

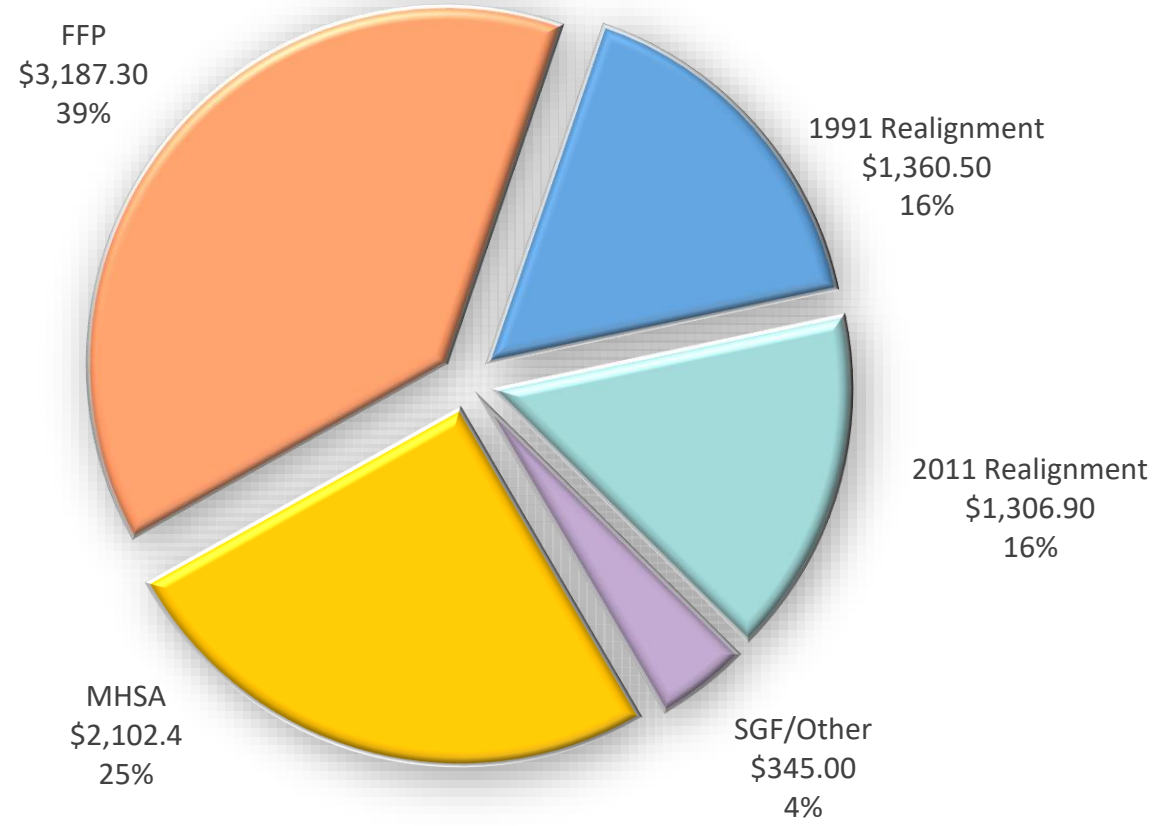
# STATEWIDE MENTAL HEALTH FUNDING

## Statewide Estimated Mental Health Funding

(Dollars in Millions)

	2016-17	2017-18	2018-19	2019-20
<b>1991 Realignment</b>	\$1,273.5	\$1,272.6	\$1,272.3	\$1,360.5
<b>2011 Realignment</b>	\$1,082.5	\$1,153.2	\$1,220.5	\$1,306.9
<b>State General Funds/Other</b>	\$225.0	\$270.0	\$350.0	\$345.0
<b>MHSA</b>	\$1,827.0	\$2,009.3	\$1,908.9	\$2,102.4
<b>Federal Financial Participation (FFP)</b>	\$2,410.4	\$2,911.2	\$2,886.1	\$3,187.3
<b>Total</b>	<b>\$6,818.4</b>	<b>\$7,616.3</b>	<b>\$7,637.8</b>	<b>\$8,302.1</b>

FY 2019-20  
Estimated Community Mental Health Funding  
(Dollars in Millions)



# 1991 Realignment

- Three revenue sources fund 1991 Realignment
  - ½ Cent of State Sales Tax
  - State Vehicle License Fees (VLF)
  - State VLF Collections
  
- Counties must provide a Maintenance of Effort (MOE)
  
- Realignment revenues are distributed to counties on a monthly basis as funds are collected until each county receives funds equal to prior year's total
  
- Revenues about that amount are placed in growth accounts for Sales Tax and VLF
  
- Governor's Proposed 2019-20 Budget eliminates the redirection of growth funds beginning in 2019-20
  - If enacted and revenues materialize, counties will receive 1991 MH Realignment growth in October 2020 and an increase to the 2020-21 base

# 2011 Realignment

- Additional realignment occurred as part of the 2011-12 State Budget
- Revenue was specifically dedicated to fund realigned services
  - 1.0625% of Sales Tax
  - Motor Vehicle License Fee Transfer to fund law enforcement program
  - Realigned services previously funded with State General Fund monies
  - MHPA funds were used to fund realigned mental health services in 2011-12
- Funds in the Behavioral Health Subaccount must be used to fund:
  - Residential perinatal drug services and treatment
  - Drug court operations and services
  - Nondrug Medi-Cal substance abuse treatment programs
  - Drug/Medi-Cal program
  - Medi-Cal specialty mental health services, including Early and Periodic Screening, Diagnosis and Treatment program and mental health managed care
- The 2011 Realignment statute does not specify how much needs to be spent on each program (County discretion)

