

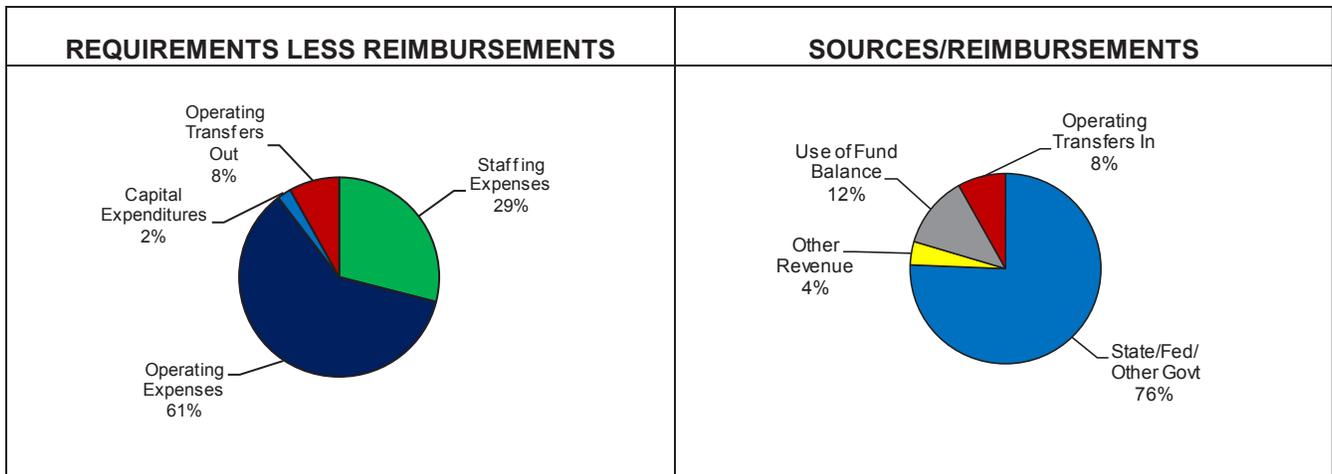
Mental Health Services Act

DESCRIPTION OF MAJOR SERVICES

On November 2, 2004, voters passed Proposition 63, which established a state personal income tax surcharge of one percent on the portion of taxpayers' annual taxable income that exceeds \$1 million. The proposition was enacted into law as the Mental Health Services Act (MHSA) effective January 1, 2005. The overall purpose and intent is "to reduce the long-term adverse impact on individuals, families, and state and local budgets resulting from untreated serious mental illness to insure that all funds are expended in the most cost effective manner and to ensure accountability to taxpayers and to the public.

Budget at a Glance	
Requirements Less Reimbursements	\$149,269,719
Sources/Reimbursements	\$130,993,884
Use of/ (Contribution to) Fund Balance	\$18,275,835
Total Staff	546

2015-16 ADOPTED BUDGET



ANALYSIS OF 2015-16 ADOPTED BUDGET

GROUP: Human Services
DEPARTMENT: Behavioral Health
FUND: Mental Health Services Act

BUDGET UNIT: RCT MLH
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual	2014-15 Final Budget	2015-16 Adopted Budget	Change From 2014-15 Final Budget
Requirements							
Staffing Expenses	23,810,545	26,155,522	28,693,789	31,128,037	42,512,734	43,285,441	772,707
Operating Expenses	54,054,758	54,889,223	84,169,768	79,997,020	83,846,388	90,467,644	6,621,256
Capital Expenditures	4,995	165,726	1,672,047	813,629	3,200,258	3,400,707	200,449
Total Exp Authority	77,870,299	81,210,471	114,535,604	111,938,686	129,559,380	137,153,792	7,594,412
Reimbursements	(1,092,500)	(501,377)	(498,499)	(712,960)	(568,393)	(577,609)	(9,216)
Total Appropriation	76,777,799	80,709,094	114,037,105	111,225,726	128,990,987	136,576,183	7,585,196
Operating Transfers Out	0	57,472	6,668	125,003	7,295,906	12,115,927	4,820,021
Total Requirements	76,777,799	80,766,566	114,043,773	111,350,729	136,286,893	148,692,110	12,405,217
Sources							
Taxes	0	0	0	0	0	0	0
Realignment	0	1,570,578	5,827,284	0	0	0	0
State, Fed or Gov't Aid	67,633,938	90,510,717	85,061,754	123,572,346	112,902,888	112,688,786	(214,102)
Fee/Rate	0	0	100	(128)	0	0	0
Other Revenue	637,594	1,463,325	4,847,877	4,810,783	6,844,683	5,917,767	(926,916)
Total Revenue	68,271,531	93,544,620	95,737,015	128,383,001	119,747,571	118,606,553	(1,141,018)
Operating Transfers In	0	1,026,596	0	9,154,618	9,154,618	11,809,722	2,655,104
Total Financing Sources	68,271,531	94,571,216	95,737,015	137,537,619	128,902,189	130,416,275	1,514,086
Fund Balance							
Use of / (Contribution to) Fund Balance	8,506,268	(13,804,650)	18,306,758	(26,186,890)	7,384,704	18,275,835	10,891,131
Available Reserves					53,235,148	68,740,968	15,505,820
Total Fund Balance					60,619,852	87,016,803	26,396,951
Budgeted Staffing*	368	367	459	517	517	546	29

*Data represents final budgeted staffing

MAJOR EXPENDITURES AND REVENUE IN 2015-16 ADOPTED BUDGET

Staffing expenses of \$43.3 million fund 546 positions. Operating expenses of \$90.5 million is comprised primarily of \$64.5 million in contracted and specialized services and \$13.8 million in interdepartmental transfers for services provided by Children's Network, Children and Family Services, Probation, Public Defender, and new this year, transfers to A&E to begin construction of 24-hour residential facilities in San Bernardino and the high desert. Services and supplies include administrative and program expenditures to execute the approved MHSA Plan.

