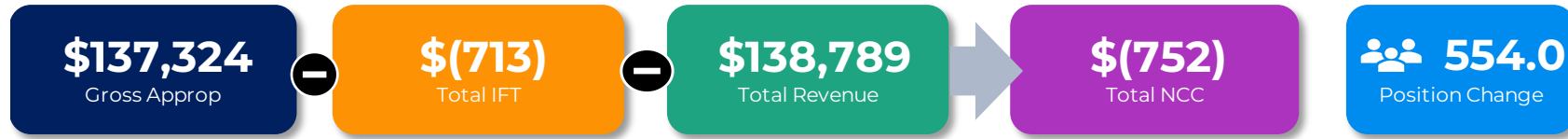




Department Budget Request: Budget Priorities

Listed in order of priority, Amounts in \$Thousands



Mission

The Department of Mental Health (DMH) envisions a Los Angeles County unified by a shared intention to help those suffering from mental illness to heal, grow, and flourish. Our mission is to optimize the hope, well-being, and life trajectory of Los Angeles County's most vulnerable through access to care and resources that promote not only independence and personal recovery, but also connectedness and community reintegration.

Mandatory & Major Duties

- Outpatient Specialty Mental Health Services
- Inpatient Treatment Beds
- Housing
- Homeless Outreach and Mobile Engagement
- Psychiatric Mobile and Emergency Response Teams
- Alternative Crisis Response
- Justice - Involved Services
- Prevention Services
- Child Well-Being and Investment in Youth
- Public Guardian

Department Strategic Plan Exists?

[Strategic Plan 2020-30](#)

2024-25 Budget (\$Thousands)

As of Supplemental Budget Phase

EXPENDITURES/APPROPRIATIONS

Total Salaries & Employee Benefits	\$ 1,106,176
Total Services & Supplies	\$ 2,832,031
Other Charges	196,966
Cap Assets - Equip	15,672
Other Financing Uses	-

TOTAL GROSS APPROP \$ 4,150,845










Intrafund Transfers 153,680




TOTAL NET APPROP \$ 3,997,165

Revenue 3,923,628

NET COUNTY COST¹ \$ 73,537

TOTAL BUDGETED POSITIONS 7,434

#	Request Title/Short Descriptor	Fund Source	Gross Approp	less IFT	less Revenue	= NCC	Position Change	Board Priority	Directed By	Metrics Plan?
1	 Behavioral Health Services Act (BHSA) Planning	RO	2,750	-	2,750	-	13.0	-	n/a	N
2	 Housing	RO	5,921	-	5,921	-	8.0	Homeless Initiative	Motion	Y
3	 Treatment Beds Administration	RO	1,600	-	1,600	-	9.0	Homeless Initiative	Motion	Y
4	 Child and Adolescent Programs	RO	2,041	-	2,041	-	9.0	Child Protection	Motion	Y
5	 Alternative Crisis Response	RO	6,749	-	6,749	-	17.0	Care First Jails Last	Motion	Y
6	 Direct Services	RO	3,995	-	3,995	-	28.0	-	n/a	N
7	 Program Support	RO	7,293	-	7,293	-	40.0	-	n/a	N
8	 Central Administration	RO	5,972	-	5,972	-	22.0	-	n/a	N
9	 Public Guardian	RO	1,023	-	1,023	-	6.0	-	n/a	N
*	<i>Other Ministerial Changes</i>		(34,551)	(713)	(33,086)	(752)	-	-	n/a	N
TOTAL			\$ 2,793	\$ (713)	\$ 4,258	\$ (752)	152.0			

LEGEND	Primary Use of Funding	 Service Delivery to the Public	 Service Delivery to Other Departments	 Administration		
	Funding Source	RO: Revenue Offset	NCC: Net County Cost Change	AFB: Available Fund Balance	DAFB: Department Available Fund Balance	CO: Carryover

¹ Includes restricted and unrestricted locally generated revenues



Department Budget Request: Unmet Needs

Amounts in \$Thousands



Tiering Definitions

TIER 1: Critical Unmet Needs

Requests where, if unfunded in the upcoming budget year, a department would be prevented from meeting mandatory obligations imposed by settlement, contract, audit finding, new legislation, Board mandate, or imminently cause a health or safety risk. *Detailed justification for critical unmet needs must be included in a department's budget requests submission.*

TIER 2: Priority Unmet Needs

Requests where, if unfunded in the upcoming budget year, a department would be prevented from establishing, maintaining or enhancing programs and services having a close nexus to the department's statutory obligation(s) and/or core mission. *Detailed justification for priority unmet needs must be included in a department's budget requests submission.*

TIER 3: Other Unmet Needs

Requests that do not meet the criteria in either category above. Other Unmet Needs include requests that are not characterized by urgency but are included to establish a record of the request (whether submitted with or without justification) or to signal a current intent to submit the request in one of the two prior categories in a future budget phase. Requests in this category are not limited to requests funded by NCC.

Documentation for these requests does not need to be included in a department's budget requests submission.

