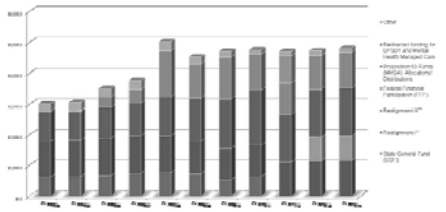
MHSOAC
Mental Health Services
Oversight and Accountability Commission

Mental Health Funding & Policy Committee
Draft Financial Report
November 15, 2012

1 Updated 11/14/2012

11/15/13

Community Mental Health Funding Amounts
Role of Major Funding Sources
(Millions)



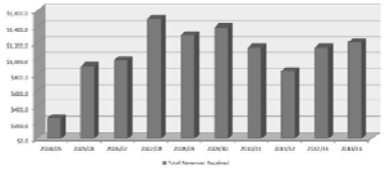
POLICY IMPLICATIONS:

(Example) even with fluctuation of individual accounts, funding for the overall system has grown since the enactment of the MHSA and has stayed relatively stable.

2

11/15/12

MHSA REVENUES RECEIVED AT THE STATE LEVEL
(Millions)
(Cash Basis)



POLICY IMPLICATIONS:

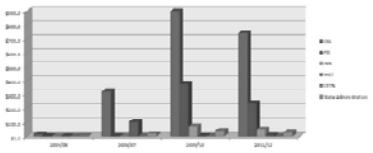
(Example) MHSA continues to be a volatile revenue source.

Source: Sources identified in Appendix 2
Will be updated for January 2013
Updated Semi-Annually

2

11/15/2012

MHSA Funding
Approved/Distributed/State Administration
(Millions)



POLICY IMPLICATIONS:

(Example) By 2008-2010 most counties had established Prevention and Early Intervention and Innovation programs.

*Not all years are included

Source: Sources identified in Appendix 3 A and 3 B

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State Administered Funds By Department
2012-13

State Department	Amount of State Administration Budgeted
Mental Health Services Oversight and Accountability Commission (State Operations	6,571

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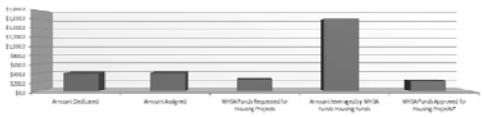
11/15/2012

MHSA Housing Program
(Millions)



POLICY IMPLICATIONS:

Source: Sources identified in Appendix 4

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11/15/12

Key Fiscal Indicators

Narrative (Information from Governor's 2013 Budget)

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Revenue and Expenditure Report - FY 09/10

	General	Community Services and Supports	Prevention and Early Intervention	Innovation	Workforce Training and Education	Capital Facilities and Technology Needs	PEI SUD	MHT Regional Partnerships	Administrative Expense Growth Reduction	Total MHSA	Local Prudent Reserve	State Subject to Reversion
Statewide												
Alpine												
Amador												
Butte												
Calaveras												
Colusa												
Contra Costa												
Del Norte												
El Dorado												
Fresno												
Glenn												
Humboldt												
Imperial												
Inyo												
Kern												
Kings												
Lake												
Lassen												
Los Angeles												
Madera												
Marin												
Mariposa												
Mendocino												
Merced												
Modoc												
Mono												
Monterey												
Napa												
Nevada												
Orange												
Placer												
Plumas												
Riverside												
Sacramento												
San Benito												
San Bernardino												
San Diego												
San Francisco												
San Joaquin												
San Luis Obispo												
San Mateo												
Santa Barbara												
Santa Clara												
Santa Cruz												
Shasta												
Sierra												
Siskiyou												
Solano												
Sonoma												
Stanislaus												
Sutter												
Tehama												
Trinity												
Tulare												
Tuolumne												
Ventura												
Yolo												
Yuba												

Revenue and Expenditure Report - FY 09/10

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Sutter												
Tehama												
Trinity												
Tulare												
Tuolumne												
Ventura												
Yolo												
Yuba												

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Revenue and Expenditure Report - FY 06/07

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Alameda												
Alpine												
Amador												
Butte												
Calaveras												
Colusa												
Contra Costa												
Del Norte												
El Dorado												
Fresno												
Glenn												
Humboldt												
Imperial												
Inyo												
Kern												
Kings												
Lake												
Lassen												
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Madera												
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San Benito												
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Santa Cruz												
Shasta												
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Siskiyou												
Solano												
Sonoma												
Stanislaus												
Sutter												
Tehama												
Trinity												
Tulare												
Tuolumne												
Ventura												
Yolo												
Yuba												
Statewide												
Total												

Appendix 1
Community Mental Health Funding Amounts
State 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 (estimated)	SFY 12/13 (projected)	SFY 13/14 (projected)
State General Fund (SGF)	$651.8	$647.8	$650.5	$647.8	$246.5	$701.0	$518.9	$529.4	$0.0	$0.0	$0.0
Realignment 1*	$1,158.1	$1,189.9	$1,217.1	$1,230.9	$1,211.5	$1,072.4	$1,021.0	$1,021.0	$1,087.6	$1,134.8	$1,141.5
Realignment 2*	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$784.4	$784.4
Federal Financial Participation (FFP)	$952.3	$950.5	$1,013.0	$1,010.8	$1,204.4	$1,404.0	$1,019.2	$1,139.3	$1,262.5	$1,262.5	$1,262.5
Proposition 63 Funds (MHSA) Allocations/ Distributions	$0.0	$12.7	$31.0	$126.3	$1,184.2	$1,117.0	$1,347.0	$1,168.1	$1,026.9	$1,092.4	$1,168.0
Redirected funding for SPN21 and Mental Health Managed Care	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$981.7	$0.0	$0.0
Other	$256.3	$276.3	$294.4	$306.8	$313.3	$233.9	$187.6	$139.4	$139.4	$150.0	$150.0
TOTAL	$3,018.2	$3,055.9	$3,206.0	$3,742.6	$5,011.9	$4,528.3	$4,694.5	$4,196.6	$4,696.1	$ 4,324.1	$ 4,311.9

