

**California's Investment in the  
Public Mental Health System:  
Prop 63 Allocations and Expenditures  
(FY 06-07 through FY 09-10)**



**UCLA Center for Healthier Children, Youth and Families**

The following report was funded by the  
Mental Health Services Oversight and Accountability Commission

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## Executive Summary

Proposition 63 (2004) provides increased funding through the Mental Health Services Act (MHSA) to support mental health services for underserved and previously unserved individuals within the context of the public mental health system. Prop 63 funds are distributed to county departments of mental health, two or more county mental health departments acting jointly, and/or city-operated programs<sup>1</sup> to implement MHSA components.<sup>2</sup> Components are: Prevention and Early Intervention (PEI), Workforce Education and Training (WET), Capital Facilities and Technological Needs (CF/TN), Innovation (INN) and Community Services and Supports (CSS),<sup>3</sup> which includes the Full Service Partnership (FSP).<sup>4</sup>

The California Department of Mental Health recently reported that California's Mental Health Services Act "has generated \$6.5 billion in additional revenues for mental health services through the end of Fiscal Year (FY) 2009–10."<sup>5</sup> The amount of money generated raises several questions:

- How much is being spent?<sup>6</sup>
- Do component expenditures vary depending upon county contextual factors?
- Do component expenditures vary depending upon demographics, such as race/ethnicity, gender and age group?

### How much is being spent?

This report does not reflect FY 10-11 and FY 11-12, as Revenue and Expenditure Reports for these fiscal years were not available for analysis at the time of this report. As of FY 09–10, approximately \$4.1 billion in component allocations to counties has been approved (FY 04–05 through FY 09–10).<sup>7</sup> Expenditures on Mental Health Services Act components through FY 09–10 suggest a graduated rollout of services under the Mental Health Services Act. The staggered implementation of services and supports was intentional, "because of the complexity of each component." (p. 2)<sup>8</sup>

- Just over \$2.9 billion had been expended on MHSA activities as of FY 09–10. As expected, the bulk of monies are expended on Community Services and Supports.
- Approximately \$977 million remained unexpended at the time of Revenue and Expenditure Report submission for FY 09-10. The majority of CSS funds were expended – 81.3 percent of the total (when expended and unexpended are combined). Among other components, less than 25 percent of the total was expended in FY 09-10.
- Just over \$418 million was documented on the Revenue and Expenditure Report as set aside for Prudent Reserve (from FY 06-07 through FY 09-10).
- Just over \$2.2 million of component monies distributed was documented on the Revenue and Expenditure Report as reverting back to the State of California (from FY 06-07 through FY 09-10).

### Do component expenditures vary depending upon county contextual factors?

The amount expended on each component varies substantially across counties. Examination of variables representing county characteristics<sup>9</sup> (penetration rate,<sup>10</sup> population density,<sup>11</sup> percent of county population with health insurance,<sup>12</sup> poverty level,<sup>13</sup> county unemployment rate,<sup>14</sup> and rate of foreclosures)<sup>15</sup> revealed correlation with amounts expended for CSS, WET, PEI and Innovation.<sup>16</sup> Analysis of these variables revealed interesting patterns:

- 
- **Penetration Rate** (ratio estimate of the prevalence of serious mental illness/serious emotional disturbance): Higher penetration rate is related to lower CSS and PEI expenditures in counties.
  - **Population Density:** Higher population density is correlated with lower CSS, WET and PEI expenditures.
  - **Foreclosure Rate:** Higher foreclosure rate is correlated with higher CSS, WET and PEI expenditures.

Of interest are higher penetration rate and population density and their relationship to lower CSS and PEI expenditures. This pattern is intriguing because it suggests that perhaps these counties bring economies of scale to bear, which could conceivably reduce CSS and PEI expenditures.

### **Do component expenditures vary depending upon demographics, such as race/ethnicity, gender and age group?**

Examination of variables representing race/ethnicity and gender <sup>17</sup> revealed correlation with amounts expended for CSS, WET, PEI and Innovation.

- **Race/Ethnicity:** Lower percentages of white (Caucasian) children, TAY, Adults and Older Adults served by a county public mental health system were associated with higher component expenditures for CSS, WET, PEI and INN.

This pattern is particularly intriguing because it hints at the possibility of system transformation – that is – county mental health systems transforming to serve previously underserved and unserved populations, which logically carries additional, associated expenditures. The question of whether a more diverse population is now served through the Mental Health Services Act (particularly Full Service Partnership) will be explored in a forthcoming report, in which baseline demographic data will be analyzed and compared to later fiscal years. <sup>18</sup>

### **Funding Sources**

An increase in MHSA expenditures on MediCal from FY 08-09 to FY 09-10 suggests that counties and municipalities are successfully leveraging MHSA in order to bring in additional federal dollars.

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## Executive Summary End Notes

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<sup>1</sup> “County” means the County Mental Health Department, two or more County Mental Health Departments acting jointly and/or city-operated programs receiving funds per Welfare and Institutions Code Section 5701.5:

California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 2. Definitions, 3200.090. County.

Note that the direct web link to CCR specific to the Mental Health Services Act requires search onsite, using the link below. The direct link to each code cannot be reproduced and will not lead directly to the specific CCR. The only way to retrieve each CCR is to search the site, <http://government.westlaw.com/linkedslice/default.asp?RS=GVT1.0&VR=2.0&SP=CCR-1000&Action=Welcome>

<sup>2</sup> Components are listed in:

California Welfare and Institutions Code (WIC), Division 5. Community Mental Health Services, Part 3.7 Oversight and Accountability. (5845).

- (a) The Mental Health Services Oversight and Accountability Commission is hereby established to oversee Part 3 (commencing with Section 5800), the Adult and Older Adult Mental Health System of Care Act; Part 3.1 (commencing with Section 5820), Innovative Programs; Part 3.6 (commencing with Section 5840) Prevention and Early Intervention Programs; and Part 4 (commencing with Section 5850), the Children’s Mental Health Services Act.

Certified as current (January 18, 2013). Note that the direct web link to WIC specific to the Mental Health Services Act requires search onsite, using the link below. The direct link to each code cannot be reproduced and will not lead directly to the specific WIC. The only way to retrieve each WIC is to search the site,

<http://leginfo.legislature.ca.gov/faces/codes.xhtml>

All components under MHSA are included under WIC 5899 (Revenue and Expenditure Report (*grammatical inconsistencies have been retained because the material has been produced, verbatim, from the original text*)).

- (a) The State Department of Health Care Services, in consultation with the Mental Health Services Oversight and Accountability Commission and the California Mental Health Directors Association, shall develop and administer instructions for the Annual Mental Health Services Act Revenue and Expenditure Report. This report shall be submitted electronically to the department and to the Mental Health Services Oversight and Accountability Commission.
- (b) The purpose of the Annual Mental Health Services Act Revenue and Expenditure Report is as follows:
- 1) Identify the expenditures of Mental Health Services Act (MHSA) funds that were distributed to each county.
  - 2) Quantify the amount of additional funds, and interest earned on MHSA funds.
  - 3) Determine reversion amounts, if applicable, from prior fiscal year distributions.
- (c) This report is intended to provide information that allows for the evaluation of all of the following:
- 1) Children’s system of care.
  - 2) Prevention and early intervention programs.
  - 3) Innovative projects.
  - 4) Workforce education and training.
  - 5) Adults and older adults systems of care.
  - 6) Capital facilities and technology needs.

