

Behavioral Health

RECOMMENDED BUDGET • FY 2019-20

MISSION

The County of El Dorado Health and Human Services Agency (HHS), Behavioral Health Department strives to alleviate the suffering of mental illness by providing recovery-oriented, client-centered, culturally competent treatment services in collaboration with clients, families, and community partners. The Department seeks to eliminate disparities in service access and to reduce the stigma associated with mental illness while offering the highest quality behavioral healthcare to improve the community's health and safety, to strengthen individuals' resilience, and to promote restoration of healthy families. The Department also provides substance-use disorder programs to address alcohol and other drug related issues affecting the community.

DEPARTMENT BUDGET SUMMARY

Description	Prior Year Actual	Current Year Adopted	CAO Recommended	Difference from Adopted
Fines & Penalties	48,547	70,000	70,000	0
Rev Use Money/Prop	170,082	42,000	177,100	135,100
IG Rev - State	9,119,614	8,200,032	8,467,262	267,230
IG Rev - Federal	7,487,621	9,686,853	13,595,220	3,908,367
Service Charges	666,858	622,400	667,000	44,600
Miscellaneous Rev	122,253	144,000	174,000	30,000
Other Fin Sources	8,060,243	7,794,440	8,363,940	569,500
Fund Balance	0	17,427,731	12,729,930	(4,697,801)
Total Revenue	25,675,217	43,987,456	44,244,452	256,996
Salaries & Benefits	8,626,189	11,500,178	11,881,723	381,545
Services & Supplies	5,801,189	7,313,048	7,183,115	(129,933)
Other Charges	10,203,399	13,947,469	21,175,505	7,228,036
Fixed Assets	12,396	133,000	133,000	0
Other Fin Uses	1,005,613	705,992	950,000	244,008
Intrafund Transfers	5,229,326	7,303,255	7,285,809	(17,446)
Intrafund Abatement	(5,229,326)	(7,303,255)	(7,285,809)	17,446
Contingency	0	10,387,769	2,921,109	(7,466,660)
Total Appropriations	25,648,786	43,987,456	44,244,452	256,996
FUND 1110 MENTAL HEALTH TOTAL	(26,431)	0	0	0

MAJOR BUDGET CHANGES

Revenues

Intergovernmental State

\$248,057 Increase in Proposition 63 Mental Health Services Act (MHSA) revenue.

Federal Intergovernmental

\$3,908,367 Increase in Federal Title XIX revenue due to full implementation of the Organized Delivery System (ODS) Waiver Activity effective June 1, 2019.

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Other Financing Sources

\$569,500 Increase in 2011 Realignment revenue due to timing of State payments. This is two years of Realignment Growth dollars.

Fund Balance

(\$4,697,801) Net decrease in estimated Fund Balance based on projected activity. Traditional Behavioral Health decrease \$2,078,853, MHSA decrease \$2,825,795, ADP increase \$206,847.

Appropriations

Salaries and Benefits

\$321,086 Increase in salaries and benefits primarily due to negotiated wage increases.

\$60,459 Increase in Overtime based on trend of prior year activity.

Services and Supplies

\$69,911 Increase in Rent & Lease of Buildings and Improvements due primarily to the new lease for the third floor of the Victory Mine Building in Diamond Springs.

(\$81,435) Net decrease in Professional Services due primarily to the shifting of appropriations for contracted services between Services and Supplies and Other Charges.

(\$118,409) Net decrease in Services and Supplies based on trend of prior year activity.

Other Charges

\$6,682,890 Net increase in Support & Care and Health Services due primarily to an increase in contracts for the new Organized Delivery System (ODS) services (\$6,833,616), offset by decreases in other accounts to align with prior year actuals (\$150,726).

\$545,146 Increase in charges from HHSA Administration Division due to an Internal Cost Rate (ICR) increase.

Fixed Assets

\$133,000 Re-budget from FY 2018-19 of purchase of a mobile van to support the Early Intervention Model to reach and create efficiencies in serving adults and older adult clients (\$100,000), and the purchase of a replacement vehicle (\$33,000) since the current vehicle is at end of life.

Other Financing Uses

\$244,008 Increase in the MHSA Innovation contribution for the Public Health Community Hub Project.

Appropriation for Contingencies

(\$7,466,660) Decrease to Contingency due primarily to anticipated increase to fund balance usage. Traditional Behavioral Health \$1,804,094, MHSA \$5,618,931, ADP \$43,635.

