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March 21, 2007

Ms. Pamela Galbraith, CEO
ValueOptions New Mexico (VONM)
PO Box 30650
Albuquerque, NM 87109-0650

RE: Ad Hoc Report Request - Revised

Dear Ms. Galbraith,

This memo relates to Medical Assistance Division/Quality Assurance Bureau’s (MAD/QAB) formal request for a number of ad hoc data reports needed in preparation for VONM’s Compliance Audit. On 3/20/2007, MAD/QAB, the New Mexico Medical Review Association (NMMRA), and VONM met to review the audit process and tools to be used for VONM’s April, 2007 Compliance Audit. As a result of this meeting, the list of ad hoc reports requested in the BH Collaborative memo date 3/9/2007 has been revised. The revised list of requested ad hoc reports now includes:

- C.I. #2 Complaint/Grievance Report – data from 1/1/07 through 3/31/07.
- C.I. #3 Appeals Report – data from 1/1/07 through 3/31/07.
- C.I. #4 Critical Incidents Report – data from 1/1/07 through 3/31/07.
- C.I. #9 Services Utilization Report (Encounters) – data from 1/1/07 through 3/31/07.
- C.I. #16 Fraud and Abuse Report – data from 1/1/07 through 3/31/07.
- PM 4.4 Percent of Individual in rural & frontier with access w/i 60 and 90 miles.

The HSD/MAD External Quality Review Organization (EQRO), NMMRA, has contacted VONM to schedule the Annual Behavioral Health Compliance Audit. The on-site audit will occur April 23 – 25, 2007. NMMRA will be auditing sample files from the ad hoc data reports listed above. Please note that NMMRA will be also directly contact VONM to request specific data universes from which to pull samples for the audit.

The due date for submission of all requested ad hoc reports to NMMRA will be no later than 5 p.m. on Friday, April 6, 2007. Please electronically send these reports to the NMMRA secure website, or hand-deliver the reports on a disk, as member-specific data will be included.
If you have any question regarding the details of this request and/or audit, please contact Loretta Cordova, Behavioral Health Project Manager, at NMMRA at 505-938-9125 or lcordova@nmmra.org. Thank you for your assistance with this request.

xc: Matt Onstott, Deputy Director
Sandra Chavez, Chief, QAB
Olivia Ridgeway, Program Oversight Manager, QAB
Geri Cassidy, Behavioral Health Program Manager, CAB
Laura Johns, EQRO Contract Manager, QAB
RE: Funds for Older Consumers and

Dear Ms. Galbraith:

This management letter addresses two specific purposes and conditions of expenditure and services. One purpose is to add to the Collaborative – Value Options (VONM) Agreement the contribution of $750,000.00 from the Aging & Long-Term Services Department (ALTSD). The services and other terms are outlined below. Generally, the funds are to be used for additional screening and treatment for older consumers. The second purpose of this letter is to provide an additional $300,000.00 from the Behavioral Health Services Division (BHSD) for behavioral health services in Northern New Mexico. The details for those services are also outlined further below.

Purpose One – Services for Older Consumers

VONM shall provide for:

- The screening of older adults (60 years of age and older) for depression, substance abuse and suicidal ideation.
- The inclusion of integrated treatment of co-occurring disorders specific to geriatric populations, to include primary care and behavioral health needs as well as the more traditional substance abuse and mental health issues, in priority work plan design.
- The inclusion of geriatric clinical needs in design of core services agency/clinical home protocols and priority work plan.
- The incorporation of peer support for seniors model (currently funded by ALTSD funds) in development of Comprehensive Community Support Services, as clinically appropriate.
- The provision of services to Adult Protective Services clients, as detailed in priority work plan addressing adults and children in custody, supervision, protective services, or court-ordered services to be completed no later than January 1, 2008.
- The coordination of services with other Medicaid and non-Medicaid programs administered by ALTSD as indicated in Article 3.12 (C)2 of the Statewide Behavioral Health Services Contract.

