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Minimum Standards for Eligibility to Receive State Funds

Sec. 17-226b-1. Definitions

As used in Section 17-226b-1 to Section 17-226b-8, inclusive:

(a) "Award" means those funds provided general hospitals or nonprofit organizations for the establishment, expansion or maintenance of psychiatric or mental health services under the authority of Section 17-226b of the general statutes;

(b) "Awardee" means the recipient of an award made under the authority of Section 17 226b of the general statutes. The awardee shall be the agency making the application for an award and providing the psychiatric or mental health services;

(c) "Capital expenditure" means the cost of construction or renovation of buildings made with the expectation of existence for an indefinite period and includes the depreciation thereof. Routine maintenance shall not be considered a capital expenditure;

(d) "Catchment Area Council" means the council appointed under the authority of Section 17-226k of the general statutes;

(e) "Commissioner" means the Commissioner of the Department of Mental Health;

(f) "Department" means the Department of Mental Health, 90 Washington Street, Hartford, Connecticut 06115, or the address of the appropriate Regional Director's office;

(g) "General hospital" means a short-term hospital having facilities, medical staff and all necessary personnel to provide diagnosis, care and treatment of a wide range of acute conditions, including injuries and shall include those facilities licensed as such by the Department of Health Services;

(h) "Letter of award" means the document evidencing the agreement between the award and the department for funding of psychiatric or mental health services;

(i) "Psychiatric or mental health services" means comprehensive services, both medical and non-medical, designed to (1) decrease the prevalence and incidence of mental illness, emotional disturbance and social disfunctioning, and (2) promote mental health in individuals, groups and institutions and includes, but is not limited to, the following: Outreach and case funding, inpatient treatment, outpatient treatment, partial hospitalization, diagnosis and screening, aftercare and rehabilitation, education, consultation, emergency services, research, evaluation, training and services to the courts;

(j) "Regional Board" means the regional mental health board as defined in Section 17-226j of the general statutes;

(k) "Regional Director" means the regional mental health director appointed under the authority of Section 17-226e of the general statutes.

(Effective July 25, 1979)

Sec. 17-226b-2. Application for funds

(a) Application for funds under Section 17-226b of the general statutes shall be made on forms provided by the department. The properly completed application forms shall be submitted to the regional director for the region in which the prospective program is located. The application shall be accompanied by (1) a definition of the towns and areas to be served; (2) a plan by means of which the applicant proposes to coordinate its activities with those of other local agencies presently supplying psychiatric or mental health services or contributing in any way to the mental health of the area; (3) a description of the services to be provided, and the methods through which those services will be provided; and (4) indication of the methods that will be employed to effect a balance in the use of state and local resources so as to foster local initiative, responsibility and participation.

(b) The application shall be accompanied by the following information pertaining to the applicant's program (if applicable):

- (1) The actual expenses of the program for the previous year;
 - (2) The latest audited financial statement;
 - (3) The fee schedule for services;
 - (4) The latest detailed budget for the applicant organization;
 - (5) The catchment area council or regional board evaluation report (if already funded by the department);
 - (6) A list of the Board of Directors of the applicant organization with addresses;
 - (7) Document showing allocation of federal and other funding;
 - (8) The name and telephone number for: (a) Chairman of the Board of Directors; (b) Administrator of the program; (c) Program Director; and (d) Chief Fiscal Officer.
 - (9) Documentation of approval by: (a) Health Systems Agency (HSA) and (b) Commission on Hospitals and Health Care.
- (c) Each applicant must have copies of the following on file at the department (if applicable):
- (1) All professional licenses;
 - (2) All facility licenses;
 - (3) Certificate of incorporation;
 - (4) Contracts and/or agreements for: (a) professional consultants; (b) maintenance; (c) food service; (d) third party payments; (e) town-city; (f) private individuals; and (g) lease/rental agreements;
 - (5) Letters of affiliation of working agreements with other programs/facilities;
 - (6) Certificates of compliance with: (a) health codes; (b) fire and safety codes; (c) building codes; and (d) zoning requirements;
 - (7) Employee surety bonds;
 - (8) Insurance coverage (cost and extent) for: (a) casualty; (b) liability; (c) malpractice;
 - (9) Program's organization, policies and procedures;
 - (10) Program job descriptions.
- (d) The applicant shall submit the above information and documents in accordance with the requirements of the application form, as well as any other information the department may reasonably require.