California Welfare and Institutions Code (WIC), Division 5. Community Mental Health Services, Part 4.5 Mental Health Services Fund. (5899).

<sup>3</sup> The system of care is addressed in:

California Welfare and Institutions Code (WIC), Division 5. Community Mental Health Services, Part 3. Adult and Older Adult System of Care Act. Article 1. Legislative Findings and Intent (5801 – 5802) and Article 2. Establishing New County Systems of Care (5803 – 5809).

California Welfare and Institutions Code, Division 5. Community Mental Health Services, Part 4. The Children’s Mental Health Services Act. Chapter 1. Interagency System of Care (5850 – 5851.5).

CSS is addressed in:

California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 2. Definitions, Community Services and Supports, 3200.080.

<sup>4</sup> Full Service Partnership is addressed in:

California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 6. Community Services and Supports, 3620 Full Service Partnership Service Category.

<sup>5</sup> California Department of Mental Health (2010, January). *Mental Health Services Act Expenditure Report, Fiscal Year 2010 – 2011*. Sacramento, CA.

<sup>6</sup> Request for Proposals Q. 8.

<sup>7</sup> The focus of this report and the preceding expenditure report is county-directed expenditures. Therefore, state-directed efforts were not included: county assignments to the Department of Mental Health, statewide Prevention and Early Intervention initiatives (e.g., Statewide Stigma and Discrimination effort), or WET Regional Partnerships. In addition, MHSA Housing is not included in this report. Although amounts were approved during the period of time analyzed (FY 04-05 through FY 09-10), no expenditures were documented on the Revenue and Expenditure Reports under MHSA Housing during the time period analyzed (FY 06-07 through FY 09-10).

Counties included in the analysis of approved amounts and expenditures in each fiscal year are those that submitted a Revenue and Expenditure Report (RER) for the fiscal year. See Appendix A of the report for a matrix of county RERs by fiscal year.

<sup>8</sup> California Department of Mental Health (2010, January). *Mental Health Services Act Expenditure Report, Fiscal Year 2010 – 2011*. Sacramento, CA.

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<sup>9</sup> Variables representing county characteristics stem from calendar year 2009 (archival data).

<sup>10</sup> UCLA updated the penetration rate for each county to reflect the relevant year and applicable census data, per the following notation from DMH:

When considering these penetration rates, it is important to remember that they are based on census data combined with estimates that were calculated by applying prediction weights. Due to the way census data is updated, the data in the tables should be viewed as "best available" and should be checked and verified at the local level where numbers do not appear to represent actual local population data.

[http://www.dmh.ca.gov/Statistics\\_and\\_Data\\_Analysis/RetentionPenetrationData.asp](http://www.dmh.ca.gov/Statistics_and_Data_Analysis/RetentionPenetrationData.asp)

Please refer to the following report for further information about the penetration rate and its use: *Mental Health Services Act Evaluation: Compiling Community Services and Supports (CSS) Data to Produce All Priority Indicators; Contract Deliverable 2F, Phase II*

[http://www.mhsoac.ca.gov/Evaluations/docs/CompilingCSSDataToProducePriorityIndicators\\_2FPhase2\\_121812.pdf](http://www.mhsoac.ca.gov/Evaluations/docs/CompilingCSSDataToProducePriorityIndicators_2FPhase2_121812.pdf)

See pages 42 – 45.

<sup>11</sup> Population density was created for each county using county population and square miles of the county. The population of each county was taken from the following archival dataset:

<http://www.census.gov/popest/research/eval-estimates/eval-est2010.html>

Population Estimates, 2010, U.S. Census Bureau, Population Division.

The square miles of each county was taken from the following archival dataset:

<http://quickfacts.census.gov/qfd/states/06000.html> U.S. Census Bureau State and County Quick Facts.

The areas analyzed for savings are very similar to those analyzed in the evaluation of AB 2034 efforts, which included inpatient psychiatric hospitalization and incarceration. Emergency room use was also evaluated but was limited to psychiatric rather than physical health.

California Department of Mental Health (2007). (unpublished) *Report to the Legislature on the effectiveness of integrated services for homeless adults with serious mental illness*. Sacramento, CA: Author.

<sup>12</sup> *Percentage Insured* - 2003, 2005, 2007, and 2009: California Health Interview Survey:

<http://www.chis.ucla.edu/>

<sup>13</sup> *Poverty Rate*: Table 1: 2009 Poverty and Median Income Estimates – Counties (released in December 2010); Source: U.S. Census Bureau, Small Area Estimates Branch

<http://www.census.gov/did/www/saie/data/statecounty/data/2009.html>

<sup>14</sup> *Unemployment* - California Unemployment Rate (Average – Not Seasonally Adjusted)

<http://www.labormarketinfo.edd.ca.gov/?pageid=164>

The California Employment Development Department (CA EDD) defines “*Unemployment Rate*” as the number of unemployed people divided by the number of people in the labor force then multiplied by 100.

<http://www.labormarketinfo.edd.ca.gov/?pageid=1006>

For sake of consistency in data presentation, UCLA calculated unemployment rates using the same method as CA EDD.

<sup>15</sup> The foreclosure rate is defined as the number of foreclosed properties as a percent of households. HousingLink (2007). *Fixing the foreclosure system: The trouble with foreclosure data*. Retrieved August 23, 2011, from

[http://www.minneapolisfed.org/news\\_events/events/community/100407/foreclosedata\\_obrien.pdf](http://www.minneapolisfed.org/news_events/events/community/100407/foreclosedata_obrien.pdf)

The number of foreclosures in the state annually was obtained from Realty Trac, and then foreclosure rates were calculated using the methodology described above.

<sup>16</sup> The relationship between county characteristics and FSP (specifically) and CF/TN expenditures is explored in separate reports.

<sup>17</sup> In order to create a county-level variable, the percentage of the CSI population in each county that is Caucasian was calculated. Individual-level data could not be entered into the model analyzing county-level data. For gender, the percentage of the CSI population that was male was calculated. Variables representing county characteristics stem from calendar year 2009 (archival data).

<sup>18</sup> When this finding is taken into context with demographic findings from the report, *Mental Health Services Act Evaluation: Compiling Community Services and Supports (CSS) Data to Produce All Priority Indicators; Contract Deliverable 2F, Phase II* one hypothesis meriting further exploration is whether expansion to serve previously underserved and unserved populations carries additional cost considerations. If demographics of individuals served by the public mental health system are markedly different in years 04-05/05-06, the analysis will reveal that MHSA has been successful in shifting resources to counties in order to reach previously underserved and unserved populations. Therefore, increased expenditures associated with serving new populations is expected.