Data and Reporting Requirements related to Purpose One

- VONM will make available appropriate reports at least quarterly that address services to the populations served by ALTSD. No new reports are intended to be created to meet this need. Existing data must be available in a form that allows for the correlation between services and age and/or disability.
• VONM will share and discuss their policies and procedures governing coordination of services with ALTSD’s Adult Protective Services Division, as indicated in the Statewide Behavioral Health Services Contract, Article 3.12(C)1.
• VONM will share and discuss their policies and procedures addressing the coordination of services with other Medicaid and non-Medicaid programs administered by ALTSD, as indicated in the Statewide Behavioral Health Services Contract, Article 3.12(C)2.

Purpose Two – Behavioral Health Services in Northern New Mexico

VONM shall provide funding to the following providers for behavioral health services:
• Hoy Recovery
• Ayudantes
• Taos Colfax Community Center
• Rio Grande Treatment Center
• Santa Fe Recovery Center

Budget Information:

• For Purpose One, the Aging and Long-Term Services Department has a budget of $750,000.00. No more than fifteen percent (15%) of this amount may be used for VONM administrative expenses.
• For Substance Abuse Services in Northern New Mexico, the Behavioral Health Services Division within the Department of Health has a budget of $300,000.00. The entirety of this amount shall be passed through to the providers listed above.

Upon signature of this Management Letter, VONM shall submit one invoice to each of the Departments listed above for the full amount of the available funding.
September 24, 2007

Pamela Galbraith, CEO
ValueOptions New Mexico
2440 Louisiana Blvd N.E.
Albuquerque, New Mexico  87109

Re: Management Letter: Child & Adolescent Functional Assessment Scale

Dear Ms. Galbraith:

Pursuant to Article 6.5 of Contract #08-630-8000-0017, between the New Mexico Behavioral Health Collaborative and ValueOptions, this Management Letter serves to incorporate a one-time commitment of $25,000 into the contract for State Fiscal Year 08 to allow ValueOptions to purchase and use the Child and Adolescent Functional Assessment Scale (CAFAS) in support of the Clinical Home Pilot Project.

ValueOptions shall:

- Plan and implement the project in conjunction with the designated Behavioral Health Collaborative (BHC) representative;
- Collaborate with Functional Assessment Systems, Inc. to pilot test the CAFAS at 16 sites: 10 homes and 6 juvenile justice facilities. The specific sites, timeframes and other logistical matters shall be agreed upon by both parties prior to commencement of the work;
- Ensure services are provided prior to November 30, 2007. No expenses for the provision of these services may occur after this date. The invoice for expenses under this project must be submitted to the BHC by no later than December 7, 2007.
- Provide a final report of the activities and results, in a format recommended by the HSD, by December 15, 2007.
Management Letter to Value Options re: CAFAS
September 24, 2007

By: Pamela S. Hyde, J.D., Secretary
Human Services Department
Date: 10/30/07

By: Dorian Dodson, Secretary
Children, Youth and Families Department
Date: 11/15/07

By: Pam Galbreath
ValueOptions
Date: 7/20/07

VOM understands the Collaborative, through the Child and Home leadership team will direct this process, and VOM will respond as directed.
September 26, 2006

Pamela Galbraith, CEO
ValueOptions New Mexico
PO Box 30650
Albuquerque, New Mexico 87190-0650

RE: Department of Health Prevention Management Letter

Dear Ms. Galbraith:

This management letter describes the initiative in which ValueOptions will assist the New Mexico Department of Health (DOH) in ensuring that all aspects of the Strategic Prevention Framework State Incentive Grant, State Incentive Enhancement Grant, Governors Portion of Safe and Drug Free Schools, the Substance Abuse Prevention and Treatment Block Grant and General Fund requirements are met. This Management Letter is prepared at the direction of the behavioral health collaborative for partnership between the DOH and ValueOptions.

INITIATIVE DESCRIPTION

ValueOptions will oversee Evidence based Prevention programming from Community based Prevention providers throughout New Mexico as well as prevention support services. A 1/12th billing drawdown will be utilized for billing. Electronic billing will be utilized wherever possible.

VALUEOPTIONS (VO) RESPONSIBILITIES

Evidence-Based Behavioral Health Prevention Programming

A. VO shall work with the with the New Mexico's Prevention Services System, including PED, DOH, CYFD, DFA, CSAP, SWCPT, etc to develop a state-of-the-art prevention service system that addresses the entire web of influence including alcohol, tobacco, illicit drugs, suicide, violence, gangs, youth pregnancy, youth development, etc.

