

Little Hoover Commission Hearing
September 23, 2014
Comments by Larry B. Poaster, Ph.D.

I would like to take the opportunity to thank the Little Hoover Commission for the invitation to address the Commission as well as for your interest in the Mental Health Services Act which is and will continue to be a landmark statute in California as well as across the United States.

As a means of Introduction I will only note that I have been involved with California's Public Mental Health System for forty-five years as a clinician, a Mental Health Services Oversight & Accountability Commissioner for seven years, and a Behavioral Health Director in Stanislaus County for twenty-seven years. I will address the questions posed by your staff as well as questions from Commissioners.

I. Has statewide capacity to provide mental health services and supports improved since passage of the MHSA and what evidence do we have?

This is a straight forward question and it is my opinion that both the number of individuals served continuously increases and, because of the requirement under the Act, the nature and quality of services continues to evolve in a positive way. New ways of providing services through Full Service Partnerships and the development of a continuum of recovery based services is already showing preliminary positive outcomes. The development of Prevention and Early Intervention services, virtually nonexistent prior to the passage of the Act, is allowing Californians to have more comprehensive treatment options.

It should be noted that the implementation of the Act was not turn-key and initial attempts were slowed by an onerous process in getting funds to communities which, in turn, slowed the service development. Much of these problems were remediated by legislative solutions. The implementation of Prevention and Early Intervention was slow since the templates for such services had never before been created and were breaking new ground.

I want to mention two other important points. The recession we are emerging from adversely affected the amount of income tax revenues which support the MHSA. At the same time, the taxes which provide funding to counties for general mental health services were substantially reduced in the amount of \$587 million which resulted in the reduction of core services around the state. Also the transfer of \$862 million out of the MHSA Fund as a part of state budget actions further delayed the growth of the Act. From the very beginning the MHSA was viewed as a stimulus to reform and expand new services, but was much delayed. Nevertheless, had there not been an MHSA during the worst parts of the recession, the impact on the overall system would have been catastrophic.

Finally, and based on personal experience, the expectations of what the Act was to accomplish right away were overstated. In a state where more than half of individuals with a serious mental

illness were untreated, expectations should have been tempered to reflect that the long term roll-out and impact of the MHSA , as with any major transformative act, was going to take time. In my view, we are moving there.

II. How has the MHSA funding formula, as well as oversight mechanism for the funds, changed since the Act was enacted?

To the best of my recollection, the MHSA funding formula which determines how much funds a county receives has not been changed since the inception of the Act. The formula was negotiated between the administration and the organizations representing counties which predetermined what percentage each county receives.

Since implementation, there have been several changes in the Act that made significant changes in the way oversight was performed. Essentially they involved transferring the approval of MHSA plans and Annual Updates from the state to county Boards of Supervisors. Second, legislation created a continuous appropriation to the counties as revenues came into the Controller. This second change greatly improved cash flow from the state to communities and enabled quicker implementation of programs at the local level.

Ironically, and I believe correctly, the MHSOAC adopted a new policy paper prior to AB 100 passage early in 2011 that proposed directing its resources to overall outcome evaluations as a primary method of oversight. Simply put, rather than reviewing inputs, i.e. plans, evaluation would instead look at program and system outcomes. Ultimately it will help answer the simple questions: do the services make a difference and what types of services should represent best practices to be used throughout the state. Although the legislation eliminated most plan approval at the state level, counties are required to submit plans and updates to the MHSOAC for purposes of providing data for overall evaluation purposes. The MHSOAC has developed a five year Evaluation Framework which-- in theory-- should make this work. The fly in the ointment is that the data systems available at the state level are terribly antiquated and often do not produce reliable and valid information despite good faith efforts in evaluation.

The final point I wish to make here is during the period when these changes were being made, there was a seismic shift in responsibilities at the state and county levels. The State Department of Mental Health was eliminated and administrative oversight responsibilities were dispersed across several state entities including the MHSOAC. Although challenging, I believe this shift is being navigated satisfactorily.

Equally important, the Administration and Legislature passed Realignment I much earlier, and Realignment II, which was a devolution of authority and responsibilities to Boards of Supervisors and for the majority of behavioral health services. The funding that the MHSA provides to

counties constitutes approximately twenty-five percent of the overall funding for behavioral health services funding. Included within this devolution were aspects of MHSA plan approvals. The oversight of the entire public behavioral health system is a shared responsibility among several state entities, including the Department of Healthcare Services and the MHSOAC. Again, the success of both entities is in the development of adequate data systems that serve the state's need for system wide oversight as well as providing the counties usable data for managing and evaluating their own programs.

III. Please describe the role and scope of work of the Financial Oversight Committee.

The role of the Financial Oversight Committee is to provide the MHSOAC reports, proposed policies and recommendations regarding anticipated Mental Health Services Act revenue cycles. The committee is comprised of a diverse group of individuals who represent various perspectives in mental health. Also included are representatives from the California Department of Finance.

The committee's charter is amended annually and represents the Commission's overall priorities and work schedule. However, as a primary responsibility, the Financial Oversight Committee (FOC) generates a financial report in January and May which coincide with the Governor's budget proposal and May Revise. The reports identify anticipated revenues that are coming to the Mental Health Services Act Fund as well as county by county estimates of available revenues. Incidentally, the report presents estimates of all revenues available to counties for mental health services in addition to MHSA funding. The latest report adopted by the Commission will be included as Appendix A.