# Mental Health Services Act

- The MHSA created a 1% tax on income in excess of \$1 million to expand mental health services
- Approximately 1/10 of one percent of tax payers are impacted by tax
- Two primary sources of deposits into State MHS Fund
  - 1.76% of all monthly personal income tax (PIT) payments (Cash Transfers)
  - Annual Adjustment based on actual tax returns  
(Settlement between monthly PIT payments and actual tax returns)

Statewide MHSA  
 Estimated Component Funding  
 (Cash Basis - Dollars in Millions)

	2016-17 Actuals	2017-18 Actuals	2018-19 Estimated	2019-20 Estimated	2020-21 Estimated
<b>CSS</b>	\$1388.6	\$1,527.1	\$1,450.8	\$1,597.8	\$1,676.0
<b>PEI</b>	\$347.1	\$381.8	\$362.7	\$399.5	\$419.0
<b>INN</b>	\$91.4	\$100.5	\$95.4	\$105.1	\$110.3
<b>Total</b>	\$1,827.0	\$2,009.3	\$1,908.9	\$2,102.4	\$2,205.3



<b>LOS ANGELES COUNTY</b>	
<b>CSS</b>	\$439.0
<b>PEI</b>	\$112.0
<b>INN</b>	\$29.6
<b>TOTAL</b>	\$580.6

# MHSA Estimated Component Funding

- Anticipate continued growth in funding through 2020-21
- Funding for No Place Like Home debt service has been removed from component funding
  - \$62 million in 2019-20 and \$88 million in 2020-21
  - Maximum of \$140 million when fully implemented in 2022-23
- Expect large annual adjustments in 2020-21 and 2021-22 due to capital gains spikes in 2018 and 2019



# Medi-Cal Specialty Mental Health Reimbursement

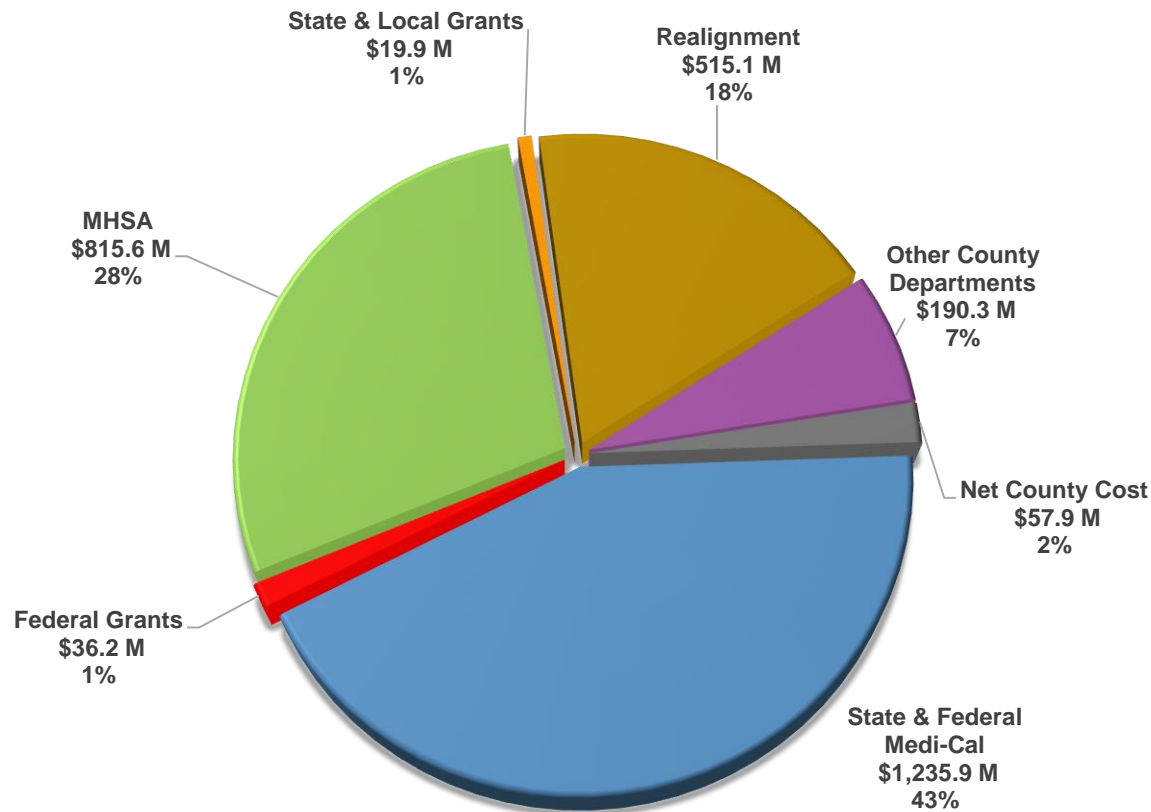
- County Mental Health Plans (MHP) are reimbursed a percentage of their actual expenditures (Certified Public Expenditures-CPE) based on the Federal Medical Assistance Percentage (FMAP)
  - Same for all Medi-Cal Specialty Mental Health services except FFS/MC inpatient hospital services
  
- County MHPs are reimbursed an interim amount throughout the fiscal year based on approved Medi-Cal services and interim billing rates
  - Interim (provisional) rates for contract providers represent amount paid by MHP to provider
  - Interim rates for county-operated providers should approximate actual costs
  
- County MHPs and DHCS reconcile the interim amounts to actual expenditures through the year-end cost report settlement process



# LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH

## FISCAL YEAR 2019–20 BUDGET SUMMARY

# Department of Mental Health FY 2019-20 Budget Summary \$2.871 Billion



## State & Federal Medi-Cal = \$1,235.9M

Inpatient and outpatient services to Medi-Cal eligible clients, administrative activities, and fees