B. VO shall work closely with the DOH/Prevention Team to ensure a smooth transition of the local prevention service delivery system.

C. VO shall utilize the following prevention definition and any related program criteria approved by the DOH/Prevention Team:

"Alcohol, tobacco and other drug abuse prevention is an active process that promotes the personal, physical and social well-being of individuals, families and communities to reinforce positive behaviors and healthy lifestyles and reduce the incidence and prevalence of alcohol, tobacco, and other drug use."
Prevention services are appropriate for individuals who are not in need of treatment. The Collaborative utilizes the evidence-based prevention definition provided by the Center for Substance Abuse Prevention (CSAP) which allows funding of 1) programs, practices, and policies included on CSAP-approved model program lists that demonstrate positive outcomes in substance use indicators; or, 2) programs whose design and evaluation methodology are published in a peer review journal and that demonstrate positive outcomes in substance abuse indicators; or, 3) effective prevention programs who can demonstrate positive prevention outcomes over a three year period and who document rigorous theoretical program design equivalent to that of the two previous program categories.”

D. VO will insure compliance with the Strategic Prevention Framework: State Incentive Grant, State Incentive Enhancement Grant, Substance Abuse Prevention and Treatment Block Grant, Governors Portion of Drug Free Schools and General Fund Prevention designated resources.

E. VO will work with the DOH Synar Coordinator and local communities to insure compliance with Synar which is a federal mandate that requires from all states and territories to:

1. Enact and enforce laws prohibiting any manufacturer, retailer or distributor from selling or distributing tobacco products to individuals under the age of 18;
2. Design a stratified, random probability sample and conduct unannounced inspections of tobacco outlets which will yield sales rates representative of retailer noncompliance.
3. Maintain a noncompliance rate of not more than 20 percent.
4. Report the annual baseline rate of retailer noncompliance with the New Mexico Tobacco Products Act: Laws of 1993 to the Center for Substance Abuse Prevention (CSAP) annually.

Failure to meet the requirements of the Synar legislation can result in penalties against a State’s Substance Abuse Prevention and Treatment (SAPT) Block Grant of as much as 40% of the total grant monies.

F. VO shall work with the DOH/Prevention Team and the Prevention Advocates to implement the Strategic Prevention Framework (SPF) in New Mexico.

The Strategic Prevention Framework is a strategic process that the State, VO and community stakeholders must undertake in partnership. Through the SPF-SIG, States will provide the requisite leadership, technical support and monitoring to ensure that identified communities are successful in implementing the five steps of the framework listed below. These steps are required, and all targeted communities must implement all five steps. States and communities are encouraged to build on existing infrastructure/activity, where appropriate. States are expected to use the SPF framework to guide all prevention activity throughout the State, whether funded through the SPF-SIG grant or through other sources. The VO will fulfill its role in each of the 5 steps as described in the following SPF steps:

1. SPF Step1: VO shall work with the DOH/Prevention Team and the Prevention Advocates and local communities to profile population needs, resources, and readiness to address the problems and gaps in service delivery. The VO shall:
   a. Work with the DOH/Prevention Team and the Prevention Advocates to utilize data and prioritize prevention service populations. In order to successfully accomplish this role, VO Prevention staff must demonstrate the following competencies and participate in the following processes:
      1. Demonstrate in-depth familiarity with current Risk and Protective Factors across all domains and the research-based "web of influence" model, which together establish the theoretical framework for state-of-the-art substance abuse and related prevention practice internationally.
      2. Demonstrate in-depth familiarity with the Institute of Medicine framework understanding population-based interventions in the prevention of mental disorders, inclusive of substance use behaviors.
      3. Demonstrate in-depth familiarity with the current state of evidence- and research-based programs, policies, and practices in the field of prevention, including environmental prevention strategies.
      4. Participate as member of State Epidemiology Workgroup (SEW), attending monthly meetings.
5. Assist SEW in developing strategies to collect more useful primary data from communities.