[http://www.mhsoac.ca.gov/Evaluations/docs/CompilingCSSDataToProducePriorityIndicators\\_2FPhase2\\_121812.pdf](http://www.mhsoac.ca.gov/Evaluations/docs/CompilingCSSDataToProducePriorityIndicators_2FPhase2_121812.pdf)

DEFINITION OF TERMS	
<b>3M</b>	Quarterly Assessment
<b>AB</b>	Assembly Bill
<b>CF</b>	Capital Facilities
<b>CF-TN</b>	Capital Facilities and Technological Needs
<b>CMHDA</b>	California Mental Health Directors Association
<b>CSA</b>	Corrections Standards Authority
<b>CSI</b>	Client Services Information System
<b>CSS</b>	Community Services and Support
<b>CYF</b>	Children, Youth and Families
<b>DCR</b>	Data Collection and Reporting System for MHSA FSP
<b>DJJ</b>	Division of Juvenile Justice
<b>DMH</b>	Department of Mental Health
<b>DNR</b>	Agency did not report costs
<b>DOF</b>	Department of Finance
<b>EAG</b>	Evaluation Advisory Group
<b>ER</b>	Emergency Room
<b>FFP</b>	Federal Financial Participation
<b>FSP</b>	Full Service Partner
<b>FY</b>	Fiscal Year
<b>GSD</b>	General System Development
<b>IMD</b>	Institution for Mental Diseases
<b>IMPACT</b>	Improving Mood--Promoting Access to Collaborative Treatment
<b>JHC</b>	Juvenile Halls and/or Camps
<b>KET</b>	Key Event Tracking
<b>LAO</b>	Legislative Analyst's Office
<b>LGBTQ</b>	Lesbian, Gay, Bi-Sexual, Transsexual/Transgender and Questioning
<b>MH</b>	Mental Health
<b>MHRC</b>	Mental Health Rehabilitation Centers
<b>MHSA</b>	Mental Health Services Act
<b>MHSOAC</b>	Mental Health Services Oversight and Accountability Commission (also OAC)
<b>OA</b>	Older Adults
<b>OSHPD</b>	Office of Statewide Health Planning and Development
<b>PAF</b>	Partnership Assessment Form
<b>PEI</b>	Prevention and Early Intervention
<b>POQI</b>	Performance Outcomes and Quality Improvement
<b>RER</b>	Revenue and Expenditure Reports
<b>RFA</b>	Request for Applications
<b>RFP</b>	Request for Proposal
<b>SAMHSA</b>	Substance Abuse and Mental Health Services Administration
<b>SB</b>	Senate Bill
<b>SED</b>	Seriously Emotionally Disturbed
<b>SGF</b>	State General Fund
<b>SMA</b>	Statewide Maximum Allowance
<b>SMHA</b>	State Mental Health Authority
<b>SPSS</b>	Statistical Package for the Social Sciences
<b>TAY</b>	Transition-Age Youth
<b>TN</b>	Technological Needs
<b>WET</b>	Workforce Education and Training
<b>WIC</b>	Welfare and Institutions Code
<b>YSS</b>	Youth Services Survey
<b>YSS-F</b>	Youth Services Survey for Families

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## I. Introduction

Proposition 63 (2004) provides increased funding through the Mental Health Services Act (MHSA) to support mental health services for underserved<sup>1</sup> and previously unserved<sup>2</sup> individuals within the context of the public mental health system. Prop 63 funds are distributed to county departments of mental health, two or more county mental health departments acting jointly, and/or city-operated programs<sup>3</sup> to implement MHSA components.<sup>4</sup> Components are: Prevention and Early Intervention (PEI), Workforce Education and Training (WET), Capital Facilities and Technological Needs (CF/TN), Innovation (INN) and Community Services and Supports (CSS),<sup>5</sup> which includes the Full Service Partnership (FSP).<sup>6</sup>

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<sup>1</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 2. Definitions, 3200.300 Underserved.

Note that the direct web link to CCR specific to the Mental Health Services Act requires search onsite, using the link below. The direct link to each code cannot be reproduced, and will not lead directly to the specific CCR. The only way to retrieve each CCR is to search the site, <http://government.westlaw.com/linkedslice/default.asp?RS=GVT1.0&VR=2.0&SP=CCR-1000&Action=Welcome>

<sup>2</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 2. Definitions, 3200.310 Unserved.

<sup>3</sup> “County” means the County Mental Health Department, two or more County Mental Health Departments acting jointly, and/or city-operated programs receiving funds per Welfare and Institutions Code Section 5701.5:

California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 2. Definitions, 3200.090 County.

<sup>4</sup> Components are listed in:

California Welfare and Institutions Code (WIC), Division 5. Community Mental Health Services, Part 3.7 Oversight and Accountability. (5845).

- (a) The Mental Health Services Oversight and Accountability Commission is hereby established to oversee Part 3 (commencing with Section 5800), the Adult and Older Adult Mental Health System of Care Act; Part 3.1 (commencing with Section 5820), Innovative Programs; Part 3.6 (commencing with Section 5840) Prevention and Early Intervention Programs; and Part 4 (commencing with Section 5850), the Children’s Mental Health Services Act.

Certified as current (January 18, 2013). Note that the direct web link to WIC specific to the Mental Health Services Act requires search onsite, using the link below. The direct link to each code cannot be reproduced, and will not lead directly to the specific WIC. The only way to retrieve each WIC is to search the site,

<http://leginfo.legislature.ca.gov/faces/codes.xhtml>

All components under MHSA are included under WIC 5899 (Revenue and Expenditure Report (*grammatical inconsistencies have been retained because the material has been produced, verbatim, from the original text*):

- (a) The State Department of Health Care Services, in consultation with the Mental Health Services Oversight and Accountability Commission and the California Mental Health Directors Association, shall develop and administer instructions for the Annual Mental Health Services Act Revenue and Expenditure Report. This report shall be submitted electronically to the department and to the Mental Health Services Oversight and Accountability Commission.
- (b) The purpose of the Annual Mental Health Services Act Revenue and Expenditure Report is as follows:
- 1) Identify the expenditures of Mental Health Services Act (MHSA) funds that were distributed to each county.
  - 2) Quantify the amount of additional funds, and interest earned on MHSA funds.
  - 3) Determine reversion amounts, if applicable, from prior fiscal year distributions.
- (c) This report is intended to provide information that allows for the evaluation of all of the following:
- 1) Children’s system of care.
  - 2) Prevention and early intervention programs.
  - 3) Innovative projects.
  - 4) Workforce education and training.
  - 5) Adults and older adults systems of care.
  - 6) Capital facilities and technology needs.

California Welfare and Institutions Code (WIC), Division 5. Community Mental Health Services, Part 4.5 Mental Health Services Fund. (5899).

See Appendix G for a detailed description of MHSA components.