(Effective July 25, 1979)

Sec. 17-226b-3. Review by regional director

The regional director and the regional mental health board shall review each application submitted to the regional director in accordance with subdivision (4) of subsection (b) of Section 17-226g and subdivisions (1) and (2) of subsection (a) of Section 17-226l.

(Effective July 25, 1979)

Sec. 17-226b-4. Letter of award

(a) The allocation of funds shall be by a letter of award. Each letter of award shall set forth the specific conditions under which the award is made and the manner in which payments are to be made. The application shall be attached to and become a part of the letter of award. All letters of award shall continue for an indefinite period unless modified, suspended or terminated in accordance with the term of the letter of award and this regulation.

(b) The department must be notified at the time of the quarterly report of income and expenses of any variance in the awardee's budget as submitted to the department, and any such variances must be approved in writing by the department. Notwithstanding the above, the awardee may make the following variance without department approval: (1) line item of expenses (excluding salary and fringe

benefits) up to 20 percent of the budget or \$500.00, whichever is less; (2) program to program shifts up to 10 percent of the budget or \$2,000.00, whichever is less.

(Effective July 25, 1979; amended July 6, 1998)

Sec. 17-226b-5. Accounting and reports; fiscal year

(a) **Audits.** Within 90 days of the completion of each full fiscal year during the term of the award and also within 90 days of the termination of the award, the awardee will, at its expense, cause to be prepared and delivered to the department an audit performed by an independent public accountant as defined in § 7-391 of the general statutes. Such audit shall be performed in accordance with generally accepted accounting principles and shall identify any expenditures made by the awardee that are not in compliance with the letter of award. The awardee shall also grant access to all records and accounts concerning each fiscal year that the award is in effect to the auditors of public accounts of the State of Connecticut. To provide such access, the awardee shall preserve all of its records and accounts engineering the award for a period of three years after the termination of the award.

(b) **Records.** The awardee shall maintain and have available records sufficient to determine the usage of all state funds in the awardee's program. Such records shall be maintained for a period of three years after the termination of the award.

(c) **Reports.** Payments will be made by the department only after receipt and approval of a quarterly report of income and expenses for the preceding quarter as well as such other information concerning the awardee's program which the department may reasonably require. Payments made under the letter of award and acceptance of reports of income and expenses are provisional, subject to audit of the awardee's records.

(d) **Access to records.** The awardee shall grant the department access, at any reasonable time, to records pertaining to the programs funded by any letter of award.

(e) **Fiscal year.** The fiscal year for reporting and accountability shall be as stated on the letter of award, for the purposes of the letter of award and state grants.

(Effective July 25, 1979)

Sec. 17-226b-6. Miscellaneous provisions

(a) **Acknowledgment.** An awardee shall acknowledge the department's support in all public statements, including annual reports, statements through media, etc. Evidence of conformance with this section shall be submitted to the department along with the reports of income and expenses.

(b) **Preference of Services.** The awardee shall provide first preference of services to identified ex-state hospital patients or potential state hospital admissions.

(c) **Admission and Discharge Reports.** The awardee shall notify the department of each admission and discharge and such other routine information as the department requires on such forms as provided by the department.

(d) **Notification of Additional Funding.** In the event the awardee receives additional funding from any source for services provided for in the letter of award, the awardee shall notify the regional director of such funding and its proposed use within ten days after receiving notice of such additional funding.

(e) **Program Revisions.** Any proposed revisions in one or more agency programs as described in the grant application which substantially alters the nature or scope of such programs shall not be implemented until approval has been received in writing from the regional director.

(f) **Capital Expenditure Restriction.** No funds allotted by the department under a letter of award may be used for capital expenditures.

(g) **Sub-contracts.** The department shall have the right of approval on all subcontracts for services made by the awardee concerning programs funded by the department's grants.

(Effective July 25, 1979)

Sec. 17-226b-7. Termination, suspension or modification of letter of award

The department may modify the letter of award or suspend or terminate any grant of funds thereunder at will upon thirty days notice to the awardee. Reasons for modifying, suspending or terminating include, but are not limited to the following: (1) Failure of the awardee to provide those program services which it has agreed to provide in its application; (2) Reduction of the appropriation from which the grant is made to the awardee by the General Assembly; (3) A general departmental or state deficit requiring a reduction in spending; (4) A substantial loss in income to the state, thereby, requiring a reduction in spending; (5) Failure of the awardee to comply with the conditions of the letter of award or of these regulations.

(Effective July 25, 1979)