2. SPF Step 2: Mobilize and/or build capacity to address needs. The VO shall:
   a. Participate in Training Advisory Committee meetings to help prioritize workforce needs and shape prioritized course offerings in response to identified needs, employing a workforce competency framework to identify needs.
   b. Require on-going workforce development of prevention practitioners, specifically a minimum of twelve credits per semester per prevention practitioner, with at least one staff prevention practitioner identified and participating in workforce development for each $50,000 of prevention services offered during the fiscal year by a prevention provider. Report semi-annually.
   c. Require certification or movement toward certification for the key staff positions of all funded prevention initiatives, with at least one individual, for each $50,000 of prevention services offered during the fiscal year by a prevention provider, either certified and acquiring continuing educational units (CEU) a minimum of 24 annually, or one individual demonstrating progress towards certification (by completing a minimum of 30 CEU’s annually until certified). Report semi-annually.
   d. Ensure cultural competence practices in all programming.
   e. Develop strategies for effective problem identification and referral processes in all prevention programs, which is one of the primary linkage opportunities with the State’s intervention and treatment system.
   f. Ensure compliance with New Mexico Prevention Standards.
   g. Attend sub-recipient council meetings. The VO will present regular updates and make presentations on upcoming events or changes in protocols.
   h. Attend SPF trainings provided to current prevention contractors in order to increase understanding of the new comprehensive Framework for New Mexico’s prevention system.

3. SPF Step 3 Develop a Comprehensive Strategic Plan. The VO shall:
   a. Require leveraged services in community prevention plans.
   b. Participate in the annual state prevention planning meeting and work with the Prevention Advocates to ensure that a coordinated plan to meet benchmarks is current.
   c. Work with the DOH/Prevention Team to address the issue of sustainability which should be a constant throughout each step of planning and implementation and should lead to the creation of a long-term strategy to sustain policies, programs and practices.

4. SPF Step 4 Implement evidence-based prevention programs and infrastructure development activities. The VO shall:
   a. Maintain level services at each contract site as compared to the baseline established during FY06 or according to funds available through the funding sources outlined in the opening paragraph of this Management Letter.
   b. Review program data to determine status of each prevention provider.
   c. Review quarterly reports and provide feedback to the DOH Prevention Team staff.
   d. Write amendments to contracts when appropriate.
   e. Manage a file for each prevention provider—these files will be reviewed by DOH/Prevention Team personnel with one month of advanced notice of site visit.
   f. Work with the DOH/Prevention Team and Prevention Advocates to develop recommendations for FY 2008 continuation funding based upon utilization of the Strategic Prevention Framework (SPF) process.
   g. Work with the DOH/Prevention Team and the Strategic Prevention Framework State Incentive Grant (SPF-SIG) grantees to ensure continuity in programming. Subject to satisfactory performance and approval by the Collaborative and CSAP, the eight implementation grants and five capacity grants awarded in FY06 shall be given full funding for FY07 through FY10.
   h. Work with the DOH/Prevention Team and communities to continue the implementation of evidence based prevention programs purchased in FY 06 and insure that they are maintained or enhanced in FY 07 focusing on parents and families of 0-6 year old youth (at least 12% of available funds), K-6th grade youth (approximately 33% of available funds), 12-17 year olds
(approximately 45% of available funds), and communities at large (approximately 10%).
Strategic Prevention Framework community funding is in addition to these amounts and
budgeted at approximately 1.9 million dollars annually and focuses on changing community
level indicators by targeting 15-24 year olds at risk of drinking and driving. The percentage of
funding per service category is open for change according to the needs identified at the state
and local level and upon approval of the DOH Prevention Team Leader.

i. Report technical assistance needs to DOH/Prevention Team.

j. Designate a staff person who shall meet with the DOH/Prevention Team regularly.

k. Document use of evidence-based prevention programs, policies and practices; submit report to
the DOH/Prevention Team by December 15 and July 15 of each contract year.

l. Document new and on-going adaptations of evidence-based programs. Submit report by
December 15 and July 15 of each contract year to the DOH/Prevention Team.