<sup>5</sup> The system of care is addressed in:

California Welfare and Institutions Code (WIC), Division 5. Community Mental Health Services, Part 3. Adult and Older Adult System of Care Act. Article 1. Legislative Findings and Intent (5801 – 5802) and Article 2. Establishing New County Systems of Care (5803 – 5809).

California Welfare and Institutions Code, Division 5. Community Mental Health Services, Part 4. The Children’s Mental Health Services Act. Chapter 1. Interagency System of Care (5850 – 5851.5).

CSS is addressed in:

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## The Statewide Evaluation

UCLA's Center for Healthier Children, Youth and Families has been contracted by the Mental Health Services Oversight and Accountability Commission to conduct a statewide evaluation of the Mental Health Services Act. This evaluation is designed to be consistent with the intent of the Act "to ensure that all funds are expended in the most cost effective manner and services are provided in accordance with recommended best practices subject to local and state oversight to ensure accountability to taxpayers and to the public." <sup>7</sup>

The California Department of Mental Health recently reported that California's Mental Health Services Act "has generated \$6.5 billion in additional revenues for mental health services through the end of Fiscal Year (FY) 2009-10." <sup>8</sup> The amount of money generated raises several questions:

- How much is being spent? <sup>9</sup>
- Do component expenditures vary depending upon county contextual factors?
- Do component expenditures vary depending upon demographics, such as race/ethnicity, gender and age group?

These questions were examined using available data. Potential answers are presented in this report (as of Fiscal Year 09-10). The figures provided in this report are accurate as of July 2010. This report does not reflect FY 10-11 and FY 11-12, as Revenue and Expenditure Reports for these fiscal years were not available for analysis at the time of this report.

## Report Overview

This report, *California's Investment in the Public Mental Health System: Prop 63 Allocations and Expenditures (FY 06-07 through FY 09-10)*, contains three chapters. A brief synopsis of each chapter follows.

Chapter I, Introduction, provides a brief introduction to the report and a short orientation for the reader to the contents of each chapter.

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California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 2. Definitions, Community Services and Supports, 3200.080.

<sup>6</sup> Full Service Partnership is addressed in:

California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 6. Community Services and Supports, 3620 Full Service Partnership Service Category.

<sup>7</sup> California Welfare and Institutions Code (WIC), Division 5. Community Mental Health Services, Part 3. Adult and Older Adult System of Care Act. Article 1. Legislative Findings and Intent (5802, d, 2) and Article 2. Establishing New County Systems of Care (5809).

(d) (2): To promote system of care accountability for performance outcomes which enable adults with severe mental illness to reduce symptoms which impair their ability to live independently, work, maintain community supports, care for their children, stay in good health, not abuse drugs or alcohol, and not commit crimes.

See also:

Article 2. Establishing New County Systems of Care (5809): The State Department of Health Care Services shall continue to work with participating counties and other interested parties to refine and establish client and cost outcome and interagency collaboration goals including the expected level of attainment with participating system of care counties. These outcome measures should include specific objectives addressing the following goals:

- a) Client benefit outcomes.
- b) Client and family member satisfaction.
- c) System of care access.
- d) Cost savings, cost avoidance, and cost-effectiveness outcomes that measure short-term or long-term cost savings and cost avoidance achieved in public sector expenditures to the target population.

<sup>8</sup> California Department of Mental Health (2010, January). *Mental Health Services Act Expenditure Report, Fiscal Year 2010 – 2011*. Sacramento, CA.

<sup>9</sup> Request for Proposals Q. 8.

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Chapter II, Allocation of Monies under the Mental Health Services Act, presents a summary of Mental Health Services Act (MHSA) components and the amounts allocated and approved from FY 04-05 through FY 09-10.

Expenditures under the Mental Health Services Act are presented in Chapter III. In plain language – this section contains the amounts expended statewide, overall and by component. There is a brief discussion of methodology used, including the limitations around available data sources.

Appendix A contains a summary of Revenue and Expenditure Report submission, by county, for FY 06-07 through FY 09-10. Note that although there are 58 counties in California, two counties receive joint funding. There are a total of two city-run programs, bringing the grand total number of counties/municipalities to 59.<sup>10</sup>

Appendix B describes challenges encountered when working with Revenue and Expenditure Report data.

Appendix C contains FY 09-10 component expenditures by county. For by-county component expenditures in earlier years, see *California's Investment in the Public Mental Health System: Proposition 63 – Overview of the Brief Series/Summary of Findings* (2011, June).<sup>11</sup>

Appendix D contains approved amounts by county, broken out into components, for FY 09-10. For by-county component approved amounts in earlier years, see *California's Investment in the Public Mental Health System: Proposition 63 – Overview of the Brief Series/Summary of Findings* (2011, June).<sup>12</sup>

Appendix E displays contribution to prudent reserve, by county, FY 06-07 through FY 09-10.

Appendix F displays MHSA component amounts subject to reversion, by county, FY 06-07 through FY 09-10.

Appendix G describes each MHSA component, referencing California's Welfare and Institution's Code and Code of Regulations.

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<sup>10</sup> California Welfare and Institutions Code (WIC), Division 5. Community Mental Health Services, Part 2. The Bronzan-McCorquodale Act. Chapter 3. Financial Provisions. 5701.5.

City-operated Bronzan-McCorquodale programs paid by the state under Section 5615 shall be directly funded in accordance with this chapter.

Although the term "county" technically refers to one of California's 58 geographical entities created for jurisdictional purposes, we will use that term to refer to both counties and municipalities for brevity. Where a distinction is necessary, "municipalities" will be identified as separate from "counties." The maximum number of counties is 59 because two counties receive joint funding, and two cities receive funding under the Mental Health Services Act.

<sup>11</sup> [http://www.mhsoac.ca.gov/Evaluations/docs/Evaluation\\_Deliverable1A\\_Briefs\\_ExecutiveSummary.pdf](http://www.mhsoac.ca.gov/Evaluations/docs/Evaluation_Deliverable1A_Briefs_ExecutiveSummary.pdf)  
[http://www.mhsoac.ca.gov/Evaluations/docs/Evaluation\\_Deliverable1A\\_BriefSummary.pdf](http://www.mhsoac.ca.gov/Evaluations/docs/Evaluation_Deliverable1A_BriefSummary.pdf)

<sup>12</sup> Ibid.

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## II. Allocation of Monies under the Mental Health Services Act

Allocation of Mental Health Services Act (MHSA) monies<sup>13</sup> are the focus of this chapter.<sup>14</sup> In simple terms, what was allotted to the counties out of Prop 63 monies to support public mental health services?

### a. Methodology

The chapter opens with a description of our methodology – the data source accessed to determine the amount allocated to counties, fiscal years analyzed, and criteria for inclusion in the report. The chapter closes with statewide MHSA allocations for Fiscal Years (FY) 04-05 through 09-10, by component.<sup>15</sup>

### 1. Data Source

MHSA component allocations represent funds for MHSA components set aside for each county and municipality based on the formula established in California's Welfare and Institution's Code 5892<sup>16</sup> and the approved MHSA

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<sup>13</sup> MHSOAC (April 15, 2010). *MHSA Fiscal Definitions*. Sacramento, Author.