## MHPA = \$815.6M

Intensive outpatient, recovery and wellness oriented services; prevention and early intervention services; workforce education and training; and innovative and technological projects

## Realignment = \$515.1M

General outpatient services; services to the AB 109 population; funding for State Hospital and IMD beds; Fee For Service hospitals; administrative and operating costs

## Other County Departments = \$190.3M

DCFS: Katie A/ Wraparound  
DPSS: CalWORKs & GROW  
Probation: Services in Halls/Camps

## Net County Costs = \$57.9M

Maintenance of Effort (MOE); County Funds & Vehicle License Fees; Public Guardian Probate Services; State Hospital beds

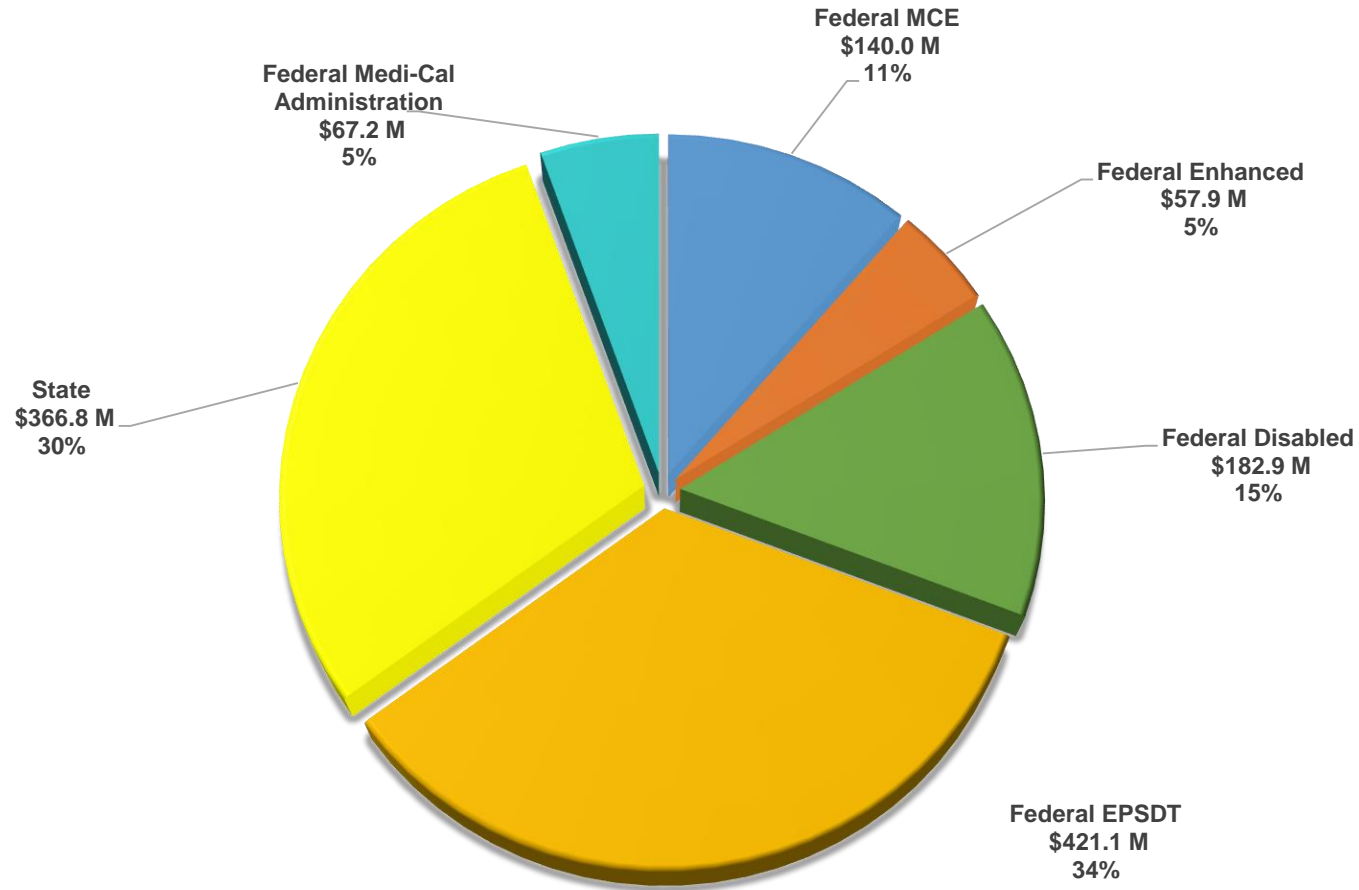
## Federal Grants = \$36.2M

Outpatient services to the uninsured population, homeless clients, and clients at risk of homelessness