Presently, the FOC is working on two important projects for the current fiscal year. The first is a report that shows how the five percent administrative fund is being used. A system was developed for this purpose prior to the elimination of the State Department of Mental Health, which subsequently was discontinued. The following state entities have made presentations to the FOC as to how they are using Prop 63 funds: Judicial Council, Office of Statewide Planning and Development, Department of Developmental Services, Department of Education, and the Military Department. The Committee will receive presentations from other state entities and is developing a format for the presentation to the full Commission.

Second, the FOC, in collaboration with the Department of Health Care Services, is working on a detailed approach which will allow the MHSOAC to compare each county's annual plan or update and compare, at years end, to the reports submitted by counties of actual expenditures by program type and MHSA component.

Over the past several years, because of multiple policy changes at the state level, it has been difficult to compare proposed expenditures with actual expenditures. The existing methods

have had significant lags in timing and validity and it is our belief that instituting this project will present a more timely and accurate report in order to provide financial oversight.

IV. How does the Commission ensure MHSA funds are leading to improvements in mental health services?

In order to not be repetitive, I am referring to Executive Director Gauger to provide a more detailed summary of MHSOAC activities regarding outcome evaluation as a critical strategy for demonstrating service effectiveness. Her written testimony will help identify strategies in place to accomplish these goals. This includes looking at costs and activities by each MHSA component through 2009/2010 and, as I mentioned earlier, making the data more complete and current.

In concluding, it is important to make a couple very important comments. First, the MHSOAC shares responsibilities in oversight with the Department of Health Care Services (DHCS). DHCS is the statutory entity for the administration and implementation of the MHSA as well as the overall public mental health system. They are “the owners” of the major data systems by which counties report information to the state. This includes accumulating financial information as well as outcomes.

In working collaboratively with DHCS, the MHSOAC has invested significant resources to work with the existing data systems to make it useful to both the state and the counties. However, the current systems are outdated and were not developed to provide the type of data needed to fulfill the state’s requirements to answer some basic questions. In addition, they fall short in providing to counties information that allows them to continue their own quality improvement. Some counties have developed their own systems to fulfill their needs but it is not close to being done statewide.

New systems are critical. The good news is that the MHSA allows up to five percent of all MHSA Funds for administration purposes which should readily fund new systems. However, it might require the re-evaluation of how those funds are currently being used.

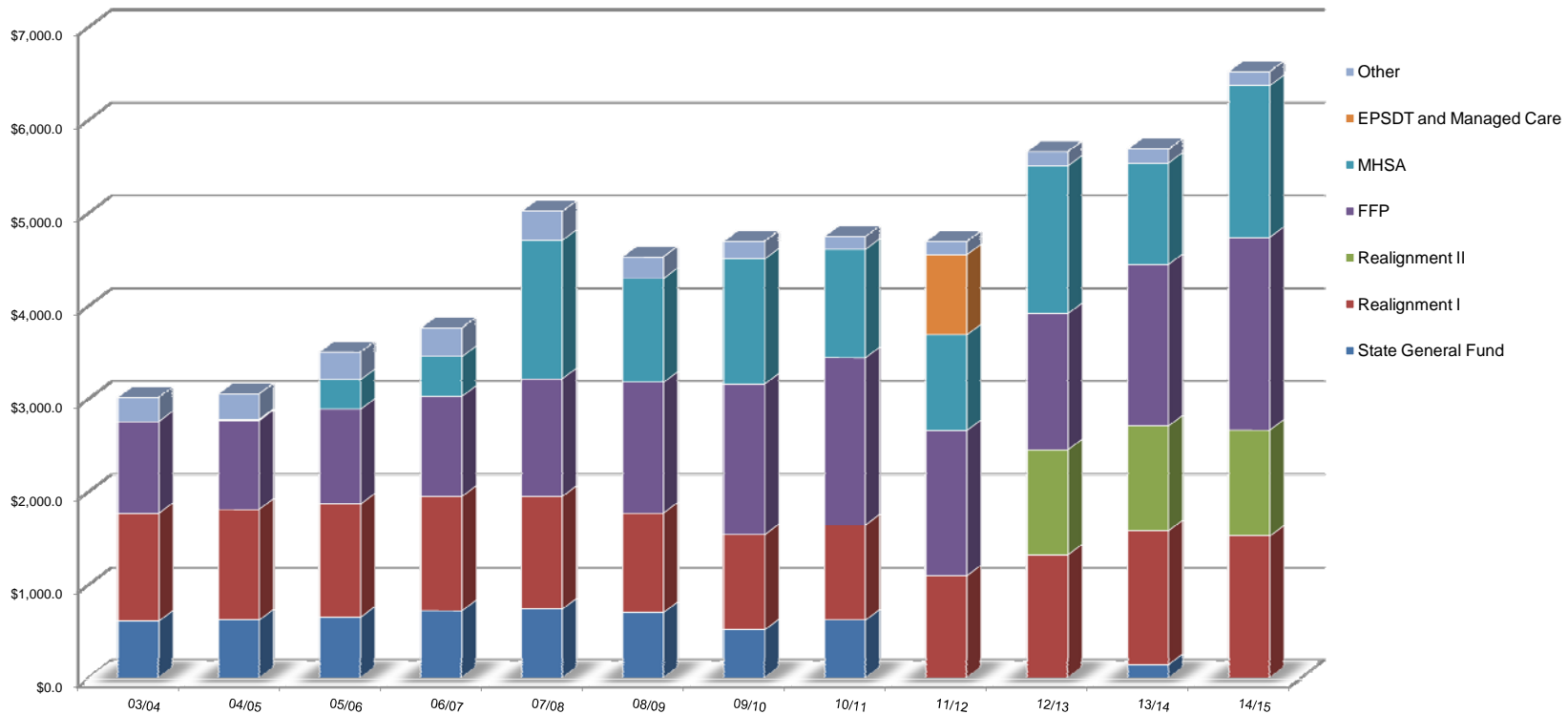
Finally, with these new systems in place, the answers to the overall questions should be easier to determine: Are the funds being used consistent with the MHSA? And are the individuals and communities better off as a result of the MHSA?