County Component Allocations: The amount of MHSA funds available to each county to provide MHSA services.

- County Component Allocations are considered "allocated" to counties.
- The Act requires DMH to inform counties of the amounts of MHSA funds available to them. DMH uses "County Component Allocations" as the informing mechanism.
- These are published by DMH in an Information Notice for each MHSA component.
- DMH develops a formula, in consultation with the California Mental Health Directors Association, to determine County Component Allocations.

<sup>14</sup> California Welfare and Institutions Code Part 4.5, of 5890 and 5892.

<sup>15</sup> This report is an update to the previously-released report: *California's Investment in the Public Mental Health System: Proposition 63 – Overview of the Brief Series/Summary of Findings* (2011, August),

[http://www.mhsoac.ca.gov/Evaluations/docs/Evaluation\\_Deliverable1A\\_Briefs\\_ExecutiveSummary.pdf](http://www.mhsoac.ca.gov/Evaluations/docs/Evaluation_Deliverable1A_Briefs_ExecutiveSummary.pdf)

[http://www.mhsoac.ca.gov/Evaluations/docs/Evaluation\\_Deliverable1A\\_BriefSummary.pdf](http://www.mhsoac.ca.gov/Evaluations/docs/Evaluation_Deliverable1A_BriefSummary.pdf)

<sup>16</sup> California Welfare and Institutions Code Part 4.5, of 5892:

- (a) In order to promote efficient implementation of this act, the county shall use funds distributed from the Mental Health Services Fund as follows:
  - 1) In 2005-06, 2006-07, and in 2007-08 10 percent shall be placed in a trust fund to be expended for education and training programs pursuant to Part 3.1.
  - 2) In 2005-06, 2006-07, and in 2007-08 10 percent for capital facilities and technological needs distributed to counties in accordance with a formula developed in consultation with the California Mental Health Directors Association to implement plans developed in pursuant to Section 5847.
  - 3) Twenty percent of funds distributed to the counties pursuant to subdivision (c) of Section 5891 shall be used for prevention and early intervention programs in accordance with Part 3.6 (commencing with Section 5840) of this division.
  - 4) The expenditure for prevention and early intervention may be increased in any county in which the department determines that the increase will decrease the need and cost for additional services to severely mentally ill persons in that county by an amount at least commensurate with the proposed increase.
  - 5) The balance of funds shall be distributed to county mental health programs for services to persons with severe mental illnesses pursuant to Part 4 (commencing with Section 5850), for the children's system of care and Part 3 (commencing with Section 5800), for the adult and older adult system of care.
  - 6) Five percent of the total funding for each county mental health program for Part 3 (commencing with Section 5800), Part 3.6 (commencing with Section 5840), and Part 4 (commencing with Section 5850) of this division, shall be utilized for innovative programs in accordance with Sections 5830, 5847, and 5848.
- (b) In any year after 2007-08, programs for services pursuant to Part 3 (commencing with Section 5800), and Part 4 (commencing with Section 5850) of this division may include funds for technological needs and capital facilities, human resource needs, and a prudent reserve to services do not have to be significantly reduced in years in which revenues are below the average of previous years. The total allocation for purposes authorized by this subdivision shall not exceed 20 percent of the average amount of funds allocated to that county for the previous five years pursuant to this section.
- (c) The allocations pursuant to subdivisions (a) and (b) shall include funding for annual planning costs pursuant to Section 5848. The total of these costs shall not exceed 5 percent of the total of annual revenues received for the fund. The planning costs shall include funds for county mental health programs to pay for the costs of consumers, family members, and other stakeholders to participate

amount represents the sum in dollars that the county/municipality received (the amount requested by the county/municipality).

MHSA funding allocations and approved funding amounts are available in an Excel pivot table from the California Department of Mental Health.<sup>17</sup> Allocations and approved funding amounts are broken out by county, component and fiscal year.

The UCLA team summarized component allocations and approved amounts for county-based efforts documented in the Component Allocations and Approved Amount files for the purpose of this report. Statewide efforts (e.g., PEI statewide initiatives, WET Regional Partnerships) allocations and approved amounts were not included, due to the report emphasis on component allocations to counties/municipalities.<sup>18</sup>

## 2. Fiscal Years

A fiscal year (FY) is the period of time used by the State of California for accounting purposes. It runs from July 1 – June 30. The fiscal years selected for analysis were FY 04-05 through FY 09-10. These years were selected as a result of available data in the Component Allocations and Approved Amount files.

## 3. Criteria for Inclusion in Summary Report

Criteria for inclusion in this summary report are twofold:

- Component directly focused on services, or strengthening county service system
- Submission of FY 09-10 Revenue and Expenditure Report<sup>19</sup>

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in the planning process and for the planning and implementation required for private provider contracts to be significantly expanded to provide additional services pursuant to Part 3 (commencing with Section 5800), and Part 4 (commencing with Section 5850) of this division.

- (d) Prior to making the allocations pursuant to subdivisions (a), (b), and (c), funds shall be reserved for the costs for the State Department of Health Care Services, the California Mental Health Planning Council, the Office of Statewide Health Planning and Development, the Mental Health Services Oversight and Accountability Commission, the State Department of Public Health, and any other state agency to implement all duties pursuant to the programs set forth in this section. These costs shall not exceed 3.5 percent of the total of annual revenues received for the fund. The administrative costs shall include funds to assist consumers and family members to ensure the appropriate state and county agencies give full consideration to concerns about quality, structure of service delivery, or access to services. The amounts allocated for administration shall include amounts sufficient to ensure adequate research and evaluation regarding the effectiveness of services being provided and achievement of the outcome measures set forth in Part 3 (commencing with Section 5800), Part 3.6 (commencing with Section 5840), and Part 4 (commencing with Section 5850) of this division. The amount of funds available for the purposes of this subdivision in any fiscal year shall be subject to appropriation in the annual Budget Act.

<sup>17</sup> [http://www.dmh.ca.gov/Prop\\_63/MHSA/MHSA\\_Fiscal\\_References.asp](http://www.dmh.ca.gov/Prop_63/MHSA/MHSA_Fiscal_References.asp). To access the Excel file, click on “Component Allocations and Approved Amounts” under “County Level Information” under “Other Fiscal Information and Reports.”

<sup>18</sup> In May 2007, a notice was released from DMH regarding the MHSA Housing Program allocation of \$400 million.

<http://www.dmh.ca.gov/DMHDocs/docs/letters07/07-06.pdf>

The monies are **not** included in this report. Although amounts were approved during the period of time analyzed (FY 04-05 through FY 09-10), *no expenditures* were documented on the Revenue and Expenditure Reports under MHSA Housing during the time period analyzed (FY 06-07 through FY 09-10).