## State & Local Grants = \$19.9M

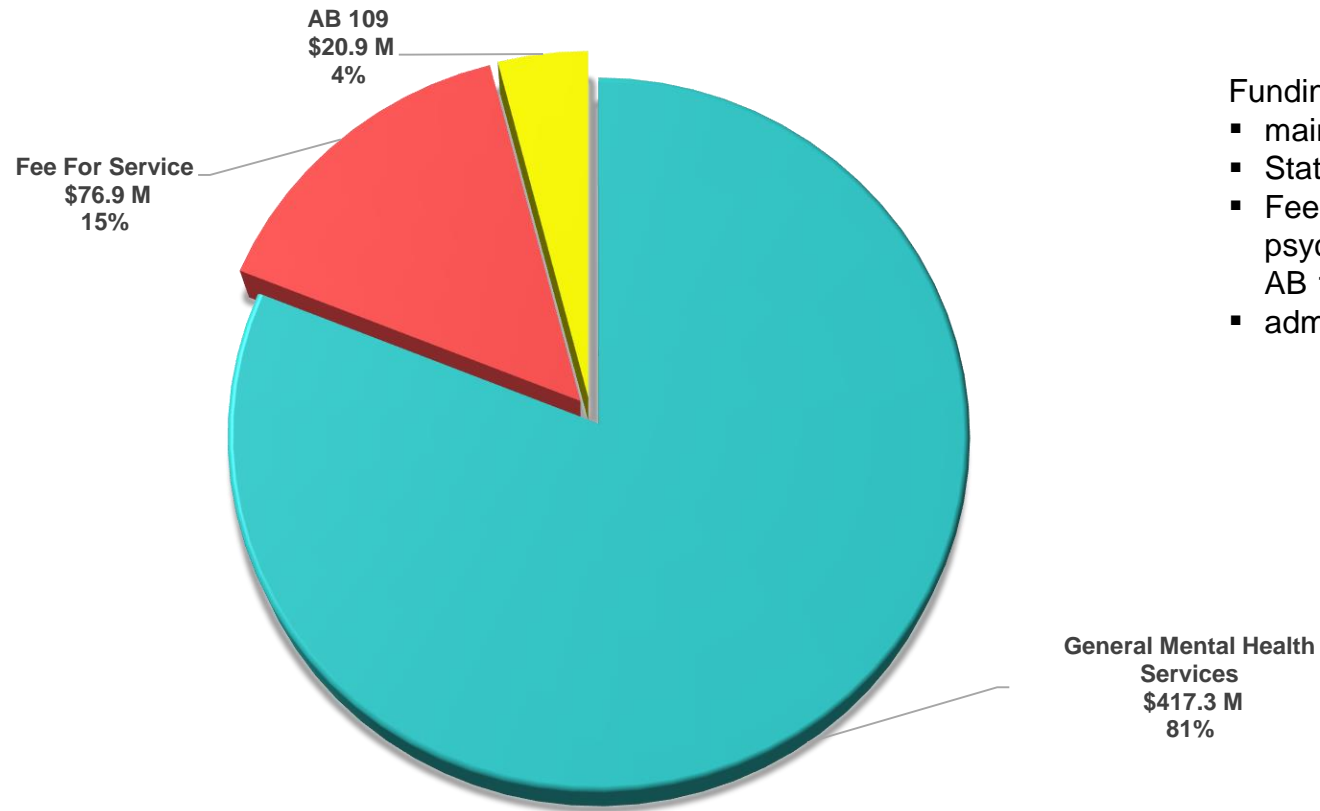
Specialized revenue grants for children birth to 5 years old; CHFFA; Measure H

**FY 2019-20 DMH Budget  
State & Federal Medi-Cal  
\$1.236 Billion**



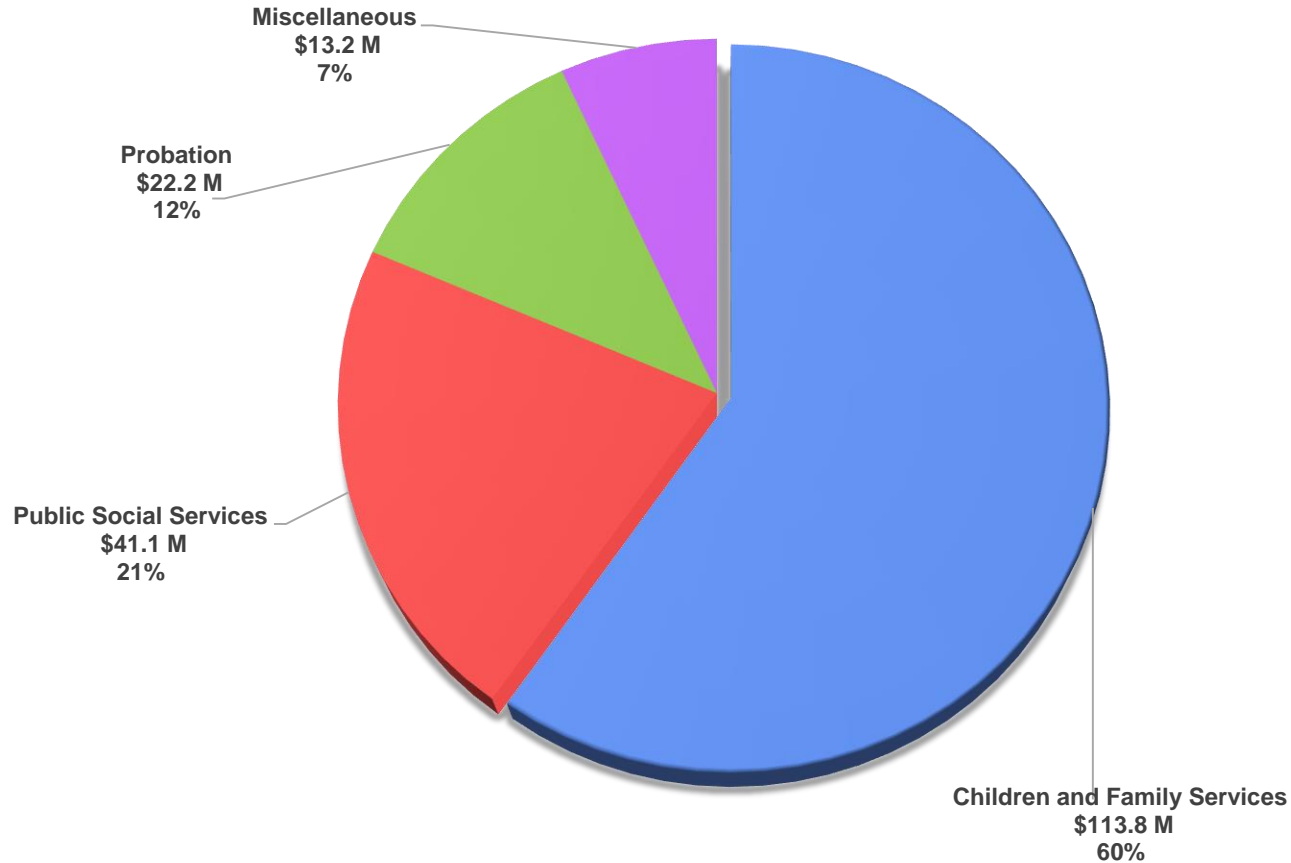
- Funding for mandated mental health services to Medi-Cal eligible clients based on their approved eligibility status.
- Federal funding is provided for all eligible clients; accompanied with State funding for children and transitional age youth that meet medical necessity criteria, and State funding for the Medi-Cal Expansion (Obama Care) population.
- Local funding, which is not reflected in this graph, is also required for these services and is provided from MHSA, Realignment, and other County Departments.
- Also reflects funding for Medicare eligible services, administering the Medi-Cal program, and performing Medi-Cal administrative activities, such as outreach, application completion assistance, and quality assurance.