PROGRAM SUMMARIES

Traditional Behavioral Health Programs

The Behavioral Health Department's (BHD) traditional programs include mandated and/or core programs that existed prior to the passage of the Mental Health Services Act (MHSA) in November 2004. The County General Fund contribution represents a required General Fund cash match to support mandated services. The majority of the services provided are Medi-Cal eligible services provided to predominantly Medi-Cal eligible clients. Primary traditional programs in order of relative magnitude include:

Outpatient Mental Health Services for Children

These programs are primarily provided through contracted resources that provide a variety of therapeutic interventions for severely emotionally disturbed children, including assessments, and in consultation with schools, other community partners, and families.

Psychiatric Health Facility (PHF)

Located in Placerville, El Dorado County contracts with the Telecare Corporation to operate the PHF, a licensed, 16-bed, 24-hour, acute, non-medical facility providing adult inpatient services for persons requiring intensive psychiatric care, many of whom are involuntarily hospitalized. Although the County of El Dorado's residents receive first priority for required admissions, the Division contracts with several other counties to provide their residents with inpatient care on an as needed, as available, basis.

Institutional and Residential Care

Involves appropriate placement and care of seriously mentally ill adults and seriously emotionally disturbed children when required based on the level of severity of their illness/disturbance.

Outpatient Mental Health Services for Adults

Provides initial mental health assessments for new clients, as well as mental health services for a limited number of severely mentally ill adults who are not enrolled in the MHSA Wellness and Recovery programs.

Psychiatric Emergency Services (PES)

Ensures 24/7/365 on-call services provided predominantly at hospitals on both slopes of the County to respond to psychiatric crises, provide referrals for follow-up services and, when necessary, detain and admit individuals to a psychiatric hospital.

Utilization Review/Quality Improvement

Ensures timely and appropriate access to services and compliance with Federal and State regulations, as well as quality improvement efforts, staff development programs, and clinical program evaluation.

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Extra help staff and overtime is in support of traditional programs primarily to ensure availability of after-hours and on-call psychiatric emergency services. Extra help staff is sometimes used as a more cost effective way to provide other intermittent, mental health services, often when after-hours or weekend work is necessary.

MHSA Programs

In November 2004, California voters passed Proposition 63, known as the Mental Health Services Act (MHSA). The MHSA is funded by a one percent (1%) tax on personal income in excess of \$1,000,000 for California residents. The Division's MHSA programs are designed to reduce disparity in service access and to promote mental health wellness and recovery by providing effective mental health interventions and critical supportive services to seriously mentally ill individuals, often to those client populations that were previously underserved or un-served. MHSA programs are designed to engage clients, and sometimes other supportive individuals, in playing a significant role in formulating client recovery plans. Community participation is also a key element of creating and monitoring our MHSA programs. MHSA funds cannot be used to supplant other funds, specifically Realignment, for programs that were in existence in 2004 when the Act was passed; however, MHSA funds can be used for expansion of traditional programs beyond the base 2004 service level.

MHSA is composed of the following five components:

- Community Services and Supports (CSS)
- Workforce Education and Training (WET)
- Prevention and Early Intervention (PEI)
- Innovation
- Capital Facilities and Technological Needs (CFTN)

The Behavioral Health Department currently has approved plans for all components. Funding for each of these components is provided through county allocations. The funding for each component must be expended within a certain period of time or the funding reverts back to the State for redistribution. The CSS, PEI and Innovations components have a five-year reversion policy and continue to receive allocations on an annual basis; CFTN and WET have a ten-year reversion policy and are operating from fund balances as these components are no longer allocated MHSA funds. Primary MHSA programs include the following components:

Community Services and Supports (CSS)

Adult Wellness and Recovery Services – integrates a variety of available services and supports for seriously mentally ill adults, based on the type and level of service required for each individual. Services range from outreach and engagement (to reach homeless individuals and other high-risk populations), to diversified wellness and recovery strategies (including life skills training, groups, medication management, etc.), to full service partnerships (client-driven, recovery-oriented service plans offering a range of services and supports). Full service partnership clients may be eligible for limited transitional housing beds and/or housing subsidies. The Wellness Center also provides supportive services, such as linkage to primary healthcare, and peer support services.

Youth and Family Strengthening – provides wraparound services for youth at risk for out-of-home placement plus a variety of programs and services employing evidence-based practices, such as Incredible Years, Aggression Replacement Treatment and Trauma-Focused Cognitive Behavioral

Therapy. High-risk youth about to be released from the County's juvenile detention facilities (and their families) will also be offered mental health, addiction and other specialized transition services to reduce recidivism and promote family reunification.

