

As you are aware, mental health services can be funded through either Traditional or Mental Health Services Act (MHSA) funding. Funding sources used are dependent on the needs of the client which are determined by the provider at the time services are rendered. The Health and Human Services Agency (HHS) holds a current contract with New Morning Youth and Family Services for purposes of delivering Mental Health services to children and youth. Within the contract, it identifies both Traditional and MHSA funding and corresponding amounts available of those funds, which equate to the total Not to Exceed (NTE) amount of the overall contract.

The specific services provided by New Morning under the MHSA funding category were recently identified as overspent within the Fiscal Year (FY) 21/22. This was the result of the actual needs of the clients/community varying from the anticipated need when the contract was originally developed. Unfortunately, the MHSA services were provided prior to the execution of an amended agreement. To summarize:

- the services provided were allowable within the contract scope and did not exceed the contract's overall NTE amount;
- the services provided did, however, exceed the amount identified for MHSA funding.

The provider's FY 21/22 maximum obligation for MHSA specialty mental health services was exceeded by \$30,283.36. As such, the Agency is requesting the Board's approval to retroactively transfer traditional specialty mental health services program category funds to the overspent MHSA specialty mental health services program category allocation for FY 21/22.

The Health and Human Services Agency remains focused on process and procedure improvements to reduce retro requests within our control and improve upon our contractual

commitments. To mitigate this from reoccurring, HHSA will collaborate with New Morning to document total categorical funding spent on invoices submitted to the agency for approval. This will allow the provider and HHSA to more closely partner in monitoring total categorical spending on a regular and ongoing basis.

As we work to avoid this from reoccurring in the future, as always, please feel welcome to communicate with me if you have any questions.