**FY 2019-20 DMH Budget  
Sales Tax Realignment  
\$515.1 Million**







- Funding for general mental health services,
- mainly in the Probation Halls/Camps and group homes;
  - State Hospital and IMD beds;
  - Fee For Service inpatient beds and professional psychiatric services; mental health services to the AB 109 population; and
  - administration and general operating costs.

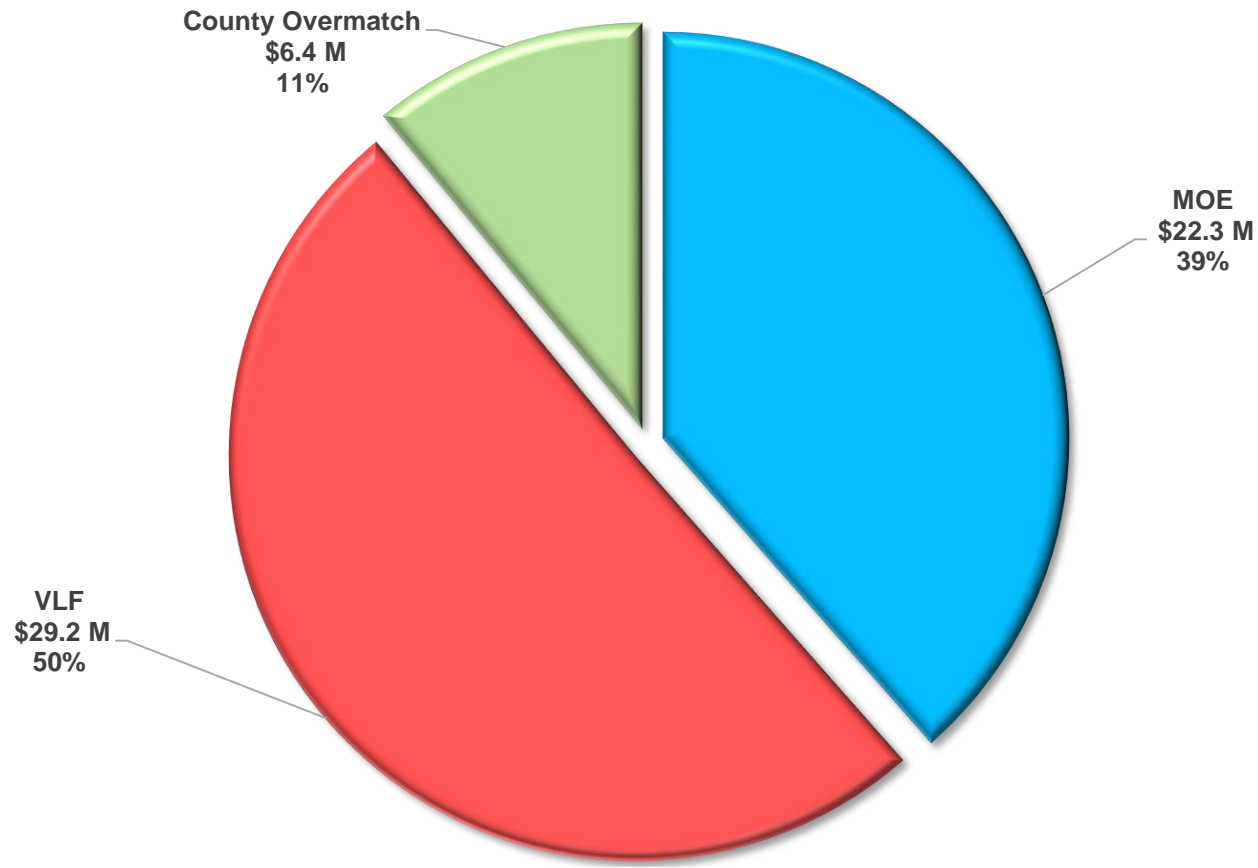
**FY 2019-20 DMH Budget  
Other County Departments  
\$190.3 Million**



**Other County Departments:** Reflects funding from Other County Departments for the provided mental health services.




-  Department of Children and Family Services  
Katie A, Specialized Foster Care, & Wraparound related services
-  Department of Public Social Services  
CalWORKs and GROW programs
-  Probation  
Juvenile justice related services in the Halls and the Camps.
-  Others  
Funding from various other County department for mental health services provided on their behalf, such as Public Health and Diversion & Re-entry.