Housing offers funds for the development of permanent supportive housing and services for persons with serious mental illness who are homeless or at risk of homelessness and eligible to participate in the MHSA full service program. The housing program is jointly administered by the California Department of Health Care Services (DHCS) and the California Housing Finance Agency (CalHFA). Housing development funds allocated to the County have been assigned to CalHFA who is now responsible to review, approve and oversee housing developments after initial approval by the Board of Supervisors for the use of MHSA funds for the development.

Additional programs and/or services may be added as a result of community input into the FY 2019-20 MHSA planning process.

Workforce Education and Training (WET)

This program supports activities intended to remedy the shortage of qualified individuals to provide mental health services, as well as activities designed to assist in the transformation of current service delivery.

Prevention and Early Intervention (PEI)

PEI promotes services aimed at preventing mental illness from becoming severe and debilitating. PEI programs also address health disparities, including culturally-specific outreach and engagement services, through contract providers, to the Latino and Native American populations. Our current health disparities program also addresses improved linkage between behavioral health, primary care, and natural community supports. Funding for training and technical assistance is also available locally on a limited basis. Statewide PEI programs are being addressed through the County's membership in CalMHSA, a multi-county Joint Powers Authority.

Innovation

Consists of program(s) that test a new or adapted mental health practice or approach for the purpose of learning new practices supporting the delivery of mental health services and supports. The current Innovation programs are: Restoration of Competency, providing outpatient mental health services to those awaiting trial and the HUBS, which are managed in the Public Health Nursing Programs. The HUBS provide outreach and health supports to the community using the local Libraries as a home base.

Capital Facilities and Technological Needs (CFTN)

Supports capital facilities and/or technology projects. This program includes the development and implementation of an integrated information system infrastructure which includes the establishment of an Electronic Health Record (EHR) system, electronic clinical assessment and outcome measurement tools for children and adults, an electronic care pathways system to facilitate linkage between behavioral health and primary health care providers, improvement of tele-psychiatry and videoconferencing capabilities to reach and serve underserved communities, related training and administrative/technical support, as well as updated technological hardware equipment and software.

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Extra help staff and overtime is used in support of MHSA programs primarily to ensure required level of service and activities identified in the approved MHSA plans. Extra help staff is sometimes used to provide other intermittent, mental health services, often when after-hours or weekend work is necessary.

Alcohol and Drug Programs

These programs implement strategies designed to address alcohol and other drug related issues affecting communities, criminal justice and child welfare systems, and schools. Activities include education, raising public awareness of issues, promoting drug free alternatives for youth and adults, drug free workplace programs, activities to reunite families, where appropriate, and related services. Also included are drug court activities. Revenues in these programs include State and Federal funding, Local Realignment, miscellaneous revenues and court fines. The Local realignment is used for Drug Medi-Cal services and Drug Court Program.

Behavioral Health has opted into participating in the Organized Delivery System (ODS) Waiver Program for a more comprehensive substance abuse treatment approach. The waiver is a California pilot program effective through 2021 and enables more local control and accountability, provides greater administrative oversight, creates utilization controls to improve care and efficient use of resources, implements evidence based practices in substance abuse treatment, and coordinates with other systems of care. Participating counties can offer an expanded range of substance use disorder treatment modalities for Medi-Cal beneficiaries including a Narcotic Treatment Program, non-perinatal residential substance abuse treatment, withdrawal management, and recovery services. DHCS has sent the County a contract for approval with an implementation date of June 1, 2019.

FUTURE/PENDING ISSUES AND POLICY CONSIDERATIONS

Traditional Behavioral Health program funding continues to present a challenge to the County since the majority of traditional funds are spent on out-of-county placements and placements in the Psychiatric Health Facility. Currently, one client is placed in a State Hospital with an estimated cost of \$240,000 per year. The possible repeal of the Affordable Care Act could impact federal Medi-Cal reimbursements, which could further impact Behavioral Health Division funding.

The MHSA Plan is in its final year of the three year plan. The MHSA Plan updates are in the process of public review and will be presented to the Board of Supervisors, along with any significant budget changes, for final approval separately. During FY 2019-20, the MHSA program will be conducting the required activities to develop the next three year plan, including, but not limited to, community assessments, workshops and surveys, to develop the next three year plan.