Thank you for your consideration and interest.



**Financial Oversight Committee
Financial Report
May 22, 2014**

Major Funding Sources Role of Major Funding Sources (Millions)



POLICY IMPLICATIONS:

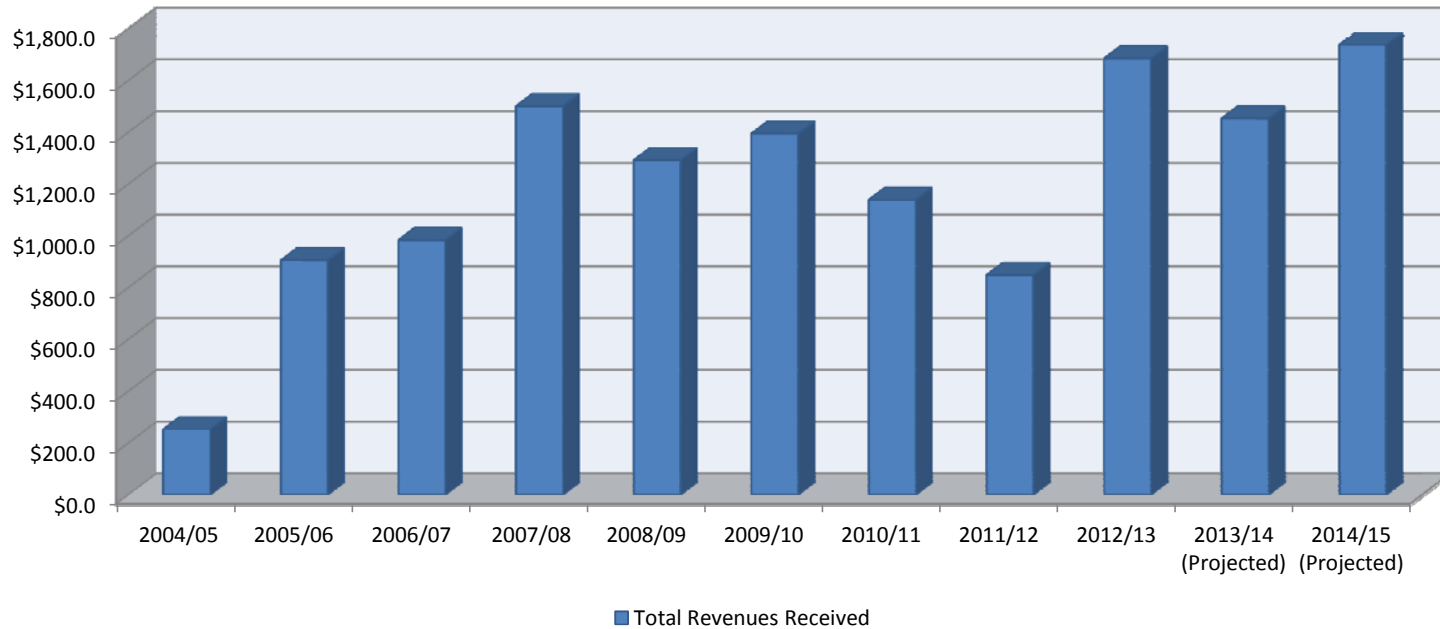
Even with fluctuations of individual accounts, funding for the overall system has grown since the enactment of the MHPA and has stayed relatively stable. MHPA allocations to counties for the first 11 months of FY 13/14 total \$1,000,323,926.75

Realignment I 1991 transferred control of several health and mental health programs from the state to the counties, reduced State General Funds to the counties, and provided the counties with "new" tax revenues from increased sales tax and vehicle license fees dedicated to counties for their increased financial obligations for health and mental health programs.

Realignment II 2011: shifts "existing" state revenues from sales tax, vehicle license fee for various programs including EPSDT and mental health managed care.

