



County of El Dorado

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Legislation Details (With Text)

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On agenda: 6/26/2018 **Final action:** 6/26/2018

Title: Health and Human Services Agency recommending the Board consider the following:
1) Adopt the County's Mental Health Services Act (MHSA) Fiscal Year (FY) 2018-19 Annual Update, including the Reversion Reallocation Expenditure Plan; and
2) Authorize implementation of MHSA FY 2018-19 Annual Update through June 30, 2019, or until the FY 2019-20 Annual Update is adopted by the Board, whichever occurs at the later date. (Est. Time 15 Min.)

FUNDING: State Mental Health Services Act, with expenditure offsets from other Federal, State, and Local Funding Sources.

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - FY 18-19 MHSA Annual Update, 06-26-18, 2. B - MHSA Outcomes - Reporting Year FY 16-17, 06-26-18, 3. C- Presentation MHSA FY 18-19 Annual Update, 06-26-18

Date	Ver.	Action By	Action	Result
6/26/2018	1	Board of Supervisors	Approved	Pass

Health and Human Services Agency recommending the Board consider the following:
1) Adopt the County's Mental Health Services Act (MHSA) Fiscal Year (FY) 2018-19 Annual Update, including the Reversion Reallocation Expenditure Plan; and
2) Authorize implementation of MHSA FY 2018-19 Annual Update through June 30, 2019, or until the FY 2019-20 Annual Update is adopted by the Board, whichever occurs at the later date. (Est. Time 15 Min.)

FUNDING: State Mental Health Services Act, with expenditure offsets from other Federal, State, and Local Funding Sources.

DEPARTMENT RECOMMENDATION:

Health and Human Services Agency (HHSA) recommending the Board adopt and authorize implementation of the Mental Health Services Act (MHSA) Fiscal Year (FY) 2018-19 Annual Update, including the Reversion Reallocation Expenditure Plan. HHSA also recommending the Board authorize implementation of the Annual Update through June 30, 2019 or until the FY 2019-20 Annual Update is adopted by the Board, whichever occurs at a later date. Approval of the MHSA Annual Update will ensure that HHSA continues to provide MHSA programs and services as required in the existing MHSA Three-Year Program and Expenditure Plan (covering FY 2017-18 through FY 2019-20).

Additionally, HHSA has determined that due to the special skills and qualifications involved in the performance of the work, and in accordance with County Ordinance Section 3.13.030, it is more economical and feasible to engage independent contractors to perform certain services identified in the Annual Update.

DISCUSSION / BACKGROUND:

FY 2018-19 MHSA Annual Update

On June 20, 2017 (File 17-0551, Item 33), the Board authorized the implementation of the MHSA FY 2017-18 through FY 2019-2020 Three-Year Program and Expenditure Plan.

The anticipated revenues and expenditures for each MHSA component (Prevention and Early Intervention/PEI; Workforce Education and Training/WET; Community Services and Supports/CSS; Capital Facilities and Technology/CFTN; and Innovation) and projects are summarized in the “Budgeted Revenues and Expenditures by Component” table on page 34 of the MHSA Annual Update. In FY 2018-19, MHSA revenues are anticipated to be approximately \$7,600,000. In addition to the MHSA revenues, other revenues that support MHSA programs, such as Medi-Cal reimbursements and private payors, and the Mental Health Block Grant, are estimated to be approximately \$4,400,000.

Effective July 10, 2017, Assembly Bill (AB) 114 (Chapter 38, Statutes of 2017) amended certain sections of Welfare and Institutions Code related to the reversion (return) of unspent MHSA funds. In particular, AB 114 implemented provisions concerning funds subject to reversion as of July 1, 2017. Funds subject to reversion as of July 1, 2017, are deemed to have been reverted and reallocated by the State to the county of origin for the purposes of which they were originally allocated. Anticipated reallocated funds for all components, except CSS for El Dorado County, is estimated to be \$3,600,000. There are no CSS funds reverting.

