

AGENDA ITEM

MARCH 54-132

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

DATE: February 20, 2008

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

FROM: Richard Carlton
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 – Return from Public Comment

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 is proposing 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 proposed changes came before this Board Committee on November 9, 2007. The Board Committee authorized the distribution of the proposed changes for a public comment period of thirty days. The public comment period ended on December 31, 2007. No public comment was received. It is now appropriate for the Board of Governors to approve the proposed revisions to Section 6. Board members with questions or concerns may contact Richard Carlton, 415/538-2355 or richard.carlton@calbar.ca.gov.

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 AND PERSONNEL 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.

BOARD BOOK / ADMINISTRATIVE MANUAL IMPACT

None.

RULE AMENDMENTS IMPACT

The proposed changes would amend Section 6, paragraph (C) of the Rules Governing the Financial Assistance Plan of the State Bar of California Lawyer Assistance Program.

PROPOSED BOARD COMMITTEE RECOMMENDATION

Should the Board Committee on Member Oversight agree with the proposed recommendation, adoption of the following resolution would be appropriate.

RESOLVED, following publication for comment and no comments having been received, that the Board Committee on Member Oversight recommends that the Board of Governors of the State Bar of California amend Section 6, paragraph (C) of the Rules Governing the Financial Assistance Plan of the State Bar of California Lawyer Assistance Program, to read as set forth below, and that the modifications be effective immediately.

PROPOSED BOARD RECOMMENDATION

RESOLVED, following public comment period and no comments having been received, and upon recommendation of the Board Committee on Member Oversight, that the Board of Governors of the State Bar of California hereby amends Section 6, paragraph (C) of the Rules Governing the Financial Assistance Plan of the State Bar of California Lawyer Assistance Program, to read as set forth below; and that the modifications be effective immediately.

**Section 6 of the Rules Governing the Financial Assistance Plan of the State Bar of California
Lawyer Assistance Program**

(C) TREATMENT COSTS. When inpatient or outpatient treatment is recommended by the Evaluation Committee or by staff, the Applicant may be entitled to a loan to cover the cost of this treatment, up to a lifetime cap of \$5,000 toward such expenses. A maximum of \$100 per session of outpatient therapy will be loaned. This limit will not apply to medication management sessions. The COMMITTEE may, at its discretion, agree to exceed this \$100 per session limit due to extenuating circumstances.