Mental Health Rehabilitation Center

The Behavioral Health Department is continuing to review options for clients that reside in out of county long term placements. One option is establishing local alternatives, which could include a local Mental Health Rehabilitation Center (MHRC). This would bring clients closer to their support network of family and friends, as well as provide increased access to local Behavioral Health services. Based on Board direction in January 2017, HHSA is continuing to evaluate the feasibility of establishing an MHRC in the County, as well as a regional facility serving neighboring counties.

1991 Realignment Changes

The State budget redirected the 1991 Realignment Vehicle License Fee (VLF) growth funds from Mental Health to pay for In Home Support Services (IHSS) costs that were shifted to counties. This became effective in FY 2017-18 and was to last for three years. In the Governors FY 2019-20 Budget, the growth redirection will cease and the funding will return to Mental Health. The growth funding for FY 2019-20 will be issued to the county in FY 2020-21.

Office of the Inspector General (OIG) Audit

The State has recently received a federal Medi-Cal audit finding from the Office of the Inspector General that is going to be charged back to counties. This was the first OIG audit. The audit process utilized a small sample of the Medi-Cal claims and extrapolated the results to the entire population of claims. This resulted in a significant recoupment of funds from the State by the OIG. Currently, the Behavioral Health Division share is estimated at \$472,000. The County requested to return the funds over a four year payback period.

MHSA Reversion

The Behavioral Health Department has a number of barriers including staff turnover and limited local providers, that prohibit the division from quickly launching new programs or initiatives. These barriers contribute to the delay in spending the MHSA funds and expose HHSA to reversion of fund balances to the State. HHSA currently estimates that \$3.4 million in MHSA funds could revert back to the State at the end of FY 2019-20. The Behavioral Health Division is working to identify creative and collaborative solutions to using the MHSA funding in a more effective manner.

NEW SERVICES

Organized Delivery System (ODS) Waiver Program

Behavioral Health has opted into participating in the Organized Delivery System (ODS) Waiver Program for a more comprehensive substance abuse treatment approach. The waiver is a California pilot program effective through 2021 and enables more local control and accountability, provides greater administrative oversight, creates utilization controls to improve care and efficient use of resources, implements evidence based practices in substance abuse treatment, and coordinates with other systems of care. Participating counties can offer an expanded range of substance use disorder treatment modalities for Medi-Cal beneficiaries including a Narcotic Treatment Program, non-perinatal residential substance abuse treatment, withdrawal management, and recovery services. DHCS has sent the County a contract for approval with an implementation date of June 1, 2019.

Mobile Unit Van for Adult and Older Adult System of Care

The Mobile Unit Van for the Adult and Older Adults will allow Behavioral Health staff and community partners to engage the older adult population who may be isolated due to circumstances beyond their control. Many older adults are geographically and socially isolated, which puts them at risk of crisis. The van will allow HHSA to provide regional services in an effort to reduce incidents of crisis and improve the overall health and welfare of our community. This program will be funded by MHSA Prevention and Early Intervention funding.

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The Mental Health Services Plan Act (MHSA) budget is based on the last approved Plan, which is FY 2018-19. The MHSA Plan development for FY 2019-20 is in process and not available for this budget submission. When the FY 2019-20 MHSA Plan receives Board approval, HHSa will update the MHSA budget to reflect the approved plan.

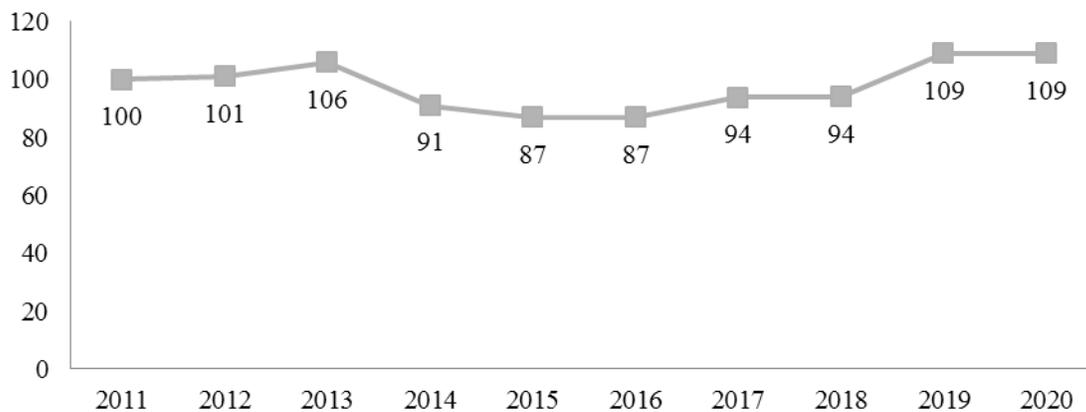
BUDGET SUMMARY BY PROGRAM

	Appropriations	Revenues	Net County Cost GF Contribution	Staffing
Alcohol & Drug Progr	\$ 9,365,634	\$ 9,365,634	-	25.68
MHSA Programs	\$ 21,517,824	\$ 21,517,824	-	49.10
Traditional Programs	\$ 13,360,994	\$ 13,360,994	\$ 16,510	34.27
TOTAL	\$ 44,244,452	\$ 44,244,452	\$ 16,510	109.05