Source: Sources identified in Appendix 1
May 2014
Updated Semi-Annually

**MHSA FUNDING
(Millions)
(Cash Basis)**



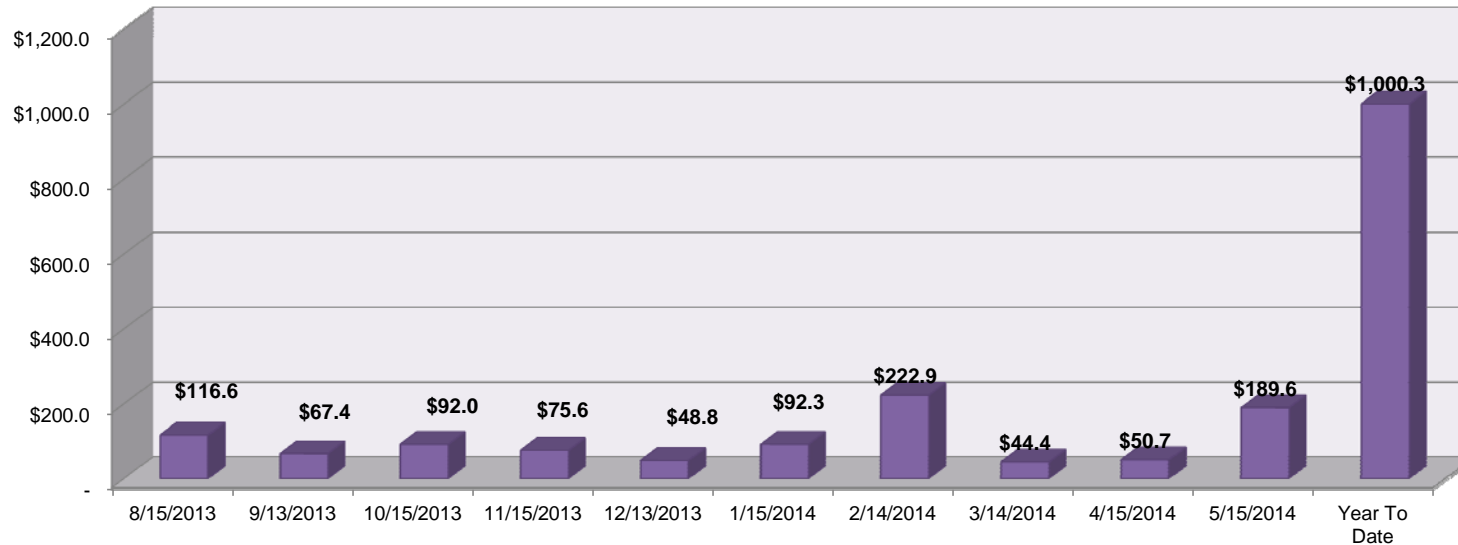
POLICY IMPLICATIONS:

As reflected in the FY 2014/15 projection, there is a significant increase in revenue.

MHSA funding is susceptible to economic fluctuations as noted in the chart above. The importance of a Prudent Reserve is reflected in the fluctuations in the chart above.

Source: Sources identified Appendix 2
May 2014
Updated Semi-Annually

Mental Health Services Fund Distributions FY 2013/14 (Millions)



POLICY IMPLICATIONS:

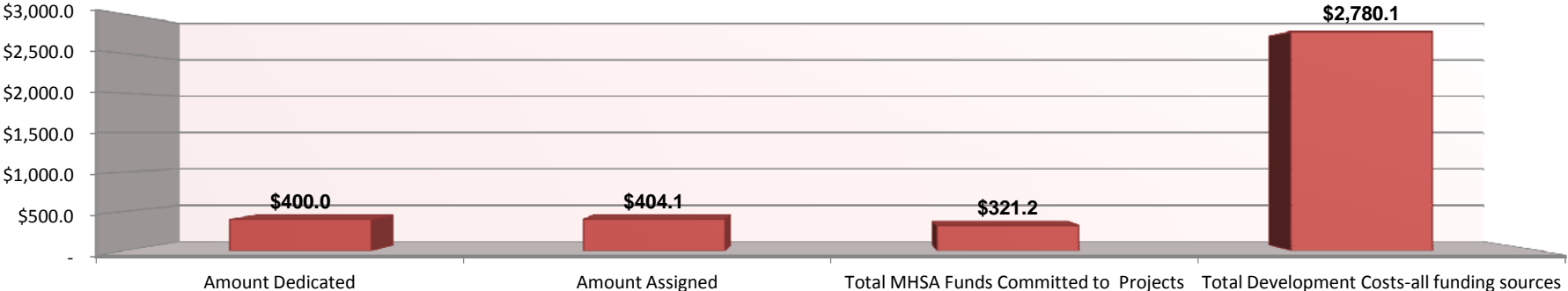
This is a new chart reflecting changes to distributions. Funds are no longer distributed by Component, (Community Services and Supports, Prevention and Early Intervention, Innovation, etc.).

Distribution in FY 8/15/2013 represents Mental Health Services funds distributed for July and August 2013.

For a year to date, county by county summary of distributions, refer to the following link:
http://www.sco.ca.gov/Files-ARD-Payments/mentalhealthservices_ytd_1213.pdf

Source: State Controller's Office
May 2014
Updated Semi-Annually

MHSA Housing Program (Millions)



POLICY IMPLICATIONS:

There is still approximately \$79 million in uncommitted funds.

Last updated January 2014

Source: Department of Health Care Services

May 2014

Updated Semi-Annually

State Administered Funds By Department
2012-13

State Department	Amount of State Administration Budgeted
Judicial Brach	
State Operations	1,037
State Treasurer	
State Operations	4,000
Office of Statewide Health Planning and Development	
State Operations	3,869
Department of Healthcare Services	
State Operations	9,309
Department of Public Health	
State Operations	18,537
Department of Developmental Services	
State Operations	1176
State Controllers Office	
State Operations	0
Mental Health Services Oversight and Accountability Commission	
State Operations	41,244
Department of Education	
State Operations	131
Board of Governors of the California Community Colleges	
State Operations	84
Financial Information System of California	
State Operations	70
Military Department	
State Operations	1,360
Department of Veterans Affairs	
State Operations	504
General Administrative Expense	0
Total Expenditures and Expenditure Adjustments	81,321
*Millions	