Capital expenditures of \$3.4 million and operating transfers out of \$12.1 million fund the relocation of Child Youth Collaborative Services, establishment of a Crisis Stabilization Unit in San Bernardino and the establishment of Crisis Residential Centers in the High Desert and East Valley.

Reimbursements of \$577,609 include support from Human Services for the Office of Homeless Services, the Behavioral Health budget unit for administrative support provided, and salary reimbursements from the Alcohol and Drug Services budget unit for program related services.

State and federal aid in the amount of \$112.7 million includes revenue from the Mental Health Services Act, Medi-Cal Federal Financial Participation and Affordable Care Act, and SB82 Grants. Other revenue of \$5.9 million includes revenue from Children and Family Services for Screening, Assessment, Referral and Treatment services (SART), Institute of Mental Disease revenue, rent reimbursement, and anticipated interest earnings.

Operating transfers in from the Behavioral Health budget unit of \$11.8 million consists of 2011 Realignment for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services, and Public Safety Realignment revenue (AB109) for County jail clinician services.



BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are increasing by \$12.4 million primarily due to an increase of \$6.6 million in operating expenses which includes an increase to professional and contracted services providers of \$5.0 million for Outpatient, Child and Youth, Adult Residential Treatment, Crisis Stabilization and the Senate Bill 82 Mental Health Triage program, and an increase of \$1.6 million in general services and supplies. Changes in requirements also includes an increase of \$772,707 in staffing expenses that reflects the increased cost associated with the addition of 29 positions, offset by savings from employee MOU agreements and compensation plans. An increase in capital expenditures of \$200,449 fund leasehold improvements, equipment, and vehicles. Operating transfers out are increasing by \$4.8 million to fund a Crisis Residential Center located in the High Desert, which will provide 24 hour services to individuals with mental health and substance abuse issues.

Sources are increasing by \$1.5 million. Medi-Cal revenue is increasing by \$6.0 million due to expanded eligibility for services under the Affordable Care Act. However, this is offset by a \$6.2 million revenue decrease, which includes a decrease in MHSA revenue based on state projections and a reduction in federal block and housing grant funding. A decrease in other revenue of \$926,916 consists of revised estimates for Interim Assistance for indigent clients and the First 5 funding match for Screening, Assessment, Referral and Treatment and Early Identification and Intervention Services. Operating transfers in are increasing \$2.7 million due to an increase in 2011 Realignment, including Public Safety Realignment.

ANALYSIS OF FUND BALANCE

MHSA utilizes fund balance to cover one-time expenses, such as the startup costs associated with the new Electronic Health Records system. Fund balance is also used to provide match funding for two California Health Facilities Financing Authority grants (CHFFA). The use of \$18.3 million of fund balance in 2015-16 will primarily fund costs associated with the CHFFA grants received to facilitate the establishment of two Crisis Residential Centers and other one-time capital expenditures.

2015-16 POSITION SUMMARY*

Division	2014-15				2015-16		Limited	Regular
	Final Staffing	Adds	Deletes	Re-Orgs	Adopted			
24-Hour and Emergency Services	233	14	-3	-23	221	2	219	
Administrative Services	64	11	0	0	75	5	70	
Office of Compliance	8	0	-1	0	7	0	7	
Office of Cultural Competence & Ethnic Services	8	0	0	0	8	0	8	
Office of Homeless Svcs	9	0	-1	0	8	0	8	
Program Support Services	104	4	0	0	108	28	80	
Alcohol & Drug Services	2	0	0	0	2	0	2	
Regional Operations & Children's Svcs	64	6	-1	0	69	0	69	
Regional Operations	24	1	-1	23	47	0	47	
Medical Services	1	0	0	0	1	0	1	
Total	517	36	-7	0	546	35	511	

*Detailed classification listing available in Appendix D

STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing expenses of \$43.3 million fund 546 budgeted positions of which 511 are regular positions and 35 are limited term positions.

A total of 36 positions are added to the budget (30 regular, 6 limited term). Three extra help positions were deleted and 4 positions were transferred to the Behavioral Health general fund budget unit resulting in a net increase of 29 new positions. These positions are needed to meet the increasing demands to provide mental health services in Adult System of Care, programmatic oversight, IT support for the new billing system, and administrative support.



Additions

2 Automated Systems Analyst I's	2 Automated Systems Analyst II's	3 Automated Systems Technicians
1 Business System Analyst I	7 Clinical Therapist I's	3 Contract Project Managers
1 Contract Staff Analyst II	1 Graduate Student Intern	1 Mental Health Nurse II
1 Occupational Therapist II	3 Office Assistant III's	1 Peer & Family Advocate III
1 Program Specialist I	1 Program Specialist II	3 Social Worker II's
2 Storekeepers	1 Office Assistant II	1 Clinical Therapist II
1 Contract Business Systems Analyst I		

Deletions

1 Public Service Employee	1 Office Assistant II	1 Clinical Therapist I
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Transfers to Behavioral Health General Fund

1 Mental Health Clinic Supervisor	1 Office Assistant IV	1 Clinical Therapist II
1 Licensed Vocational Nurse II		