**FY 2019-20 DMH Budget  
Net County Cost  
\$57.9 Million**

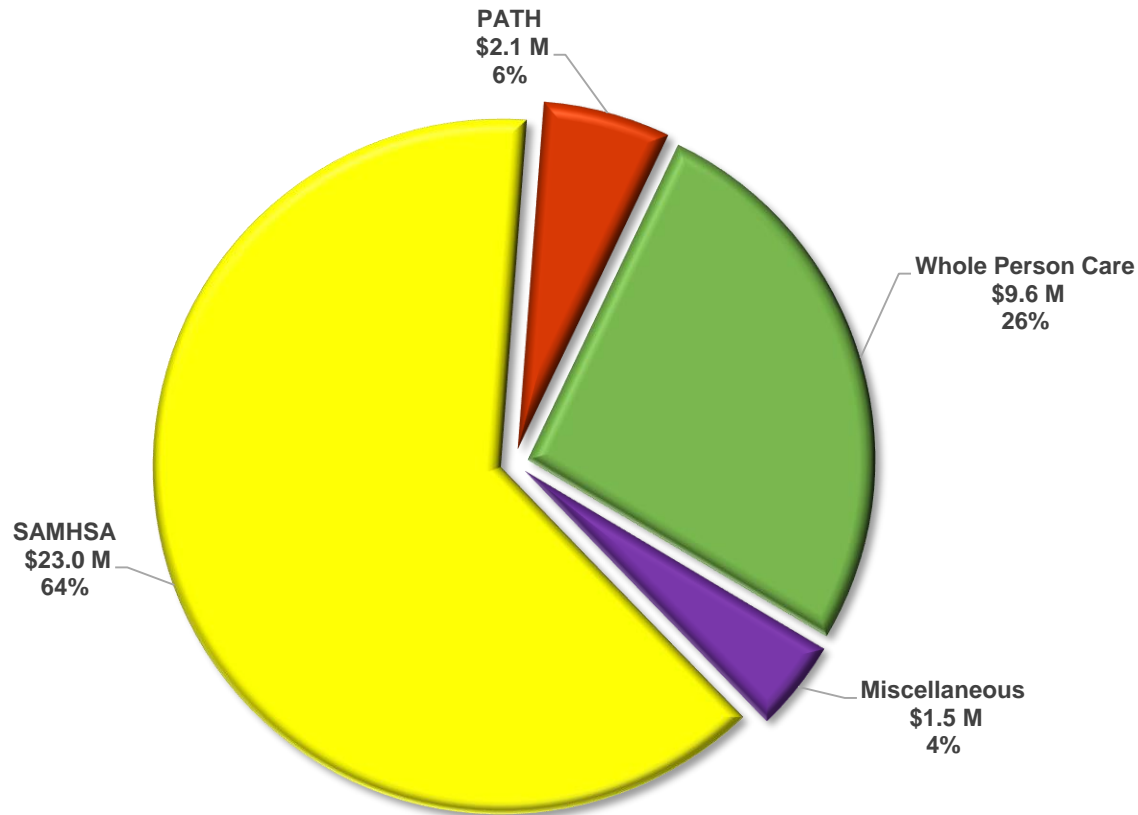


**Net County Costs:**

Reflects funding provided by the County for the following:

-  Maintenance of Effort (MOE)  
Funding provided by the County in order to receive Sales Tax Realignment revenue.
-  Vehicle License Fees (VLF)  
State Hospital Beds
-  County Overmatch  
Probate services, Men's Reintegration Program, and other homeless related services.

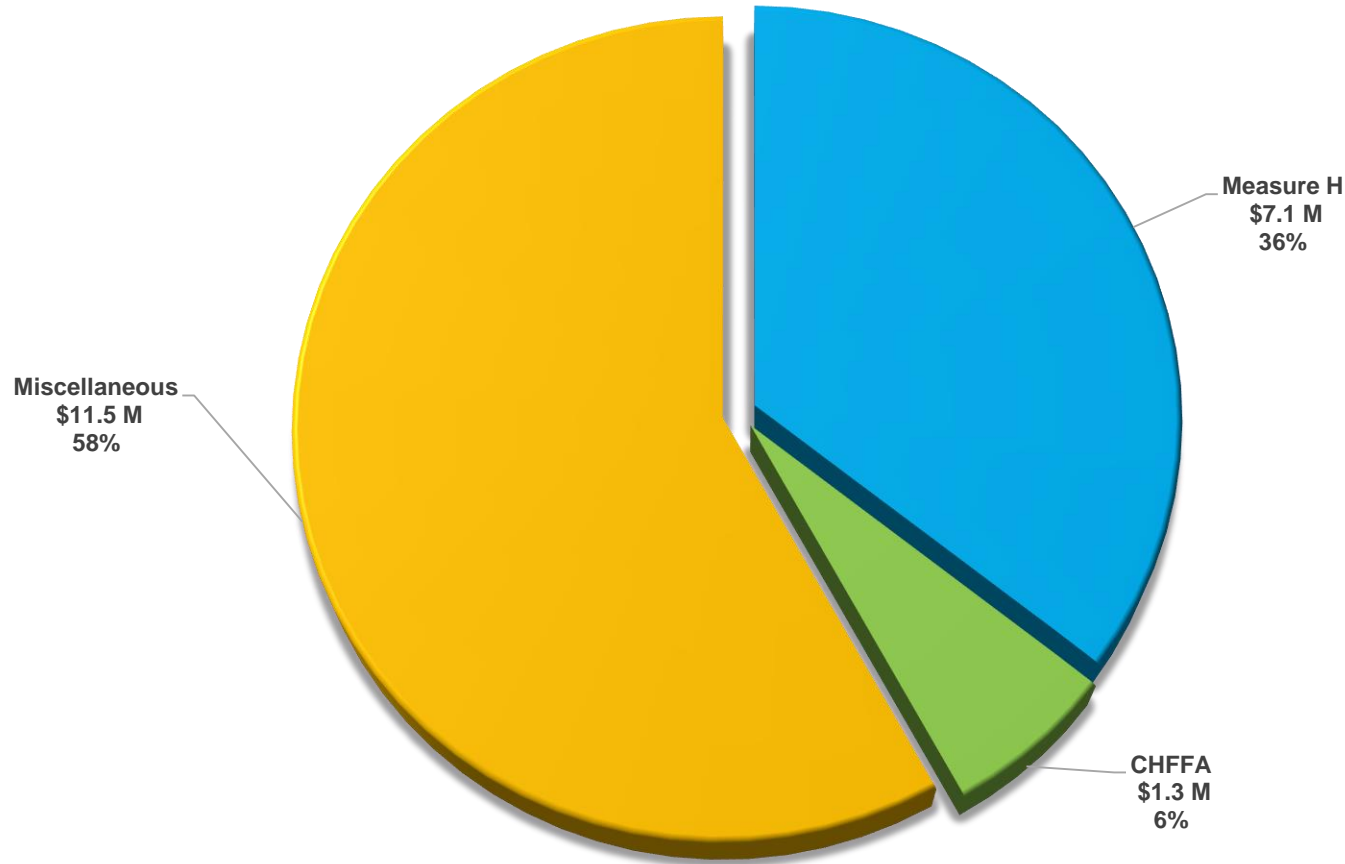
**FY 2019-20 DMH Budget  
Federal Grants  
\$36.2 Million**



