

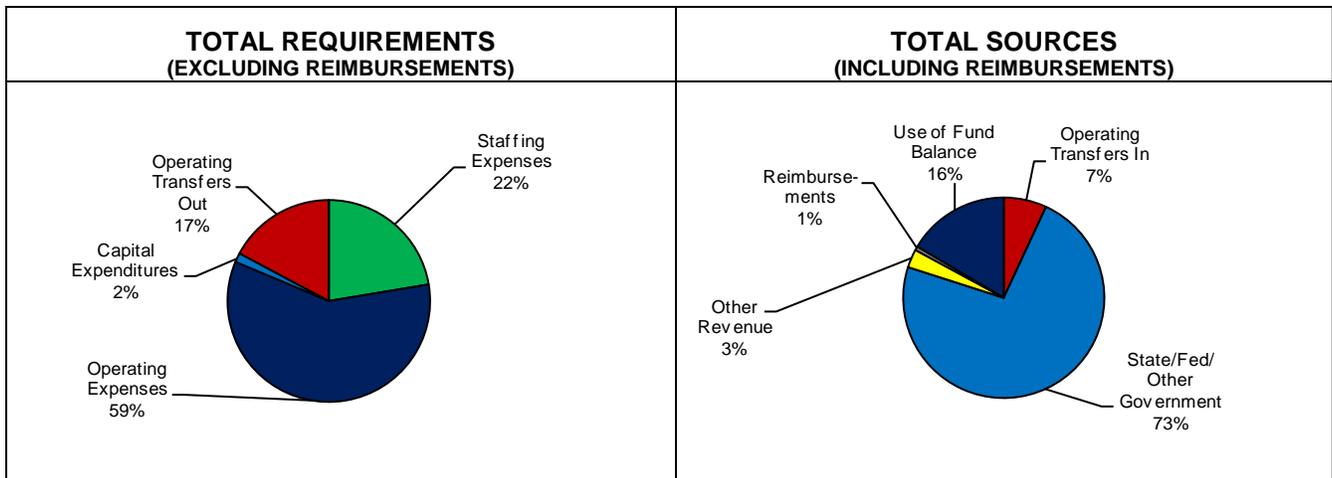
Mental Health Services Act

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 \$1.0 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	
Total Requirements (Excl. Reimb.)	\$212,247,388
Total Sources (Incl. Reimb.)	\$177,301,245
Use of/ (Contribution to) Fund Balance	\$34,946,143
Total Staff	590

2016-17 RECOMMENDED BUDGET



ANALYSIS OF 2016-17 RECOMMENDED BUDGET

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

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

	2012-13	2013-14	2014-15	(A) 2015-16	2015-16	(B) 2016-17	(B-A) Change From Prior Year
	Actual	Actual	Actual	Modified Budget	Estimate	Recommended Budget	Modified Budget
Requirements							
Staffing Expenses	26,155,522	28,693,789	31,128,037	44,407,177	35,935,591	47,503,332	3,096,155
Operating Expenses	54,889,223	84,169,768	79,997,020	89,588,338	74,871,531	125,142,014	35,553,676
Capital Expenditures	165,726	1,672,047	813,629	3,400,707	270,500	3,149,013	(251,694)
Total Exp Authority	81,210,471	114,535,604	111,938,686	137,396,222	111,077,622	175,794,359	38,398,137
Reimbursements	(501,377)	(498,499)	(712,960)	(577,609)	(730,728)	(1,325,291)	(747,682)
Total Appropriation	80,709,094	114,037,105	111,225,726	136,818,613	110,346,894	174,469,068	37,650,455
Operating Transfers Out	57,472	6,668	125,003	12,115,927	6,815,927	36,453,029	24,337,102
Total Requirements	80,766,566	114,043,773	111,350,729	148,934,540	117,162,821	210,922,097	61,987,557
Sources							
Taxes	0	0	0	0	0	0	0
Realignment	1,570,578	5,827,284	0	0	0	0	0
State/Fed/Other Government	90,510,717	85,061,754	123,572,346	112,688,786	109,007,852	155,034,217	42,345,431
Fee/Rate	0	100	(128)	0	573	0	0
Other Revenue	1,463,325	4,847,877	4,810,783	5,917,767	5,606,321	6,286,482	368,715
Total Revenue	93,544,620	95,737,015	128,383,001	118,606,553	114,614,746	161,320,699	42,714,146
Operating Transfers In	1,026,596	0	9,154,618	11,809,722	11,172,733	14,655,255	2,845,533
Total Financing Sources	94,571,216	95,737,015	137,537,619	130,416,275	125,787,479	175,975,954	45,559,679
Fund Balance							
Use of / (Contribution to) Fund Balance**	(13,804,650)	18,306,758	(26,186,890)	18,518,265	(8,624,658)	34,946,143	16,427,878
Available Reserves				68,498,538	95,641,461	60,695,318	(7,803,220)
Total Fund Balance				87,016,803	87,016,803	95,641,461	8,624,658
Budgeted Staffing*	367	459	517	567	567	590	23

*Data represents modified budgeted staffing

**Contribution to Fund Balance appears as a negative number and increases Available Reserves.

MAJOR REQUIREMENTS AND SOURCES IN 2016-17 RECOMMENDED BUDGET

Staffing Expenses of \$47.5 million fund 590 positions. Operating Expenses of \$125.1 million are primarily for \$87.3 million in contracted and specialized services and \$22.0 million in interdepartmental transfers for mental health crisis services provided by Children's Network, Children and Family Services, Probation, Public Defender and Public Health. Also included are administrative and program expenditures to execute the approved MHSA Plan.