5. SPF Step 5 Monitor process, evaluate effectiveness, sustain effective
programs/activities, and improve or replace those that fail. The VO shall:

a. Work with the DOH/Prevention Team and Prevention Advocates to improve the evaluation
system in New Mexico.

b. Require at least 15-20 percent of community level contract amounts shall be devoted to
external evaluation sub-contractors to assure professional and objective evaluation activities
for process and outcome measurement.

c. Review quarterly reports and report findings to the DOH/Prevention Team.

d. Assure that the quality of services provided at the local level, are being delivered with fidelity
and are the highest quality possible.

e. Review program data to determine status of each prevention provider and report to the
DOH/Prevention Team.

f. Lead, coordinate and develop reports in annual site evaluations to a minimum of 50 percent of
the community based programs each year.

h. Work with state wide evaluation contractor to schedule random fidelity checks at all sites.
Each site is required to have at least one fidelity check per fiscal year.

j. Participate with the external evaluation team meetings at least quarterly to develop an
understanding of the current protocols in place used to evaluate prevention services.

i. Work with the statewide evaluation contractor to review aggregate process data, evaluation
reports, etc. and report to the DOH/Prevention Team.

k. Report on the National Outcome Measures (NOMs) and other outcome data required by
CSAP.

G. VO shall work with the DOH/Prevention Team and the Prevention Advocates to plan for the continued
implementation of evidence based prevention programming in New Mexico in SFY 08 and beyond.

1. Upon completion of the one-year “Do No Harm” period of Phase II of this contract, VO will work with
the Prevention Advocates to determine a criteria for funding evidence based prevention
programming in subsequent years.

2. Support a prevention continuum of services that is made up of the following items:

a. Evidence-based programs targeted at youth 0 to 6 years of age and their families;

b. Evidence-based programs targeted at youth from kindergarten through grade 6 and their
families;

c. Evidence-based programs targeted at youth 12 to 17 years of age and for the SPF SIG grant
evidence-based or model programs, strategies, and policies targeting the alcohol use patterns
15 to 24 year olds at risk of drinking and driving, especially binge drinking and underage
drinking (SPF SIG); and

d. Evidence-based programs targeting communities at large with environmental strategies to
impact community norms around substance use.
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PROJECT BUDGET AND PAYMENT SCHEDULE

Payment for services under the initiative will be made monthly on a 1/12th fixed price basis.

This management letter is intended to be statement of work for an area of opportunity, which ValueOptions will work on for the benefit of Department of Health/BHSD. During the course of our work, we may find additional areas of opportunities for ValueOptions. We will notify ValueOptions at that time and either amend this management letter or develop a new management letter to reflect the inclusion of the additional items.

Approved: Michelle Lujan Grisham, J.D.
DOH Department Secretary and Collaborative Co-Chair

Date: 7/29/06

Approved: Pam Hyde, J.D.
HSD Department Secretary and Collaborative Co-Chair

Date: 10/30/06

Approved: Pamela Galbraith, CEO
ValueOptions New Mexico

Date: 12/15/06
RE: Early Childhood Mental Health Training Institute Management Letter

Dear Ms. Galbraith:

This management letter describes the requirements regarding the Behavioral Health Collaborative’s one-time commitment to the implementation of the Early Childhood Mental Health (ECMH) Training Institute through Las Cumbres Learning Services, Inc.

Purpose
- This management letter directs the role of ValueOptions New Mexico (VONM), in service, with the implementation of the Early Childhood Mental Health Training Institute. The Institute will annually select trainees from a pool of professionals based on their potential to effectively serve families with children from birth to five years of age. Upon completion of the two-year Training Institute, the ECMH Specialist will:
  - Apply early childhood mental health principles and approaches to their work with families;
  - Promote early childhood mental health in their communities;
  - Provide preventive intervention supports and services when children's social and emotional well-being is at risk;
  - Provide early childhood mental health treatment services - consistent with professional licensure requirements – to families with relationships disturbances;
  - Offer mental health consultation and support to other childhood and family support providers.

Collaborative Responsibilities
- Provide one-time support for the implementation of the ECMH Training Institute;
- Serve as the single point of contact regarding all project matters;
- Provide current information regarding project requirements;
- Attend planning and implementation meetings, as appropriate;
- Review the payment mechanism and communicate with VONM Finance Department.