Counties included in the analysis of approved amounts and expenditures in each fiscal year are those that submitted a Revenue and Expenditure Report (RER) for the fiscal year. See Appendix A for a matrix of county RERs by fiscal year.

<sup>19</sup> Expenditure data only applies to FY 06-07 through FY 09-10. See Chapter III for further details. In each fiscal year analyzed, the following number of counties did not submit Revenue and Expenditure Reports (RERs):

- FY 06-07: Three counties
- FY 07-08: One county
- FY 08-09: N/A (all counties submitted RERs)

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## Criteria – Components

The five components funded under the MHSA are the focus of this report. In addition, DMH allocated funding under the MHSA for broad community planning (*not tied to any specific component, such as Prevention and Early Intervention*) in FY 2004 – 2005.

## Criteria – Submission of FY 09-10 Revenue and Expenditure Report

The current report represents an updated summary from the initial report. The primary “*update*” is the inclusion of FY 09-10 Revenue and Expenditure Report data. Without this most recent data, counties cannot be included in the report.<sup>20</sup>

### **b. Allocations and Approved Amounts**

Table II.1 displays the number of counties and municipalities who, in the Component Allocation and Approved Amounts Excel file, are documented as being allocated for money on at least one of the required Mental Health Services Act components during the time period for which data was provided by the California Department of Mental Health.<sup>21, 22</sup> Table II.2 displays the number of counties and municipalities who are documented as being approved for MHSA component monies in each FY.

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- FY 09-10: Three counties

<sup>20</sup> In each FY counties that submitted an RER are included in analysis and summary totals. Counties with missing data are only excluded from the FY for which there is no RER.

<sup>21</sup> [http://www.dmh.ca.gov/Prop\\_63/MHSA/MHSA\\_Fiscal\\_References.asp](http://www.dmh.ca.gov/Prop_63/MHSA/MHSA_Fiscal_References.asp).

<sup>22</sup> MHSA total Approved amounts by county for FY 09-10 are displayed in Appendix C.

**Table II.1.**  
Number of Counties/Municipalities Allocated Monies by Component and Fiscal Year  
(FY 04-05 to FY 09-10)

Acronym	Component	FY 04-05		FY 05-06		FY 06-07		FY 07-08		FY 08-09		FY 09-10	
		N	%	N	%	N	%	N	%	N	%	N	%
CPP	Community Planning	58	98%	--	--	--	--	--	--	--	--	--	--
CSS	Community Services and Supports	--	--	58	98%	59	100%	59	100%	59	100%	59	100%
WET	Workforce Education and Training	--	--	--	--	59	100%	59	100%	2	3%	2	3%
PEI	Prevention and Early Intervention	--	--	--	--	--	--	59	100%	59	100%	59	100%
CF-TN	Capital Facilities/Technological Needs	--	--	--	--	--	--	59	100%	59	100%	3	5%
INN	Innovation	--	--	--	--	--	--	--	--	59	100%	59	100%

**Table II.2.**  
Number of Counties/Municipalities Approved Monies by Component and Fiscal Year  
(FY 04-05 to FY 09-10)

Acronym	Component	FY 04-05		FY 05-06		FY 06-07		FY 07-08		FY 08-09		FY 09-10	
		N	%	N	%	N	%	N	%	N	%	N	%
CPP	Community Planning	58	98%	--	--	--	--	--	--	--	--	--	--
CSS	Community Services and Supports	--	--	58	98%	59	100%	59	100%	59	100%	59	100%
WET	Workforce Education and Training	--	--	--	--	59	100%	59	100%	2	3%	2	3%
PEI	Prevention and Early Intervention	--	--	--	--	--	--	59	100%	59	100%	59	100%
CF-TN	Capital Facilities/Technological Needs	--	--	--	--	--	--	59	100%	59	100%	3	5%
INN	Innovation	--	--	--	--	--	--	--	--	59	100%	59	100%

The data displayed in Tables II.1 and II.2 show that MHSAs monies are regularly allocated and approved across all counties, in order to support mental health services and promote innovative services and best practices for individuals with mental illness and inadequate access to the traditional public mental health system.

Table II.3 summarizes the total approved amount, by component, from FY 04-05 through FY 09-10.<sup>23</sup> As described previously, funding under the MHSAs was allocated for broad community planning (*not tied to any specific component*) in FY 04–05. Allocation of monies for Planning as a stand-alone line item was discontinued in FY 05-06.

<sup>23</sup> Not included in Table II.3: Statewide PEI initiatives, JPA-directed efforts, and WET Regional Partnerships. MHSAs Housing is not included because counties do not show any MHSAs Housing expenditures in the period analyzed for this report.

**Table II.3.**  
Total Approved Amount by Component  
(FY 04-05 to FY 09-10)

<b>Component</b>	<b>FY 04-05 through FY 09-10 Approved Amount</b>	<b>% of Total Approved Amount</b>
CPP	\$ 12,699,602	0.3%
CSS	\$ 2,676,246,674	63.9%
WET	\$ 217,028,311	5.2%
PEI	\$ 684,237,894	16.3%
CF/TN	\$ 456,417,658	10.9%
INN	\$ 140,955,800	3.4%
<b>Total</b>	<b>\$ 4,187,585,939</b>	<b>100%</b>

In order to provide comparisons with expenditure data in Chapter III, the findings reported above in Table II.3 exclude, in each fiscal year, counties that did not submit a Revenue and Expenditure Report:

- FY 06-07: Three counties
- FY 07-08: One county
- FY 08-09: N/A (all counties submitted RERs)
- FY 09-10: Three counties

The amounts displayed in Table II.3 show that, through FY 09-10, approximately \$4.19 billion in Prop 63 monies have been approved for MHSA components designed to support and strengthen the public mental health system for individuals most in need.

### **c. Summary**

MHSA monies are regularly allocated across all counties, in order to support mental health services and promote innovative services and best practices for individuals with mental illness and inadequate access to the traditional public mental health system.

### III. Expenditures under the Mental Health Services Act

The questions explored in this chapter include:

- How much is being spent? <sup>24</sup>
- Do component expenditures vary depending upon county contextual factors?
- Do component expenditures vary depending upon demographics, such as race/ethnicity, gender, and age group?

The chapter opens with a description of our methodology – including the data source accessed to determine the amounts expended by counties. The chapter presents statewide MHPA expenditures for Fiscal Years (FY) 06-07 through 09-10 by component, and closes with a discussion of the contextual factors correlated with expenditure variation among counties. This report does not reflect FY 10-11 and FY 11-12, as Revenue and Expenditure Reports for these fiscal years were not available for analysis at the time of this report.

#### a. Methodology

This section of the report contains a discussion of the available data source related to MHPA expenditures. Following a discussion of the data source, expenditures overall and by component are provided for the period of time for which this data was available (FY 06-07 through FY 09-10). <sup>25</sup> Comparison is provided with unexpended funds.