On December 28, 2017, the California Department of Health Care Services (DHCS) Mental Health Substance Use Disorder Services published Information Notice 17-059. The purpose of the Information Notice was to inform counties of the process by which DHCS would use to determine the amount of unspent MHSA funds subject to reversion as of July 1, 2017, identify a County appeal process regarding the reversion determination, and the requirement that by July 1, 2018, counties must have a plan to expend the reallocated reverted funds. HHSA appealed the State’s reversion calculations, on the basis that the County uses Generally Accepted Accounting Principles (GAAP) in all of its fiscal activities. GAAP is not the method the State used in its calculations. However, the State denied HHSA’s appeal and there is no further right to appeal. Reallocated funds must be expended on the component for which they were originally allocated. Reallocated PEI, WET, and CFTN funds cannot be spent until approved by the Board. Use of reallocated Innovation funds must be approved by the Board, as well as by the Mental Health Services Oversight and Accountability Commission (MHSOAC). All reallocated funds must be expended by July 1, 2020.

History of MHSA

California voters passed Proposition 63, the MHSA, in November of 2004, and the MHSA became effective January 1, 2005. The MHSA imposes a one percent (1%) tax on personal income in excess of \$1,000,000. These funds are distributed to counties through the State and are intended to transform the Mental Health System into one that is consumer and family driven; is recovery oriented, accessible and culturally competent; and offers services appropriate for the population that is served.

The MHSA requires counties to prepare a three-year program and expenditure plan (the MHSA three-year plan), and to prepare annual updates. The MHSA three-year plan/annual updates are to be developed with input from local stakeholders, including adults and seniors with severe mental illness, families of children, providers of services, law enforcement agencies, education, social services agencies, veterans, representatives from veterans organizations; providers of alcohol and drug

services; health care organizations; and other important interests. This community planning process is utilized to provide an opportunity for stakeholders and interested parties to discuss mental health policy, program planning, implementation, monitoring, quality improvement, evaluation, and budget allocations. Stakeholders also were involved in discussions and development of the AB 114 Reversion plans.

Once a MHSA three-year plan/annual update is developed, the draft document is posted for review and public comment for at least 30 days, which closed on June 3, 2018 for the MHSA FY 2018-19 Annual Update. At the close of the comment period, the Behavioral Health Commission conducts a public hearing to receive input from the community and consider approval and make recommendations for the MHSA three-year plan/annual update, which was completed on June 4, 2018. The approved MHSA three-year plan/annual update, incorporating any substantive comments resulting from the 30-day comment period and the public hearing, is then submitted to the Board for adoption. In addition, WIC Section 5830 (e) states that the MHSOAC must approve the Innovation Plan component after it is adopted by the Board of Supervisors.

The MHSA established five (5) components that address specific goals for priority populations and key community mental health needs.

1. PEI - Programs designed to prevent mental illnesses from becoming severe and disabling.
2. CSS - Mental health services and supports for children, youth, transitional age youth, adults, and older adults who meet certain criteria specified by statute (seriously emotionally disturbed [children] or having a severe mental illness [adults]). This component includes supportive housing.
3. WET - Education and training programs and activities for prospective and current public mental health system employees, contractors and volunteers.
4. CFTN - Support for items necessary to develop an integrated infrastructure and improve the quality and coordination of care.
5. INN - New, emerging and/or unique mental health practices/approaches that contribute to learning.

ALTERNATIVES:

The Board could decline to adopt the FY 2018-19 MHSA Annual Update, in which case the County would be out of compliance with the requirements of MHSA that each county prepare an annual update. The MHSA FY 2017-18 through FY 2019-2020 Three-Year Program and Expenditure Plan would continue as the foundation for MHSA services in the County.

OTHER DEPARTMENT / AGENCY INVOLVEMENT:

N/A

CAO RECOMMENDATION:

It is recommended that the Board approve this item.

FINANCIAL IMPACT:

MHSA revenues and expenditures were included in the FY 2018-19 Recommended Budget, and will be included in future year budget requests. Additional revenue sources that offset the MHSA expenditures have also been budgeted. There is no Net County Cost associated with the MHSA program.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT:

County Strategic Plan: Healthy Communities - Improved health, well-being and self-sufficiency of El Dorado County communities, residents and visitors.

CONTACT

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