VONM Responsibilities
- Assure the implementation of the ECMH Training Institute activities in accordance with Collaborative requirements;
- Collaborate with the BH Collaborative’s single point of contact regarding the development of a final report of the Institute's activities and expenditures;
- Oversee future development of the Institute's provider network.
Budget Information:

The budget for this is $120,000.
Approval:

By: Pamela S. Hyde, Secretary
Human Services Department

Date: 1/8/07

By: Michelle Lujan-Grisham, Secretary
Department of Health

Date: 11/6/07

By: Pamela Galbraith, CEO
ValueOptions New Mexico

Date: 12/12/06
September 26, 2006

Pamela Galbraith, CEO
ValueOptions New Mexico
P.O. Box 30650
Albuquerque, NM 87190-0650

RE: New Mexico Access to Recovery Management Letter

Dear Ms. Galbraith:

This management letter describes the initiative in which ValueOptions will assist the New Mexico Department of Health (DOH), Behavioral Health Services Division in ensuring that all aspects of the Access to Recovery (ATR) cooperative agreement are met. This Management Letter is prepared at the direction of the behavioral health collaborative for partnership between the Behavioral Health Services Division and ValueOptions. August 2, 2006, begins the final year of a three year federal cooperative agreement.

PURPOSE
This management letter authorizes ValueOptions to be the single contracts and Joint Powers Agreements manager, including the management of the New Mexico ATR provider network, for the New Mexico Department of Health (DOH) Behavioral Health Services Division (BHSD) and the Substance Abuse Mental Health Services Administration (SAMHSA) ATR cooperative agreement. Contracts and Agreements include:

- Pathways (Bernalillo County Central Intake)
- Santa Fe County (Santa Fe County Central Intake)
- Doña Ana County NAVA (Doña Ana County Central Intake)
- Coop Consulting Inc. (Systems Coordinator)
- Koster Planning (Project Evaluation)
- Get It Together, Inc. (Web Site Development and Maintenance)

DOH RESPONSIBILITIES
- Serve as the single point of contact with SAMHSA regarding all project matters;
- Provide current information regarding federal requirements;
- Finalize and submit federal reports;
- Provide guidance regarding ongoing implementation of ATR activities;
- Attend local and national ATR planning and implementation meetings as appropriate;
- Review payment mechanism, review invoices for approval and payment and communicate with VONM Finance Department.
**VALUE OPTIONS RESPONSIBILITIES**
- Provide data to DOH according to federal guidelines and timeframes;
- Assist in the development of federal documents including, but not limited to, monthly, quarterly and ad hoc reports, reapplications and carry over requests;
- Assure the implementation of ATR activities in accordance with federal requirements, including client choice;
- Oversee the ongoing development of the ATR provider network (both clinical and recovery support);
- Implement onsite processes (at central intake and provider sites) to ensure appropriate clinical services;
- Implement onsite processes (at central intake and provider sites) to assure the appropriate expenditure of ATR resources;
- Implement process that monitors the distribution and expenditure of vouchers;
- Provide technical assistance to central intake sites and to providers;
- Assure the provision of ATR services to 6,300 new unduplicated clients;
- Participate in regular meetings with ATR State Team;
- Participate in federal meetings as required.

**PROJECT BUDGET**

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Salaries and benefits</td>
<td>$128,000.00</td>
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<tr>
<td>Salaries and benefits Miscellaneous (travel, supplies, equipment, etc.)</td>
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<tr>
<td>Recovery Support Network development and maintenance</td>
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<td>Project Coordinator (Coop Consulting Inc.)</td>
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<tr>
<td>Evaluation (Koster Planning)</td>
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<td>Five Sandoval (Central Intake – Assessment/Program Management)</td>
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<td><strong>Total</strong></td>
<td><strong>$7,241,885.00</strong></td>
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Resource allocations may be adjusted in collaboration and with the approval of the Behavioral Health Services Division.