#	Unmet Need	Approp	IFT	Revenue	NCC	Positions
Tier 3: Other Unmet Needs						
1	BHSA - Related Positions	\$ 9,411	\$ -	\$ 9,411	\$ -	44.0
2	Housing Program Administration	\$ 3,217	\$ -	\$ 3,217	\$ -	17.0
3	Housing - Community Care Expansion (CCE) Capital Expansion Supplement and Operating Subsidy	\$ 36,089	\$ -	\$ 36,089	\$ -	-
4	Treatment Beds Navigation Team	\$ 1,498	\$ -	\$ 1,498	\$ -	8.0
5	Treatment Beds - Fee-For-Service (FFS) Acute Psychiatric Hospitals	\$ 15,000	\$ -	\$ 15,000	\$ -	-
6	Central Administration	\$ 49,637	\$ -	\$ 49,637	\$ -	259.0
7	Program Support	\$ 6,991	\$ -	\$ 6,991	\$ -	33.0
8	Alternative Crisis Response	\$ 3,238	\$ -	\$ 3,238	\$ -	27.0
9	Other Direct Services	\$ 1,950	\$ -	\$ 1,950	\$ -	14.0
10	Miscellaneous Services and Supplies	\$ 7,500	\$ -	\$ 7,500	\$ -	-
TOTAL UNMET NEEDS		\$ 134,531	\$ -	\$ 134,531	\$ -	402.0



Budget Challenge/Pressure	Source	Impact Summary
<ul style="list-style-type: none"> UNANTICIPATED COSTS due to new State initiatives and BHSA implementation 	External	<p>BHSA imposes new administrative requirements that require Counties to maximize reimbursement from other payors; expand stakeholder requirements and needs assessments for Integrated Plan development; and requires more comprehensive reporting. The State has broad flexibility to impose additional, yet to be defined, new requirements based on authorities provided under BHSA. Imposition of these requirements may result in additional unanticipated costs, especially if the State attempts to limit funds available to support implementation of these activities. In addition to BHSA requirements, DMH may incur unanticipated costs related to:</p> <ul style="list-style-type: none"> The CalAIM-Justice Involved initiative. DMH will need to coordinate with other county departments to ensure billing system changes are implemented prior to implementation to allow for reimbursement of these services. Ongoing implementation of Care Court. Rates set by the State to reimburse court activities do not fully cover cost given that referrals are much lower than anticipated and staffing patterns used to develop the rates do not reflect actual experience.
<ul style="list-style-type: none"> REVENUE UNCERTAINTY due to passage of Proposition 1, minimal State guidance, and federal administration policy changes 	External	<p>Implementation of BHSA and Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) will require extensive planning and possible transformation of existing programs. This work is hindered by the lack of final policies from the State related to:</p> <ul style="list-style-type: none"> Grandfathering in of existing clients receiving housing supports and how they will be categorized (i.e. chronically homeless or not) and what funding categories may be used to support their needs. Requirement to exhaust reimbursement from Medi-Cal Managed Care Plans for BHSA funded non-specialty mental health services before BHSA funds can be used. Outcome of revenue stabilization work groups and the State's intent to impose annual spending requirements. Penalties for not meeting annual spending requirements, fidelity, or mandated response times. Bundled billing certain BH-CONNECT services. <p>Additionally, uncertainty at the federal level regarding program administration and potential financing changes may impact implementation of BH-CONNECT and potentially how DMH funds programs supported with Medi-Cal financing.</p>
<ul style="list-style-type: none"> INSUFFICIENT RESOURCES AND RECRUITMENT CHALLENGES due to various factors including departmental complexity, shifting State requirements increasing workloads, acuity of population served, and requirement certain services be available 24/7 	Internal	<p>Several divisions are critically understaffed as workforce growth has not kept pace with programmatic growth and expansion.</p> <ul style="list-style-type: none"> The strain is compounded because the Human Resources Bureau continues to be critically understaffed resulting in back-logs in new personnel processing, exams for emergency appointments, and an increase in the number of employee relation consultations needed for recruitment and retention incentives. Financial Services Bureau experienced severe attrition and vacancy rates (more than 50%) due to complexity of Medi-Cal programs and work volume associated with implementing the CalAIM demonstration, voter approved legislation and new State initiatives. Psychiatric Mobile Response Teams are unable to hire for evening, overnight, and weekend shifts resulting in difficulty meeting State-mandated response times; and, are unable to fill full-time Psychiatrist positions due to program work demands relative to other similar positions.

Other Impact from January 2025 Windstorm and Critical Fire Event

<ul style="list-style-type: none"> REVENUE DECREASE for outpatient and prevention services due to passage of Proposition 1 	External	<p>BHSA, effective July 1, 2026, realigns 30% of available funds to Housing Supports, 50% of which must be spent on chronically homeless. BHSA also eliminates Prevention services funding, which pays for programs and critical disaster response such as:</p> <ul style="list-style-type: none"> United Mental Health Promoters Various programs/services provided by Community Based Organization and/or other County departments Grief counseling, emotional support, and crisis services to communities impacted by the January fires and on-going support for those experiencing long-term effects of trauma. <p>Further, BHSA reduces funding for patient care services currently funded by Mental Health Services Act (MHSA). Although proposed guidelines allow Counties to allocate funds to Workforce Education and Training, Capital Facilities and Technological Needs through the Behavioral Services and Supports component, doing so would further diminish funds available for lower level of care, outpatient services.</p>
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