- SAMHSA (Substance Abuse and Mental Health Services Administration)  
 Funding for uninsured mental health services.
  
- PATH (Projects for Assistance in Transition from Homelessness)  
 Funding dedicated for the homeless population and to prevent homelessness.
  
- Whole Person Care  
 Funding for various programs focused on
  - 1) post-discharge planning and support for clients with six or more hospitalizations;
  - 2) pre- and post-discharge planning and support to transition clients back to the community and for clients returning to non-institutionalized settings;
  - 3) peer social support and kinship to the highest-risk, most socially isolated, seriously mentally ill clients, and
  - 4) the expansion of access and enhancement of supportive services for high-risk, seriously mentally ill clients residing in Residential Facilities.
  
- Miscellaneous: funding for case management services to clients on conservatorship and funding for housing vouchers.



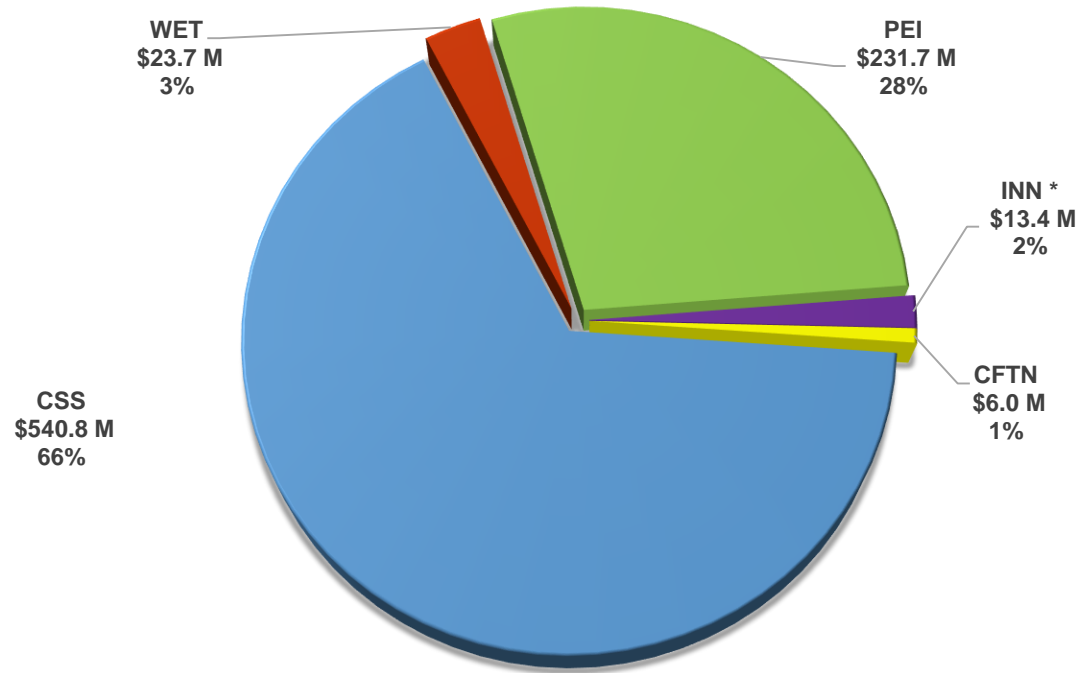
**FY 2019-20 DMH Budget  
State & Local Grants  
\$19.9 Million**



**State & Local Grants:** Reflects funding from the following State & Local agencies:

- Measure H**  
Supportive services targeted at homeless clients in supportive housing and rental subsidies for homeless clients.
- SB82 CHFFA**  
Programs that decrease the need for inpatient psychiatric hospitalization by providing immediate field based services.
- Miscellaneous**  
Funding mainly from estate fees related to clients on conservatorship, insurance collections, and medication rebates.

**FY 2019-20 DMH Budget  
MHPA PROGRAMS  
\$815.6 Million**



	CSS	PEI	INN	WET	CFTN	Total
Ongoing Funds	\$435.5	\$113.2	\$2.2	\$0.3	\$0.2	\$551.3
One-Time Funds	105.3	118.6	11.2	23.4	5.8	264.3
<b>Total</b>	<b>\$540.8</b>	<b>\$231.7</b>	<b>\$13.4</b>	<b>\$23.7</b>	<b>\$6.0</b>	<b>\$815.6</b>

\* INN: The budget amount represents funding for the administrative staff that provides the oversight of the innovation projects and partial funding for three projects: The Technology Suite, Transcranial Magnetic Stimulation Center, and Therapeutic Transportation.