The chapter closes with a breakout of MHPA expenditures by funding source for FY 09-10. This graphic and other FY 09-10 analyses represent an update to the previous report, *California's Investment in the Public Mental Health System: Proposition 63 – Overview of the Brief Series/Summary of Findings* (2011, August). <sup>26</sup>

#### 1. Data Source

Expenditures on components funded through MHPA were analyzed and reported (through Fiscal Year 08-09) as part of the Phase II Statewide Evaluation of the Mental Health Services Act, Deliverable 1. <sup>27</sup> The primary data source for determining component expenditures was the Revenue and Expenditure Report (RER).

<sup>24</sup> Request for Proposals Q. 8.

The Statewide Evaluation deliverable is defined as follows: **Updated summary report of expenditures with cost analyses based on critical questions.**

Phase II. Deliverable 1.A. Initial written report that summarizes component allocations (previously called planning estimates), approved funding and expenditures by year from January 2005 through June 2009 of MHPA funds at statewide and county level by component and funding category

<sup>25</sup> FY 06-07 was the first fiscal year for which counties submitted Revenue and Expenditure Reports (according to the Department of Mental Health). See Appendix A for a list of RERs, by county and fiscal year.

<sup>26</sup> [http://www.mhsoac.ca.gov/Evaluations/docs/Evaluation\\_Deliverable1A\\_BriefSummary.pdf](http://www.mhsoac.ca.gov/Evaluations/docs/Evaluation_Deliverable1A_BriefSummary.pdf)

<sup>27</sup> Briefs examining component expenditures (2011 expenditure report series) may be accessed at:

- Community Services and Supports: [http://mhsoac.ca.gov/Evaluations/docs/Evaluation\\_Deliverable1A\\_Brief1\\_CSS.pdf](http://mhsoac.ca.gov/Evaluations/docs/Evaluation_Deliverable1A_Brief1_CSS.pdf)
- Full Service Partnership: [http://mhsoac.ca.gov/Announcements/docs/Evaluation\\_Deliverable1A\\_Brief2\\_FSP.pdf](http://mhsoac.ca.gov/Announcements/docs/Evaluation_Deliverable1A_Brief2_FSP.pdf)
- Outreach and Engagement: [http://mhsoac.ca.gov/Evaluations/docs/Evaluation\\_Deliverable1A\\_Brief3\\_OE.pdf](http://mhsoac.ca.gov/Evaluations/docs/Evaluation_Deliverable1A_Brief3_OE.pdf)
- General System Development: [http://mhsoac.ca.gov/Evaluations/docs/Evaluation\\_Deliverable1A\\_Brief4\\_GSD.pdf](http://mhsoac.ca.gov/Evaluations/docs/Evaluation_Deliverable1A_Brief4_GSD.pdf)
- Workforce Education and Training: [http://mhsoac.ca.gov/Evaluations/docs/Evaluation\\_Deliverable1A\\_Brief5\\_WET.pdf](http://mhsoac.ca.gov/Evaluations/docs/Evaluation_Deliverable1A_Brief5_WET.pdf)
- Prevention and Early Intervention: [http://mhsoac.ca.gov/Evaluations/docs/Evaluation\\_Deliverable1A\\_Brief6\\_PEI.pdf](http://mhsoac.ca.gov/Evaluations/docs/Evaluation_Deliverable1A_Brief6_PEI.pdf)
- Capital Facilities/Technological Needs and Innovation: [http://mhsoac.ca.gov/Evaluations/docs/Evaluation\\_Deliverable1A\\_Brief7\\_INN.pdf](http://mhsoac.ca.gov/Evaluations/docs/Evaluation_Deliverable1A_Brief7_INN.pdf)

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## Revenue and Expenditure Reports

Revenue and Expenditure Reports are completed by each county mental health department and document all monies that were spent and available to be spent on mental health services through the Mental Health Services Act. The UCLA team summarized all public mental health expenditures documented in the Revenue and Expenditure Reports.<sup>28</sup> This report is meant to be an update, to include expenditure data from Fiscal Year 09-10.

### 2. Operational Definitions

“Expenditure” for a given fiscal year is defined as the aggregate total amount expended on a specific MHSA component, determined using the most recent revision of the Revenue and Expenditure Report (RER) that has been prepared by the county.

### Fiscal Years Analyzed

A fiscal year (FY) is the period of time used by the State of California for accounting purposes. It runs from July 1 – June 30. The fiscal years analyzed were FY 06-07 through FY 09-10, selected as a result of available RER data.

### b. Total Expenditures by Fiscal Year

The total amount expended (and remaining to be expended) by component for each of the fiscal years is presented in this section of the report. Although the years prior to FY 09-10 were presented in the previous report, *California’s Investment in the Public Mental Health System: Proposition 63 – Overview of the Brief Series/Summary of Findings* (2011, August),<sup>29</sup> comparison to the most recent fiscal year is instructive for the following reasons:

- The gradual nature of component rollout is further illustrated;
- The number of counties expending funds on components increases over time; and
- The proportion of unexpended to expended funds declines over time.

The importance of reporting by component is clearly reflected in the data tables provided in this chapter, given the varying amounts expended. The chapter closes with a summary of findings.

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<sup>28</sup> See Appendix B for a summary of challenges encountered when creating a cross-county database across fiscal years.

<sup>29</sup> [http://www.mhsoac.ca.gov/Evaluations/docs/Evaluation\\_Deliverable1A\\_BriefSummary.pdf](http://www.mhsoac.ca.gov/Evaluations/docs/Evaluation_Deliverable1A_BriefSummary.pdf)

**Table III.1.**  
Total Amount Expended by Service/Component and Fiscal Year  
(FY 06-07 through FY 09-10)<sup>30, 31</sup>

	MHSA Expenditures FY 06–07			MHSA Expenditures FY 07–08			MHSA Expenditures FY 08-09			MHSA Expenditures FY 09-10			Total Expended
	Amount Expended	N of Counties	% of Total Expended in FY	Amount Expended	N of Counties	% of Total Expended in FY	Amount Expended	N of Counties	% of Total Expended in FY	Amount Expended	N of Counties	% of Total Expended in FY	
<b>CSS</b>	\$ 237,605,916.58	54	99.9%	\$ 559,787,291.15	55	98.6%	\$ 857,639,572.60	59	95.0%	\$ 1,053,746,701.94	56	88.3%	\$ 2,708,779,482.27
<b>WET</b>	\$ 171,535.75	4	0.1%	\$ 4,968,480.08	34	0.9%	\$ 17,215,714.83	47	1.9%	\$ 20,305,850.12	48	1.7%	\$ 42,661,580.78
<b>PEI</b>	\$ -	--	0%	\$ 2,698,943.33	27	0.5%	\$ 17,323,880.57	48	1.9%	\$ 96,556,660.31	56	8.1%	\$ 116,579,484.21
<b>CF</b>	\$ -	--	0%	\$ -	--	0%	\$ 3,009,714.89	8	0.3%	\$ 5,006,583.92	18	0.4%	\$ 8,016,298.81
<b>TN</b>	\$ -	--	0%	\$ -	--	0%	\$ 7,691,427.34	8	0.9%	\$ 15,249,020.49	27	1.3%	\$ 22,940,447.83
<b>INN</b>	\$ -	--	0%	\$ -	--	0%	\$ 34,973.11	6	0.0%	\$ 2,923,930.65	28	0.2%	\$ 2,958,903.76
<b>Total</b>	\$ 237,777,452.33	54	100.0%	\$ 567,454,714.56	55	100.0%	\$ 902,915,283.34	59	100.0%	\$ 1,193,788,747.43	56	100.0%	\$ 2,901,936,197.66