Approved: Michelle Lujan Grisham, J.D.
DOH Department Secretary and Collaborative Co-Chair
Date: 9/29/04

Approved: Pam Hyde, J.D.
HSD Department Secretary and Collaborative Co-Chair
Date: 10/30/06

Approved: Pamela Galbraith, CEO
ValueOptions New Mexico
Date: 12/4/06
September 26, 2006

Pamela Galbraith, CEO
ValueOptions New Mexico
P.O. Box 30650
Albuquerque, NM 87190-0650

RE: New Mexico SBIRT Management Letter

Dear Ms. Galbraith,

This management letter describes the initiative in which ValueOptions will assist the New Mexico Department of Health (DOH), Behavioral Health Services Division in ensuring that all aspects of the Screening, Brief Intervention, Referral and Treatment (SBIRT) cooperative agreement are met. This Management Letter is prepared at the direction of the behavioral health collaborative for partnership between the Behavioral Health Services Division and ValueOptions.

INITIATIVE DESCRIPTION

This initiative authorizes ValueOptions to be the single contract manager for the New Mexico Department of Health (DOH), Behavioral Health Services Division SBIRT cooperative agreement. The contracts include:

- Sangre de Cristo Community Health Partnership, (sub-administrative agency for the implementation of the grant);
- Coop Consulting, Inc., the Project Oversight role; and
- Verner Westerberg, Ph.D., the project evaluator.

Scopes of work for these three sub-contractors are included as attachments to this management letter. The cooperative agreement is currently in year three of a five year grant. Year four begins on 10/1/06; and year five begins on 10/1/07.

PHASE II OVERVIEW

Phase II of the behavioral health collaborative initiative will require ValueOptions to oversee all contracts associated with the New Mexico SBIRT program. ValueOptions will establish a payment process of 1/12 drawdown of the entire contract amount, based on a monthly invoice from each contractor, to be paid in the same month as it is billed. The responsibility for the federal reporting requirements of the grant will be retained by the New Mexico Department of Health. Under phase II ValueOptions will work with DOH staff to fully transition the operations of the SBIRT grant contract management.
VALUEOPTIONS RESPONSIBILITIES
Upon approval of this management letter, ValueOptions will be responsible for oversight of the deliverables of the sub-contracts associated with SBIRT cooperative agreement.
ValueOptions will:
- Attend meetings at least monthly with BHSD SBIRT staff to set strategic planning goals;
- Submit a strategic plan report which outlines sustainability activities, including Telehealth,
  o Quarterly in FY'07; October, January, April, July; and
  o Monthly in FY '08 until the end of the federal grant period;
- With BHSD participation, assure SBIRT clients are transitioned to the appropriate service delivery system when the federal funding ends;

ValueOptions' SBIRT oversight responsibility includes the following:
- Pay monthly invoices of three SBIRT sub-contractors at 1/12 drawdown, upon review and approval of the monthly invoice by BHSD and VO submitted by the contractors, and paid within two weeks of the date of the invoice.
- Ensure that the subcontractor deliverables are met through a monthly report from the subcontractor, which is sent to VO and BHSD;
- Work in partnership with the BHSD SBIRT staff to fulfill federal requirements;
- Attend SBIRT and Telehealth meetings as appropriate, both locally and nationally;
- Participate in monthly SBIRT conference calls, and any other calls as appropriate;
- Assist in gathering information for semi-annual reports and continuation applications as needed;
- Participate in the sustainability effort for the integration of behavioral health and primary care;

DOH RESPONSIBILITIES
DOH SBIRT employees will continue the responsibility of reporting to the federal partners. BHSD will work with ValueOptions to produce positive outcomes through our combined efforts. Should you have additional questions or concerns, please do not hesitate to contact Teresa Henke Project Manager by phone at 827-2637 or email Teresa.Henke@state.nm.us

PROJECT BUDGET AND PAYMENT SCHEDULE
Payment for services under the initiative will be made monthly on a fixed price basis.
New Mexico SBIRT Management Letter
Page 3

By: Michelle Lujan Grisham, J.D.
DOH Department Secretary and Collaborative Co-Chair
Date: 9/29/06

By: Pam Hyde, J.D.
HSD Department Secretary and Collaborative Co-Chair
Date: 10/26/06

By: Pamela Galbraith, CEO
ValueOptions New Mexico
Date: 11/5/06
September 18, 2007

Pam Galbraith, CEO
Value Options New Mexico
PO Box 30650
Albuquerque, NM  87109-0650

Subject: Management Letter for Supportive Housing

Dear Ms. Galbraith:

This management letter describes requirements related to the FY08 legislative appropriation for supportive housing, which will be implemented through ValueOptions New Mexico (VONM) and the New Mexico Mortgage Finance Authority (MFA).

