



DRAFT FY 2012/13 Governor’s Budget Overview

The Governor’s (FY) 2012/13 State Budget Proposal, released on January 5, 2012 identified a budget problem of \$9.2 billion. The budget projects that the state will end 2011-12 with a deficit of \$4.1 billion. Absent corrective actions, it is projected that the state would spend \$5.1 billion more than it takes in during 2012-13. Combined the state faces a \$9.2 billion budget deficit.

The Governor’s FY 2012/13 Budget proposes a total of \$10.3 billion in cuts and revenues to balance and to rebuild a \$1.1 billion reserve. These proposals are estimated to eliminate future budget problems throughout the forecast period under current projections.

Elimination of Department of Mental Health and Department of Alcohol and Drug Programs

This proposal reorganizes behavioral health programs. The responsibilities will be assumed by several departments including, The Mental Health Services Oversight and Accountability Commission, the Department of Health Care Services, Department of Public Health, Department of Social Services, Department of Education, Office of Statewide Health Planning and Development.

Specifically the Governor’s Budget reads” The Mental Health Services Oversight and Accountability Commission will be responsible for Mental Health Services Act training, technical assistance, and program evaluation”.

MHSOAC Operations

Below summarizes the MHSOAC positions and approved budget for FY 2011/12 2012/13.

Personnel Years		Budget	
2011/12	2012/13	2011/12	2012/13
21.0	21.0	\$5,484,00	\$6,671,000

Budget Changes:

The FY 2011/12 budget includes a reduction of \$58,000 due to adjustments for employee compensation, cell phone reductions, and Operational Efficiency Plan. There was an increase of \$13,000 to the Retirement Rate Adjustment. The FY 2012/13 budget includes an increase of \$1,651,000 in contract dollars that fund three stakeholder contracts that are moving from DMH to the MHSOAC. These contracts are with the California Network of Mental Health Clients, National Alliance for the Mentally Ill, and United Advocates for Children and Families. These contracts will now be managed by MHSOAC staff. There is a reduction of \$500,000 in onetime funds that are being utilized as part of the UCLA evaluation deliverables. There is an increase of \$26,000 in Employee Compensation and

Retirement adjustments and a \$35,000 reduction in Operational Efficiency Plan and cell phone reductions

Other Proposed Budget Cuts

Proposed Budget Cuts

- \$ 842 million to Medi-Cal
- \$ 946 million to CalWORKS
- \$ 163 million to In-Home Supportive Services
- \$ 87 million to Other Health and Human Services Programs
- \$ 1.3 billion Education Reductions