STAFFING TREND

The staff allocation for FY 2019-20 is recommended at 109.05 FTEs, which overall reflects no change from the FY 2018-19 Adopted Budget. However, there are a few additions, deletions, and transfers. The 3.5 FTE Mental Health Worker I/II– Limited Term positions assigned to the South Lake Tahoe Mentally Ill Offenders Crime Reduction (MIOCR) will be deleted due the expiration of the MIOCR grant. 3.0 FTE Mental Health Worker I/II regular positions will be added to support the Intensive Case Management (ICM) team. Overtime is reduced to help offset the cost of these additions. A 1.0 FTE Department Analyst I/II will be added to the Quality Assurance Division to address increasing regulations and audit requirements. Internal transfers within HHSa include the transfer from Behavior Health to HHSa Administration and Finance division of a 0.5 FTE Senior Department Analyst position. New positions are funded with Medi-Cal federal, State, MHSA, and both 1991 and 2011 Realignment dollars.

A total of 87.35 FTEs are located on the West Slope and 21.70 FTEs in South Lake Tahoe. There are 34.27 FTEs in Mental Health Traditional programs, 49.10 FTEs in MHSA programs, and 25.68 FTEs in Alcohol and Drug Programs.



RECOMMENDED BUDGET

The Budget is recommended at \$44,244,452, which is an increase of \$256,996 (.6%) when compared to the FY 2018-19 Adopted Budget. The General Fund provides \$16,510 for the division's Maintenance of Effort (MOE) as directed by the State Department of Healthcare Services. This amount is unchanged from prior years.

Traditional Behavioral Health Programs

The Recommended Budget for the Traditional Behavioral Health Programs is \$13,360,994, which is a decrease of \$490,739 (3.5%) when compared to the FY 2018-19 Adopted Budget.

The Traditional programs are primarily funded by federal revenues, realignment/state revenues, and charges for services to other counties and private payers.

Mental Health Services Act (MHSA) Program

The Recommended Budget for the MHSA Programs is \$21,517,824, which is a decrease of \$3,726,584 (14.8%) when compared to the FY 2018-19 Adopted Budget.

The decrease in the budget is primarily due to a decrease in Fund Balance as a result of projects and services approved in the FY 2018-19 MHSA plan.

The FY 2019-20 MHSA plan update is anticipated to be adopted in June or July 2019. MHSA programs are reviewed on an annual basis to determine which programs are successful in meeting program outcomes.

Alcohol and Drug Programs

The Recommended Budget for Alcohol and Drug Programs is \$9,365,634, which is an increase of \$4,474,319 (91.5%) when compared to the FY 2018-19 Adopted Budget.

The increase is primarily due to opting into the Organized Delivery System (ODS) Waiver Program, which increased staff and contracts to providers for expanded client services.

Alcohol and Drug Programs are funded primarily by Federal and State revenue and Realignment funds.

CAO Adjustments

No CAO Adjustments were made.

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Sources and Uses of Funds

The Behavioral Health Department is funded primarily by State Proposition 63 MHSA revenue, which results from a one percent (1%) tax on personal income in excess of \$1,000,000 for California residents, State Realignment revenue, and Federal funding to support the MediCal ODS Waiver program.

Total revenue for the Behavioral Health Department is budgeted to increase by \$256,996 (.6%).

The Behavioral Health Fund Balance use is budgeted as follows:

Program	FY 2019-20 Est Beginning Fund Balance	Budgeted Fund Balance Use	FY 2019-20 Est Ending Fund Balance
Alcohol & Drug Programs	\$ 385,420	\$ 385,420	\$ -
MHSA Programs	\$ 10,372,556	\$ 7,451,457	\$ 2,921,099
Traditional Programs	\$ 1,971,954	\$ 1,971,954	\$ -
TOTAL	\$ 12,729,930	\$ 9,808,831	\$ 2,921,099