**CSS (Community Services & Supports):** Focuses on community collaboration, cultural competence, client and family driven services and systems, wellness (including recovery and resilience), integrated services for clients and families, and services for the unserved and underserved.

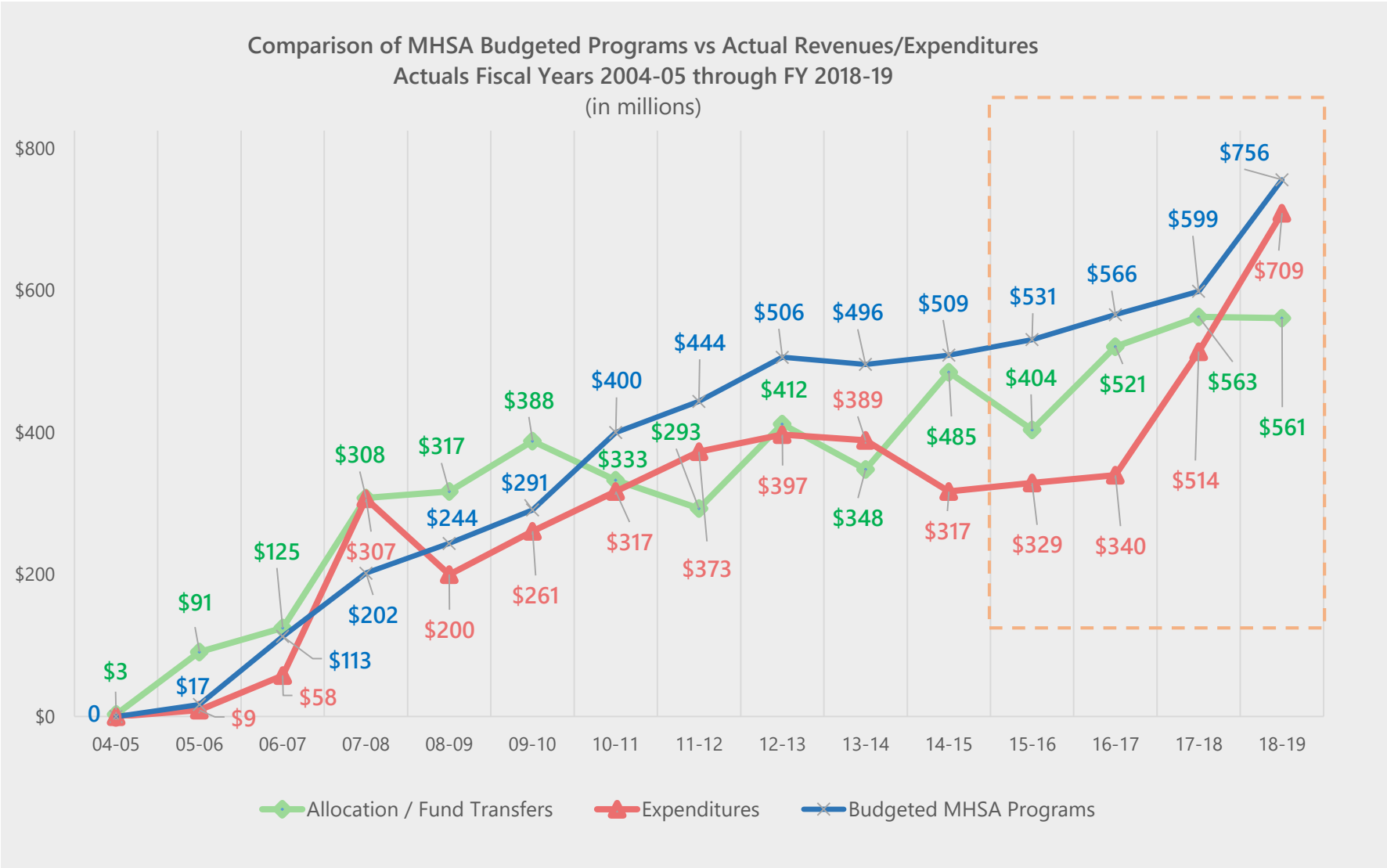
**PEI (Prevention & Early Intervention):** This component helps Counties develop and implement services that promote wellness, foster health, and prevent the suffering that can result from untreated mental illness.

**INN (Innovation):** This component aims to increase access of mental health services (especially to underserved groups), increase the quality of services and promote interagency collaboration.

**WET (Workforce Education & Training):** Focuses on developing a diverse workforce. Clients and their families/caregivers are provided skills training to help promote wellness, work collaboratively to deliver client- and family-driven services, and provide outreach to underserved populations.

**CFTN (Capital Facilities Technology Needs):** Supports capital projects and the development of technological infrastructure to facilitate high quality and cost-effective delivery of services.

# DMH - Annual MHSA Allocation and Spending Trend



FY 2018-19 Actual Expenditures

	Budget	Actuals
CSS	\$528	\$516
PEI	\$192	\$147
INN	\$8	\$25
WET	\$22	\$14
CFTN	\$6	\$7
<b>TOTAL</b>	<b>\$756</b>	<b>\$709</b>

- 2007-08: total expenditures of \$307M included transfers of \$156M (\$123M CSS and \$33M PEI) to the Prudent Reserve (PR).
- 2008-09: an additional \$5.0M in CSS was transferred to the PR.
- Revenues depicted in this line graph do not include interest earned.