

# AGENDA ITEM

## NOV MOC IIIB

Proposed Revision to Section 6, Paragraph (C) of the Rules Governing the Financial Assistance Plan of the State Bar of California Lawyer Assistance Program – Request for Public Comment

**DATE:** October 19, 2007

**TO:** Members of the Board Committee on Member Oversight

**FROM:** The Oversight Committee of the Lawyer Assistance Program

**SUBJECT:** Proposed Revision to Section 6, Paragraph (C) of the Rules Governing the Financial Assistance Plan of the State Bar of California Lawyer Assistance Program (Amount Loaned for Outpatient Therapy) – Request for Public Comment

**ATTACHMENT:** Exhibit A: Proposed amendment to Section 6 of the Rules Governing the Financial Assistance Plan of the State Bar of California Lawyer Assistance Program

### EXECUTIVE SUMMARY

Pursuant to Section 6235 of the Business and Professions Code (Attorney Diversion and Assistance Act), the Financial Assistance Plan of Lawyer Assistance Program (“LAP”) was established to provide financial aid (loans) to those attorneys who are eligible to participate in the program (“participants”) and would otherwise be financially unable to do so. The Rules Governing the Financial Assistance Plan (“Rules”) state that when inpatient or outpatient treatment is recommended by the LAP Evaluation Committee or by staff, the participant may be entitled to a loan to cover the cost of this treatment, up to a lifetime cap of \$5,000 toward such expenses.

The LAP Oversight Committee recommends that Section 6, paragraph (C) of the Rules be amended to limit the authorized loan amount for outpatient therapy treatment to \$100 per session, with exceptions granted by the Oversight Committee in light of extenuating circumstances.

The Member Oversight Committee is being asked to authorize the circulation of this proposal for a shortened public comment period of thirty (30) days, pursuant to §4(B) of the Procedure for Adoption, Amendment or Repeal of State Bar Regulations. Board members with questions or concerns may contact Richard Carlton, 415/538-2355 or [richard.carlton@calbar.ca.gov](mailto:richard.carlton@calbar.ca.gov)

## **ISSUE**

Should the Committee authorize the circulation of the proposed amendment to Section 6 of the Rules Governing the Financial Assistance Plan of the State Bar of California Lawyer Assistance Program ("Rules") for a thirty (30) day period of Public Comment?

## **BACKGROUND**

The Rules Governing the Financial Assistance Plan ("Rules") state that when inpatient or outpatient treatment is recommended by the LAP Evaluation Committee or by staff, the participant may be entitled to a loan to cover the cost of this treatment, up to a lifetime cap of \$5,000 toward such expenses. Program experience has shown that there is a significant variation in the hourly fee for outpatient therapy services, in some cases high enough to reach the \$5,000 cap within a few months of weekly sessions. Many times this results from weekly treatment sessions with a psychiatrist whose rates tend to be higher than other treatment providers. It is the experience of LAP staff that excellent therapy services can often be obtained from less expensive sources, thus allowing the period of treatment to be lengthened or the total cost of treatment to be reduced.

## **FISCAL IMPACT**

It is presumed that the growth of outstanding loan obligations to the Financial Assistance Plan will be reduced as a result of participants obtaining less costly therapy services.

## **LENGTH OF PUBLIC COMMENT PERIOD**

The Member Oversight Committee is being asked to authorize the circulation of this proposal for a shortened public comment period of thirty (30) days, pursuant to §4(B) of the Procedure for Adoption, Amendment or Repeal of State Bar Regulations.

## **BOARD BOOK/ADMINISTRATIVE MANUAL IMPACT**

None.

## **RECOMMENDATIONS AND RESOLUTIONS**

The LAP Oversight Committee recommends that the proposed amendment of Section 6, paragraph (C) in the form attached hereto as Exhibit A, be circulated for public comment for a period of thirty (30) days. If the members of the Board Committee concur with the Oversight Committee's recommendation, it should adopt the following resolution:

**RESOLVED**, that the Board Committee on Member Oversight authorizes the proposed amendment of Section 6, paragraph (C) of the Rules Governing the Financial Assistance Plan of the State Bar of California Lawyer Assistance Program, in the form attached hereto as Exhibit A, to be circulated for public comment for a period of thirty (30) days, as provided for by § 4(B) of the Procedure for Adoption, Amendment or Repeal of State Bar Regulations.