**Purpose**

This letter lays forth the plan for disbursement and management of the $750,000 legislative allocation for supportive housing as approved by the Behavioral Health Collaborative (Collaborative) at its meeting on May 24, 2007.

**Collaborative Responsibilities**

1. Through the Technical Assistance Collaborative (TAC), provide ongoing consultation, training, and oversight of the pilot projects to be implemented as a result of the FY08 legislative appropriation.
2. Work closely with TAC consultants and staff teams at VONM to establish services plan and protocol for the rental assistance pilot; train VO staff; conduct monthly feedback sessions with VONM’s Recovery & Resiliency Department and Regional staff involved with housing.
3. Work closely with VONM to develop VONM policies and practice guidelines for outreach, tenant selection, and supportive services.
4. Assist VONM with the training of service providers in targeted communities
5. Provide a single point of contact at the Collaborative regarding project matters
6. Provide current information regarding project requirements
7. Attend planning and implementation meetings as appropriate.
8. Establish evaluation criteria and approve housing tracking system.

**VONM Responsibilities**

1. Disburse funds ($696,000) to the Mortgage Finance Authority (MFA) for the following purposes:

2. Capacity Building in the Housing Delivery System ($250,000): MFA through the New Mexico Supportive Housing Coalition will assist interested non profits who demonstrate potential for building production capacity. Responsibilities include developing program detail and scope of work for Collaborative approval, establishing related Memorandum of Understanding, and project implementation and completion prior to 6/30/09. Quarterly program reports will be required.
• Housing Pre-Development ($146,000): Administered through MFA for non-profit developers as they begin projects. Responsibilities include developing program detail and scope of work for Collaborative approval, establishing related Memorandum of Understanding, and project implementation and completion prior to 6/30/09. Quarterly Reports will be required.

• Rental Assistance Pilot ($300,000): MFA, in coordination with VONM and TAC, will develop policies, program detail and a scope of work for this Pilot project. Pilot sites and providers will be approved by the Collaborative and VONM. Policies, procedures, and protocols for administration of the Rental Assistance Pilot will be developed jointly and formalized in Memorandum of Understanding. Quarterly reports and coordination meetings will be facilitated by the Collaborative. MFA will cooperate in mutually agreed upon evaluation and tracking protocol.

2. Implement Services Plan as part of the Rental Assistance Pilot in target communities during FY08 and in coordination with MFA. Working with TAC consultants and the state point of contact to:
• Establish services plan/protocol in concert with Rental Assistance Program.
• Establish policies/practice guidelines for tenant selection, referral, screening and service coordination in collaboration with MFA and formalized in Memorandum of Understanding with MFA.
• Assign, train and oversee staff as primary tenant selection, referral and services liaison contacts for the Rental Assistance Pilot in both the Recovery and Resiliency Department and Regional Offices in designated pilot communities.
• Train identified providers in selected communities and implement procedures for coordination and delivery of community and housing services and tenant liaison services with identified housing providers through provider contracts and identified incentives.
• Begin evaluation/tracking of Pilot project in collaboration with MFA, the Collaborative, and TAC.

Budget for this component of the Supportive Housing implementation is $54,000 ($50,000 for services and $4,000 as 8% administrative fee).

3. Work with the Collaborative’s point of contact, MFA, and TAC regarding development of quarterly and year-end reports regarding all phases of the Rental Assistance Pilot.

Approval:

By: ___________________________ Date: ___________________________
Pamela S. Hyde, J.D.
Collaborative Co-Chair

By: ___________________________ Date: ___________________________
Dorian Dodson
Collaborative Co-Chair

By: ___________________________ Date: ___________________________
Jay Czar
Mortgage Finance Authority

By: ___________________________ Date: ___________________________
Pamela Galbraith, CEO
ValueOptions New Mexico