Capital Expenditures of \$3.1 million and Operating Transfers Out of \$36.5 million primarily fund the establishment of two Crisis Stabilization Units (CSU) in the East Valley and West Valley, and four Crisis Residential Treatment (CRT) Centers in San Bernardino, High Desert, East Valley, and Morongo Basin which will provide 24 hour services to individuals with mental health and substance use disorders.

Reimbursements of \$1.3 million include financial support from Human Services for the administration of the Office of Homeless Services, the Behavioral Health (BH) General Fund budget unit and the Alcohol and Drug Services (ADS) General Fund budget unit for program service related salary reimbursements.

State and federal aid in the amount of \$155.0 million includes revenue from the Mental Health Services Act, Medical Federal Financial Participation and Affordable Care Act, and Senate Bill 82 Investment in Mental Health Wellness Act of 2013 (SB82) Grants. Other Revenue of \$6.3 million includes revenue from Children and Family Services for Screening, Assessment, Referral and Treatment services (SART), Social Security Supplemental Security Income through Interim Assistance for indigent clients, rent reimbursement, and anticipated interest earnings.



Operating Transfers In from the BH General Fund budget unit of \$14.7 million primarily consists of 2011 Realignment for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services, and Public Safety Realignment for mental health services to probationers.

BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are increasing by \$62.0 million, primarily due to Operating Expenses increasing by \$35.6 million. Additional Operating Expenses include \$23.7 million in professional and contracted services for Therapeutic Behavioral Services, the Regional Full Services Partnership, Comprehensive Child and Family Support Services and SB 163 Wraparound Program services. Additionally, \$11.9 million is for general services and supplies, equipment and transfers that support Outpatient, Child and Youth, Adult Residential Treatment, Crisis Stabilization and the Mental Health Triage programs. This also includes \$5.5 million in fixed asset transfers to the Behavioral Health general fund budget unit for the purchase of shared equipment. Changes in Requirements also include an increase in Staffing Expenses of \$3.1 million which reflects the addition of 23 CSU positions and negotiated salary increases. Operating Transfers Out are increasing by \$24.3 million to fund two CSUs located in the East Valley and West Valley, and two CRT Centers in the West Valley and Morongo Basin.

Sources are increasing by \$45.6 million. Medi-Cal revenue is increasing by \$9.5 million due to increasing service capacity and expanded eligibility for services under the Affordable Care Act. MHSA revenue is increasing by \$21.7 million based on the state's projections. State grant funding is increasing by \$10.6 million based on SB82 grants approved by the California Health Facilities Financing Authority (CHFFA). Operating Transfers In are increasing by \$2.8 million due to an increase in 2011 Realignment, including Public Safety Realignment received from the BH General Fund budget unit.

ANALYSIS OF FUND BALANCE

MHSA utilizes Fund Balance to cover one-time expenses. The use of \$35.0 million of Fund Balance will primarily be used to supplement the SB82 grants received to facilitate the construction and establishment of two CSUs, four CRT Centers, startup costs associated with the new Electronic Health Records system, and other one-time capital expenditures.

2016-17 POSITION SUMMARY*

Division	2015-16				2016-17			
	Modified Staffing	Adds	Deletes	Re-Orgs	Recommended	Limited	Regular	
24-Hour and Emergency Services	240	18	-1	-1	256	2	254	
Administrative Services	76	1	-1	-1	75	5	70	
Office of Compliance/Cultural Competence & Ethnic Services	15	0	0	0	15	0	15	
Office of Homeless Services	8	0	0	0	8	0	8	
Program Support Services	108	1	0	1	110	29	81	
Alcohol & Drug Services	1	0	0	0	1	0	1	
Regional Operations & Children's Svcs	70	5	0	1	76	0	76	
Regional Operations	48	1	-1	0	48	0	48	
Medical Services	1	0	0	0	1	0	1	
Total	567	26	-3	0	590	36	554	

*Detailed classification listing available in Appendix D.

STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing Expenses of \$47.5 million fund 590 budgeted positions of which 554 are regular positions and 36 are limited term positions. This includes a net increase of 23 positions comprised of the following: 14 regular new positions, one limited term position, the addition of a job share for a Clinical Therapist I, 10 positions from the BH General Fund budget unit and the ADS General Fund budget unit, and three deleted positions that were moved to other budget units. In order to better serve the County residents, the Community Crisis Response Team (CCRT) is expanding to 24 hour clinical services and additional staffing increases are necessary to provide administrative



support and to expand services in other MHSa programs such as the Homeless Outreach Support Team, which provides permanent support housing with wraparound case management.

Additions

1 Accountant III	1 General Services Worker II	1 Office Assistant IV
7 Clinical Therapist I	1 Licensed Vocational Nurse II	9 Social Worker II
3 Clinical Therapist II	1 Mental Health Education Consultant	
1 Contract Business System Analyst II	1 Office Assistant II	

Deletions

1 Mental Health Clinic Supervisor*	1 Psychiatric Technician I*	1 Staff Analyst II*
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*These positions were moved to General Fund budget units.

