

HEALTH & HUMAN SVCS

REALIGNMENT REVENUE CHALLENGES 2020-21

BOS MEETING 6/22/20

REALIGNMENT OVERVIEW

- Disclaimers
- Realignment History
- Realignment Funding
- County Allocations

HHSA REALIGNMENT FUNDS

HHSA REALIGNMENT REVENUE COMPARISON			
DIVISION	FY 2020-21 RECOMMENDED BUDGET	REVISED REVENUE ESTIMATES	VARIANCE FROM RECOMMENDED BUDGET
BEHAVIORAL HEALTH	8,305,304	7,379,231	(926,073)
PUBLIC HEALTH	5,681,657	4,645,413	(1,036,244)
SOCIAL SERVICES	22,332,510	19,595,413	(2,737,097)
TOTAL	36,319,471	31,620,057	(4,699,414)

BEHAVIORAL HEALTH

REVENUES - REALIGNMENT

FY 20-21 Recommended Budget	\$ 8,305,304
FY 20-21 Revised Est. Revenue	<u>\$ 7,379,231</u>
FY 20-21 Est. Total Reduction	\$ 926,073
Percent Reduction In Realignment to Operations	11.2%

BEHAVIORAL HEALTH

STRATEGIES TO FILL GAP IN REVENUES:

1) Reduce Out of County Acute Hospitalizations & Conserved Placements	<u>\$350,000</u>
2) Shift Traditional Children's Services to MHSA	<u>\$125,000</u>
3) Shift Staff Time to MHSA and QA/UR activities	<u>\$ 50,000</u>
4) Shift Indirect and Overhead Cost to MHSA	<u>\$125,000</u>
5) Reduce Operating Costs	<u>\$150,000</u>
6) Increase Federal Medi-Cal Reimbursements	<u>\$ 50,000</u>
7) Reduction in SUDS Services	<u>\$ 63,073</u>
8) Use of Fund Balance to Fill the Gap	<u>\$ 13,000</u>

PUBLIC HEALTH

REVENUES - REALIGNMENT

FY 20-21 Recommended Budget	\$5,681,657
FY 20-21 Revised Est. Revenue	<u>\$4,645,413</u>
FY 20-21 Est. Total Reduction	\$1,036,244
◦ <i>Public Health</i>	\$ 965,831
◦ <i>Environmental Management</i>	\$ 32,273
◦ <i>Animal Services</i>	\$ 38,140
Percent Reduction In Realignment	16.9%

PUBLIC HEALTH

STRATEGIES TO FILL GAP IN REVENUES:

1) Additional Revenue CMSP-CERG Grant	<u>\$184,000</u>
2) Reduce Realignment Contribution to Preparedness	<u>\$ 19,500</u>
3) Reduction In Vacant Positions and Overtime	<u>\$433,336</u>
4) Use of Fund Balance to Fill the Gap	<u>\$328,995</u>

SOCIAL SERVICES

REVENUES - REALIGNMENT

FY 20-21 Recommended Budget	\$22,332,510
FY 20-21 Revised Est. Revenue	<u>\$19,595,413</u>
FY 20-21 Est. Total Reduction	\$ 2,737,097
Percent Reduction In Realignment to Operations	12.3%

It should be noted that Social Services had to reduce total costs by almost \$4.1M to achieve Realignment savings of \$2.7M due to Federal/State cost sharing

SOCIAL SERVICES

STRATEGIES TO FILL GAP IN REVENUES:

1) Reduction of Foster Care and Adoption Cash Assistance	<u>\$2,004,392</u>
2) Reduction of Contracted Services Spending	<u>\$ 460,701</u>
3) Reduction In Vacant Positions and Overtime	<u>\$ 272,004</u>

HHSA REALIGNMENT

FY 2020-21 FUND BALANCE SUMMARY

Division	FY 20/21 Beginning Fund Balance	Estimated Reductions*	Revised Estimated Beginning Fund Balance	Estimated Use of Fund Balance	Estimated Ending Fund Balance
Behavioral Health	2,229,211	-	2,229,211	914,537	1,314,674
Public Health	8,806,072	(1,700,000)	7,106,072	85,756	7,020,316
Social Services	2,643,657	1,300,000	3,943,657	2,643,657	1,300,000
Total	13,678,940	(400,000)	13,278,940	3,643,950	9,634,990

*Reduction to the budgeted fund balance for Public Health due to unanticipated costs for COVID emergency response, and a transfer to the ACO fund for the El Dorado Center; Increase to Social Services based on current year projected Realignment savings

HEALTH & HUMAN SERVICES AGENCY

FUTURE ISSUES

- **Public Health**
 - El Dorado Center
 - 10% 1991 Realignment Transfer Authority
 - Potential FEMA Reimbursement - PH staff/COVID Disaster Response (75% of \$500K)
 - Community Hubs (MHSA and Realignment)
- **Behavioral Health**
 - MHSA Projected Reductions
- **HHSA**
 - Additional 5% County General Fund Reductions
 - Increased Costs Due to COVID
 - Potential Reduction to Community Corrections Partnership Funding (AB 109)
 - Effects From the Final State Budget and Federal Relief Funding

HEALTH & HUMAN SERVICES AGENCY

QUESTIONS??