Revenue and Expenditure Report - FY 10/11

	Annual Revenue	Community Services and Supports	Prevention and Early Intervention	Innovation	Workforce Training and Education	Capital Facilities and Technological Needs	TTACB	WET Regional Partnerships	PEI Statewide Projects Funds Assigned to CALMHSA	Total-All Components	Local Prudent Reserve	Funds Subject to Reversion
Alameda	\$ 41,756,100	\$ 23,307,945	\$ 7,071,363	\$ 838,805	\$ 218,784	\$ 1,343,907	\$ 73,693	\$ 482,236	\$ 0	\$ 33,336,733	\$ 17,945,553	\$ 0
Alpine	\$ 1,040,900	\$ 322,557	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 322,557	\$ 454,068	\$ 225,325
Amador	\$ 1,856,800	\$ 1,565,148	\$ 173,614	\$ 2,329	\$ 45,787	\$ 0	\$ 0	\$ 0	\$ 1,697	\$ 1,788,575	\$ 649,150	\$ 0
Berkeley	\$ 3,544,600	\$ 2,180,147	\$ 629,290	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,809,437	\$ 1,605,816	\$ 0
Butte	\$ 6,794,500	\$ 4,680,650	\$ 2,502,006	\$ 155,711	\$ 109,887	\$ 650,590	\$ 46,372	\$ 0	\$ 218,800	\$ 8,364,016	\$ 2,857,861	\$ 0
Calaveras	\$ 2,018,700	\$ 1,243,156	\$ 247,864	\$ 67,196	\$ 73,617	\$ 157,849	\$ 183	\$ 0	\$ 123,900	\$ 1,913,765	\$ 975,189	\$ 0
Colusa	\$ 1,664,700	\$ 1,088,136	\$ 88,043	\$ 0	\$ 82,694	\$ 238,988	\$ 0	\$ 0	\$ 0	\$ 1,497,861	\$ 215,502	\$ 0
Contra Costa	\$ 26,507,000	\$ 17,223,554	\$ 4,598,437	\$ 422,745	\$ 439,989	\$ 419,590	\$ 0	\$ 0	\$ 0	\$ 23,104,315	\$ 10,125,250	\$ 0
Del Norte	\$ 1,753,300	\$ 893,801	\$ 45,071	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 938,872	\$ 648,250	\$ 0
El Dorado	\$ 4,710,900	\$ 3,050,357	\$ 1,681,976	\$ 34,787	\$ 121,872	\$ 439	\$ 26,831	\$ 0	\$ 0	\$ 4,916,262	\$ 1,898,284	\$ 0
Fresno	\$ 28,689,200	\$ 19,523,920	\$ 4,413,465	\$ 232,933	\$ 346,259	\$ 664,921	\$ 0	\$ 0	\$ 0	\$ 25,181,499	\$ 12,319,595	\$ 0
Glenn	\$ 1,764,600	\$ 1,736,625	\$ 289,405	\$ 2,948	\$ 6,590	\$ 44,237	\$ 0	\$ 71,914	\$ 81,300	\$ 2,233,019	\$ 88,510	\$ 0
Humboldt	\$ 4,175,400	\$ 2,871,689	\$ 740,798	\$ 205	\$ 34,636	\$ 287,371	\$ 7,099	\$ 0	\$ 0	\$ 3,941,798	\$ 584,359	\$ 0
Imperial	\$ 5,771,100	\$ 5,769,781	\$ 1,480,902	\$ 50,513	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,301,196	\$ 130,047	\$ 0
Inyo	\$ 1,199,700	\$ 634,427	\$ 110,524	\$ 200	\$ 12,165	\$ 284,921	\$ 0	\$ 0	\$ 0	\$ 1,042,237	\$ 391,782	\$ 0
Kern	\$ 24,749,200	\$ 24,375,083	\$ 2,230,489	\$ 573,253	\$ 601,028	\$ 455,414	\$ 26,116	\$ 0	\$ 0	\$ 28,261,383	\$ 8,883,573	\$ 2,832,852
Kings	\$ 4,838,400	\$ 3,134,995	\$ 661,939	\$ 55,320	\$ 219,447	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,071,701	\$ 1,839,916	\$ 0
Lake	\$ 2,372,800	\$ 1,897,295	\$ 380,769	\$ 0	\$ 0	\$ 119,481	\$ 0	\$ 0	\$ 0	\$ 2,397,545	\$ 758,702	\$ 0
Lassen	\$ 1,755,900	\$ 1,191,217	\$ 173,007	\$ 0	\$ 36,341	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,400,564	\$ 777,777	\$ 0
Los Angeles	\$ 333,410,400	\$ 243,797,497	\$ 47,362,975	\$ 1,216,984	\$ 3,781,075	\$ 8,702,717	\$ 0	\$ 575,462	\$ 0	\$ 305,436,709	\$ 0	\$ 0
Madera	\$ 5,075,200	\$ 2,866,365	\$ 1,116,045	\$ 426,278	\$ 215,689	\$ 1,294,873	\$ 22,160	\$ 0	\$ 0	\$ 5,941,410	\$ 2,621,300	\$ 0
Marin	\$ 6,600,800	\$ 3,089,297	\$ 1,086,104	\$ 23,239	\$ 273,145	\$ 633,254	\$ 0	\$ 0	\$ 0	\$ 5,105,039	\$ 2,175,490	\$ 0
Mariposa	\$ 1,208,700	\$ 1,417,597	\$ 85,907	\$ 0	\$ 35,643	\$ 776,273	\$ 0	\$ 0	\$ 0	\$ 2,315,420	\$ 277,453	\$ 0
Mendocino	\$ 2,903,700	\$ 2,211,378	\$ 151,801	\$ 0	\$ 51,794	\$ 0	\$ 10,317	\$ 0	\$ 0	\$ 2,425,290	\$ 741,100	\$ 0
Merced	\$ 8,556,600	\$ 1,785,197	\$ 535,493	\$ 23,847	\$ 178,578	\$ 300,933	\$ 0	\$ 0	\$ 0	\$ 2,824,048	\$ 3,843,898	\$ 0
Modoc	\$ 1,129,100	\$ 1,019,772	\$ 136,816	\$ 7,898	\$ 34,326	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,198,812	\$ 392,275	\$ 0
Mono	\$ 1,176,300	\$ 407,685	\$ 65,744	\$ 52,188	\$ 119,234	\$ 39,920	\$ 723	\$ 0	\$ 0	\$ 685,494	\$ 492,263	\$ 0
Monterey	\$ 13,650,300	\$ 9,324,093	\$ 3,521,156	\$ 1,054,047	\$ 623,453	\$ 618,185	\$ 0	\$ 0	\$ 0	\$ 15,140,933	\$ 3,057,537	\$ 0
Napa	\$ 3,903,500	\$ 2,406,079	\$ 890,478	\$ 19,212	\$ 0	\$ 497,793	\$ 0	\$ 0	\$ 0	\$ 7,756,891	\$ 437,202	\$ 0