*Includes tax taken in where Legislature has collected a 1.1 1/3% and 1.2 1/3% sales/use tax, state 11/12 growth estimated based on 85% of FY 10/11 estimated growth going to support services Account and 7% Retirement of such growth going to Realignment per statute.

**Managed Care and SPN21 share of 2011 Behavioral Health Rebalanced early. FY 13/14 growth indicated based on 85% of FY 12/13 growth going to Support Services Account and 15 EPN going to Behavioral Health per statute.

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 to counties for mental health are 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 diseases (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 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 07/01/2011), 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 08/09 (actual)	SFY 09/10 (actual)	SFY 10/11 (actual)	SFY 11/12 (actual)	SFY 12/13 (actual)	SFY 13/14 (actual)	SFY 14/15 (actual)	SFY 15/16 (estimated)	SFY 16/17 (projected)	SFY 17/18 (projected)
Cash Transfers	$489.5	$834.4	$815.1	$991.9	$797.0	$799.0	$905.0	$908.0	$944.0	$1,030.5
Annual Adjustment	$95.0	$0.0	$0.0	$425.7	$454.0	$591.0	$555.0	-$64.0	$139.0	$175.0
Interest Income	$67	$111.2	$49.2	$64.4	$67.0	$14.0	$6.7	$2.5	$1.0	$1.0
TOTAL	$651.5	$945.6	$864.3	$1,482.0	$1,318.0	$1,404.0	$1,166.7	$846.5	$1,136.0	$1,206.5

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 08/09 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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Appendix 3 A
MHSA Funding
Approved/Distributed/State Administration
(This data ties to the chart on page 4)

MHSA Funding: County-Level Approved/Distributed* (By Fiscal Year) 2004/05 through 2011/12				
	CSS, PEI, and INN**	WET	CFTN	Total (All Components)
2004/05	$ 12.7	$ -	$ -	$ 12.7
2005/06	$ 315.2	$ -	$ -	$ 315.2
2006/07	$ 320.5	$ 105.8	$ -	$ 426.3
2007/08	$ 1,033.0	$ 110.0	$ 345.0	$ 1,488.0
2008/09	$ 993.7	$ 9.2	$ 114.1	$ 1,117.0
2009/10	$ 1,343.6	$ 2.1	$ 1.3	$ 1,347.0
2010/11	$ 1,163.0	$ 0.1	$ 0.3	$ 1,165.4
2011/12	$ 1,020.9	$ 9.0	$ -	$ 1,029.9
Total (FY 04/05 - 11/12)	$ 6,202.6	$ 236.2	$ 460.7	$ 6,901.5

* Upon enactment of AB 100, effective March 24, 2011, State plan approval was no longer required to receive funds.
**The Department of Finance advised the MHSOAC on May 14, 2012 that additional CSS, PEI, and INN funds for FY 2011/12 will be distributed as follows: $48 million in April 2012, $48 million in May 2012, and approximately $381 million in June 2012 for a total of $487 million.

Source: DMH (DHCS after June 30, 2012) MHSA Summary Comparison (Posted 07/21/11)

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Appendix 3 B
MHSA Funding Approved/Distributed/State Administration
(This data ties to chart on page 4)

MHSA: State Administrative Funds			
	5 % or 3.5% Statutory Maximum For State Administration	Amount of State Administration Budgeted	Amount of State Administration Expended
2004/05	$ 12.7	$ 4.3	$ 4.3
2005/06	$ 45.3	$ 18.2	$ 14.8
2006/07	$ 49.2	$ 23.5	$ 18.5
2007/08	$ 75.1	$ 39.5	$ 24.8
2008/09	$ 64.6	$ 45.6	$ 36.1
2009/10	$ 69.7	$ 45.8	$ 40.3
2010/11	$ 57.0	$ 47.2	$ 42.5
2011/12	$ 37.8	$ 29.7	$ -
2012/13	$ 46.9	$ 37.4	$ -
Total (All Years)	$ 458.3	$ 292.2	$ 181.2

Unrequested State Administrative funds revert to the MHSF after one year.
Unexpended State Administrative funds revert to the MHSF after two years.
Administrative funds are based on Estimated Revenues not Estimated Available Receipts.
Effective FY 2011/12 the original 5% statutory maximum for state administration was revised to 3.5% (Assembly Bill 100)

The State Administration has up to 3.5% of the MHSF available. In order to have access to funds, within the 3.5%, the State Administration must request these funds through the State budget process. Upon approval, the requested amount is then budgeted in the requesting department's approved budget.

Source: DMH (DHCS after June 30, 2012) MHSA Expenditure Reports and Fund Condition Statements

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