Revenue and Expenditure Report - FY 10/11 (CONTINUED)

	Annual Revenue	Community Services and Supports	Prevention and Early Intervention	Innovation	Workforce Training and Education	Capital Facilities and Technological Needs	TTACB	WET Regional Partnerships	PEI Statewide Projects Funds Assigned to CALMHSA	Total-All Components	Local Prudent Reserve	Funds Subject to Reversion
Nevada	\$ 2,906,713	\$ 2,835,999	\$ 506,824	\$ 65,407	\$ 54,701	\$ 315,109	\$ 0	\$ 0	\$ 0	\$ 3,778,041	\$ 1,129,150	\$ 0
Orange	\$ 94,884,700	\$ 65,086,612	\$ 12,495,829	\$ 836,288	\$ 2,973,858	\$ 6,251,758	\$ 468,467	\$ 13,490	\$ 3,334,200	\$ 91,460,501	\$ 48,795,203	\$ 0
Placer	\$ 7,948,900	\$ 3,499,640	\$ 1,553,712	\$ 325,783	\$ 252,073	\$ 34,284	\$ 5,546	\$ 367,207	\$ 0	\$ 6,038,245	\$ 2,486,928	\$ 0
Plumas	\$ 1,613,400	\$ 727,120	\$ 55,755	\$ 0	\$ 27,515	\$ 63,857	\$ 0	\$ 0	\$ 0	\$ 874,247	\$ 702,511	\$ 0
Riverside	\$ 60,888,300	\$ 35,087,142	\$ 10,880,273	\$ 999,393	\$ 777,144	\$ 2,529,346	\$ 88,186	\$ 0	\$ 0	\$ 50,361,484	\$ 26,525,043	\$ 0
Sacramento	\$ 37,516,800	\$ 21,999,832	\$ 3,198,288	\$ 361,271	\$ 332,435	\$ 2,291,002	\$ 0	\$ 0	\$ 0	\$ 28,182,828	\$ 4,627,937	\$ 0
San Benito	\$ 2,288,300	\$ 1,193,278	\$ 329,763	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,523,041	\$ 929,050	\$ 0
San Bernardino	\$ 61,547,700	\$ 43,268,107	\$ 9,988,559	\$ 735,516	\$ 1,103,584	\$ 3,918,682	\$ 219,859	\$ 198,691	\$ 0	\$ 59,432,998	\$ 22,152,363	\$ 0
San Diego	\$ 95,689,700	\$ 66,269,971	\$ 23,911,292	\$ 1,073,206	\$ 1,813,501	\$ 1,816,024	\$ 177,954	\$ 0	\$ 0	\$ 95,061,949	\$ 42,193,120	\$ 0
San Francisco	\$ 21,683,200	\$ 13,437,704	\$ 6,326,028	\$ 457,624	\$ 1,140,067	\$ 904,455	\$ 0	\$ 119,600	\$ 0	\$ 22,385,478	\$ 1,000,000	\$ 0
San Joaquin	\$ 19,671,800	\$ 13,226,035	\$ 3,876,702	\$ 0	\$ 285,528	\$ 0	\$ 112,916	\$ 0	\$ 0	\$ 17,501,181	\$ 11,627,409	\$ 0
San Luis Obispo	\$ 7,917,400	\$ 5,400,212	\$ 1,907,749	\$ 71,486	\$ 310,309	\$ 1,263,880	\$ 0	\$ 0	\$ 0	\$ 8,953,635	\$ 2,009,458	\$ 0
San Mateo	\$ 19,032,400	\$ 14,153,135	\$ 3,867,634	\$ 114,874	\$ 448,287	\$ 1,981,239	\$ 62,924	\$ 0	\$ 0	\$ 20,628,093	\$ 600,000	\$ 0
Santa Barbara	\$ 13,519,500	\$ 10,671,230	\$ 2,676,248	\$ 561,983	\$ 549,947	\$ 1,231,677	\$ 0	\$ 0	\$ 0	\$ 15,691,084	\$ 5,695,581	\$ 0
Santa Clara	\$ 53,736,100	\$ 28,244,440	\$ 10,767,047	\$ 583,376	\$ 1,845,437	\$ 1,744,909	\$ 0	\$ 0	\$ 0	\$ 43,185,209	\$ 15,011,860	\$ 0
Santa Cruz	\$ 8,586,800	\$ 5,259,230	\$ 1,490,883	\$ 599,675	\$ 198,404	\$ 96,456	\$ 37,817	\$ 0	\$ 15,169	\$ 7,697,634	\$ 3,205,967	\$ 0
Shasta	\$ 5,627,300	\$ 4,488,906	\$ 1,439,685	\$ 9,139	\$ 145,426	\$ 6,260	\$ 22,576	\$ 0	\$ 0	\$ 6,112,992	\$ 1,811,768	\$ 0
Sierra	\$ 1,062,800	\$ 479,689	\$ 123,396	\$ 0	\$ 198,640	\$ 164,105	\$ 0	\$ 0	\$ 0	\$ 965,830	\$ 318,637	\$ 0
Siskiyou	\$ 1,963,100	\$ 1,483,608	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,483,608	\$ 478,527	\$ 0
Solano	\$ 11,789,600	\$ 6,224,355	\$ 1,151,626	\$ 555,511	\$ 502,150	\$ 270,106	\$ 0	\$ 0	\$ 0	\$ 8,703,748	\$ 2,675,323	\$ 0
Sonoma	\$ 13,237,000	\$ 8,707,786	\$ 3,422,969	\$ 1,311,550	\$ 347,129	\$ 47,641	\$ 0	\$ 0	\$ 0	\$ 13,837,075	\$ 2,709,861	\$ 0
Stanislaus	\$ 15,009,100	\$ 8,601,907	\$ 3,269,257	\$ 240,022	\$ 338,633	\$ 996,513	\$ 13,000	\$ 0	\$ 0	\$ 13,459,332	\$ 500,000	\$ 0
Sutter/Yuba	\$ 5,503,100	\$ 2,467,094	\$ 913,543	\$ 0	\$ 0	\$ 5,156	\$ 0	\$ 0	\$ 0	\$ 3,385,793	\$ 271,836	\$ 0
Tehema	\$ 2,303,300	\$ 2,219,062	\$ 452,833	\$ 90,833	\$ 4,562	\$ 15,576	\$ 0	\$ 0	\$ 0	\$ 2,782,867	\$ 606,741	\$ 0
Tri-City	\$ 6,478,500	\$ 3,353,681	\$ 1,179,122	\$ 0	\$ 0	\$ 0	\$ 25,909	\$ 0	\$ 0	\$ 4,558,712	\$ 2,271,200	\$ 0
Trinity	\$ 1,171,900	\$ 699,865	\$ 233,000	\$ 135,211	\$ 86,502	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,154,577	\$ 232,213	\$ 0
Tulare	\$ 14,207,200	\$ 6,633,702	\$ 2,796,216	\$ 0	\$ 22,264	\$ 31,866	\$ 27,503	\$ 0	\$ 0	\$ 9,511,550	\$ 6,409,549	\$ 0
Tuolumne	\$ 2,187,200	\$ 1,487,154	\$ 336,755	\$ 176,649	\$ 51,991	\$ 327,144	\$ 0	\$ 0	\$ 0	\$ 2,379,694	\$ 406,901	\$ 0
Ventura	\$ 24,268,500	\$ 20,545,526	\$ 5,671,665	\$ 28,366	\$ 455,349	\$ 918,477	\$ 193,445	\$ 0	\$ 0	\$ 27,812,828	\$ 9,339,433	\$ 0
Yolo	\$ 6,313,300	\$ 3,767,009	\$ 973,519	\$ 0	\$ 85,563	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,826,091	\$ 514,068	\$ 0

Appendix 1
Community Mental Health Funding Amounts
Role of Major Funding Sources
(This data ties to chart on page 2)

Actual/Estimated/Projected Totals for the Major Community Mental Health Funding Sources												
	FY 03/04 (actual)	FY 04/05 (actual)	FY 05/06 (actual)	FY 06/07 (actual)	FY 07/08 (actual)	FY 08/09 (actual)	FY 09/10 (actual)	FY 10/11 (actual)	SFY 11/12 (actual)	SFY 12/13 (estimated)	SFY 13/14 (projected)	SFY 14/15 (projected)
State General Fund (SGF)	\$611.3	\$621.6	\$653.5	\$721.8	\$738.5	\$701.0	\$518.0	\$619.4	\$0.1	\$0.0	\$142.5	\$0.0
Realignment I*	\$1,159.3	\$1,189.9	\$1,217.1	\$1,230.9	\$1,211.5	\$1,072.4	\$1,023.0	\$1,023.0	\$1,097.6	\$1,324.0	\$1,438.0	\$1,526.0
Realignment II**	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1,131.0	\$1,128.0	\$1,140.0
Federal Financial Participation (FFP)	\$987.5	\$955.5	\$1,019.9	\$1,076.8	\$1,266.4	\$1,404.6	\$1,619.2	\$1,799.9	\$1,562.5	\$1,465.0	\$1,737.0	\$2,073.0
Proposition 63 Funds (MHSA) Allocations/Distributions	\$0.0	\$12.7	\$316.9	\$426.3	\$1,488.2	\$1,117.0	\$1,347.0	\$1,165.1	\$1,029.9	\$1,589.0	\$1,091.0	\$1,633.0
Redirected funding for EPSDT and Mental Health Managed Care	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$861.2	\$0.0	\$0.0	\$0.0
Other	\$255.2	\$276.2	\$295.4	\$306.8	\$313.3	\$233.9	\$187.6	\$139.4	\$139.4	\$150.0	\$150.0	\$150.0
TOTAL	\$3,013.3	\$3,055.9	\$3,502.8	\$3,762.6	\$5,017.9	\$4,528.9	\$4,694.8	\$4,746.8	\$4,690.7	\$ 5,659.0	\$ 5,686.5	\$ 6,522.0

*Includes \$14 million in Vehicle License Fee Collections. FY 11/12 and FY 12/13 and amounts from Governor's proposed FY 13/14.

**Managed Care and EPSDT share of 2011 Behavioral Health Subaccount only. FY 12/13 and FY 13/14 growth estimated on percentage of growth in Behavioral Health Subaccount from Governor's proposed FY 13/14 budget.

State General Fund (SGF): The SGF is funded through personal income tax, sales and use tax, corporation tax, and other revenue and transfers. Prior to the Governor's FY 2011/12 Budget Proposal, the primary obligations of the SGF provided counties with mental health dollars to fund specialty mental health benefits of entitlement programs including Medi-Cal Managed Care, Early and Periodic Screening Diagnosis Treatment (EPSDT) and Mental Health Services to Special Education Pupils (AB 3632).

Realignment: Realignment is the shift of funding and responsibility from the State to the counties to provide mental health services, social services and public health. There are two sources of revenue that fund realignment: 1/2 cent of State sales taxes and a portion of State vehicle license fees. The primary mental health obligation of realignment is to provide services to individuals who are a danger to self/others or unable to provide for immediate needs. It is also a primary funding source for community-based mental health services, State hospital services for civil commitments and Institutions for Mental Disease (IMDs) which provide long-term care services. 2011 Realignment gives counties the funding responsibility for EPSDT and Mental Health Managed Care.

Federal Financial Participation (FFP): FFP is the federal reimbursement counties receive for providing specialty mental health treatment to Medi-Cal and Healthy Families Program beneficiaries. The amount of federal reimbursement received by counties is based on a percentage established for California and which is called the Federal Medical Assistance Percentage (FMAP).

Proposition 63 Funds (MHSA): The MHSA is funded by a 1% tax on personal income in excess of \$1 million. The primary obligations of the MHSA is for counties to expand recovery based mental health services, to provide prevention and early intervention services, innovative programs, to educate, train and retain mental health professionals, etc.

Other: Other revenue comes from a variety of sources--county funds are from local property taxes, patient fees and insurance, grants, etc. The primary obligation of the county funds is the maintenance of effort (the amount of services required to be provided by counties in order to receive Realignment funds).

Source: FY 2012/13 Governor's Budget, DOF, DMH (DHCS after June 30, 2012) MHSA Summary Comparison (posted 07/21/2011), MHSOAC Fiscal Consultant Projections, and California Department of Health Care Services

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Appendix 2
MHSA REVENUES RECEIVED AT THE STATE LEVEL
(This data ties to the chart on page 3)

	SFY 04/05 (actual)	SFY 05/06 (actual)	SFY 06/07 (actual)	SFY 07/08 (actual)	SFY 08/09 (actual)	SFY 09/10 (actual)	SFY 10/11 (actual)	SFY 11/12 (actual)	SFY 12/13 (projected)	SFY 13/14 (projected)	SFY 14/15 (projected)
Cash Transfers	\$169.5	\$894.6	\$935.1	\$983.9	\$797.0	\$799.0	\$905.0	\$910.0	\$1,204.0	\$1,179.0	\$1,263.0
Annual Adjustment	\$83.6	\$0.0	\$0.0	\$423.7	\$438.0	\$581.0	\$225.0	-\$64.0	\$480.0	\$274.0	\$474.0
Interest Income	\$0.7	\$11.2	\$49.2	\$94.4	\$57.6	\$14.9	\$9.7	\$2.7	\$0.7	\$0.6	\$0.6
TOTAL	\$253.8	\$905.8	\$984.3	\$1,502.0	\$1,292.6	\$1,394.9	\$1,139.7	\$848.7	\$1,684.7	\$1,453.6	\$1,737.6

A comparison of MHSA revenues on an accrual basis and a cash basis was provided by the California Department of Finance (DOF).

Note: The dollars identified above may not tie to Annual Adjustment figures published by the Department of Finance (DOF) because DOF uses an accrual method to determine dollars and DMH (DHCS after June 30, 2012) and the MHSOAC base their figures on cash received.

Source: FY 2012/13 Governor's Budget, DOF, DMH (DHCS after June 30, 2012) MHSA Expenditure Report (FY 04/05 through 11/12 amounts) and the Legislative Analyst Office (LAO) Fiscal Outlook. FY 13/14 cash transfers and interest income are projected amounts based on personal income tax estimates from the LAO. Estimated numbers are for FY 11/12 and projected numbers are for FY 12/13 and FY 13/14.

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