Table III.1 displays the number of counties and municipalities that, through the Revenue and Expenditure Reports, documented spending money on at least one of the required Mental Health Services Act components during the time period for which data was provided by the California Department of Mental Health.<sup>32</sup> The total amount expended by component is also displayed in Table III.1.<sup>33</sup>

The data contained in Table III.1 suggest a graduated rollout of services under the Mental Health Services Act. The California Department of Mental Health (2010) reports that the staggered implementation of services and supports was intentional, “because of the complexity of each component.” (p. 2)<sup>34</sup>

<sup>30</sup> DMH included allocations under the MHSA for broad community planning (*not tied to any specific component such as Prevention and Early Intervention*) in FY04–05 and a line item for reporting on the RER in FY 06–07 and FY 07–08. Planning as a stand-alone reporting line item was discontinued in FY 08–09. The team made a methodological decision for the purpose of reporting clarity and emphasis on component expenditures that Community Planning expenditures in FY 06–07 and 07–08 be allocated out proportionately to each component, commensurate with the amount of expenditure in each fiscal year.

Expenditures on statewide efforts are not included in this report. This includes statewide PEI efforts, JPA-directed distributions and WET Regional Partnerships.

<sup>31</sup> See Appendix A for a list of counties that submitted a Revenue and Expenditure Report in each fiscal year reported.

<sup>32</sup> The contract calls for analysis of expenditures on MHSA from FY 04–05 through FY 09–10. However, no county-level expenditures are documented in the Revenue and Expenditure Reports on MHSA until FY 06–07. Although the total cost for MHSA in FY 05–06 is available through the 1995 form, it is not broken out into components, and therefore of limited use for the current report.

<sup>33</sup> MHSA expenditures by county/municipality for FY 09-10 are displayed in Appendix D.

<sup>34</sup> California Department of Mental Health (2010, January). *Mental Health Services Act Expenditure Report, Fiscal Year 2010 – 2011*. Sacramento, CA.

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Just over \$2.9 billion had been expended on MHSA activities as of FY 09-10. Table III.1 illustrates, as expected, the bulk of monies are expended on Community Services and Supports. Other summary expenditure highlights as of FY 09-10:

- \$2.7 billion expended in Community Services and Supports
- More than \$42 million expended toward Workforce Education and Training
  - nearly double the amount compared with the cumulative total through FY 08-09
- More than \$116 million expended toward Prevention and Early Intervention
  - nearly five times the amount compared with the cumulative total through FY 08-09<sup>35</sup>
- More than \$8 million expended toward Capital Facilities and nearly \$23 million expended toward Technological Needs (these two, together, represent one component)
  - each strategy saw expenditures more than double compared with the cumulative total through FY 08-09
- Nearly \$3 million was expended on Innovation in FY 09-10 as counties launched new strategies, adapted evidence-based practices for their particular populations and tried other innovative, creative strategies designed to transform the public mental health system

Unexpended funds do not include “undistributed” funds – monies that had not been sent to counties/municipalities at the time of FY 09-10 RER submission.<sup>36</sup> Undistributed funds are not included in the analysis because they are not included in the Revenue and Expenditure Report. The Revenue and Expenditure Report was chosen as the primary data source because it provides an accounting of expended funds (monies spent). The key questions for the Investment series of briefs are all related to monies spent. Analysis of undistributed funds was not deemed essential to answering these questions at this point in time.

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<sup>35</sup> A more comprehensive evaluation of Prevention and Early Intervention has been launched, which will facilitate closer examination of expenditures and the types of programs being funded.

<sup>36</sup> Of the \$6.5 billion in MHSA monies generated through FY 09-10, \$4.19 billion was approved at the time of FY 09-10 RER submission (i.e., counties requested these monies and the funds were approved). The results displayed in Tables III.1 through III.4, when taken together, show a deficit at the county level. However, this is likely a function of data access timing:

- UCLA does not have access to the 10-11 RERs
- Updated guidance for FY 08-09 and FY 09-10 RERs was issued in December 2011
  - DMH Information Notice 11-16: Amendment of the Annual MHSA Revenue and Expenditure Report for Fiscal Years 2008-09 and 2009-10

This Department of Mental Health (DMH) Information Notice provides clarification and guidance to Counties for the Annual Mental Health Services Act (MHSA) Revenue and Expenditure Report (Revenue and Expenditure Report) for Fiscal Years (FY) 2008-09 and 2009-10. This clarification and guidance is necessary to address how to report the expenditures of approved funds released to some Counties over two fiscal years and to provide a simplified reporting format.

In order to simplify the completion of the Revenue and Expenditure Report, the State has amended and consolidated the required information. **This Information Notice supersedes previous guidance provided in DMH Information Notice Nos.: 09-22, 10-12, and 10-26.**

<http://www.dmh.ca.gov/dmhdocs/docs/notices11/11-16.pdf>

Thus updates for FY 09-10 RERs are currently under review by the Department and are not yet available for analysis and review by UCLA. In addition, UCLA did not have access to the current prudent reserve balance for each county nor the balances in each of the fiscal years examined (only the contribution in the FY was tracked on the RER).

**Table III.2.**  
Monies Expended and Unexpended by Service/Component and Fiscal Year  
(FY 06-07 through FY 09-10)

	MHPA Expenditures FY 06-07			MHPA Expenditures FY 07-08			MHPA Expenditures FY 08-09			MHPA Expenditures FY 09-10		
	Amount Expended	Amount Unexpended	% of Total Expended in FY	Amount Expended	Amount Unexpended	% of Total Expended in FY	Amount Expended	Amount Unexpended	% of Total Expended in FY	Amount Expended	Amount Unexpended	% of Total Expended in FY
CSS	\$ 237,605,916.58	\$ 339,859,118.10	41.1%	\$ 559,787,291.15	\$ 378,682,676.99	59.6%	\$ 857,639,572.60	\$ 290,039,283.15	74.7%	\$ 1,053,746,701.94	\$ 242,479,484.08	81.3%
WET	\$ 171,535.75	\$ (70,741.63)	170.2%	\$ 4,968,480.08	\$ 7,677,400.91	39.3%	\$ 17,215,714.83	\$ 70,486,289.74	19.6%	\$ 20,305,850.12	\$ 155,899,681.10	11.5%
PEI	\$ -	\$ -	0%	\$ 2,698,943.33	\$ 16,389,305.25	14.1%	\$ 17,323,880.57	\$ 190,674,286.41	8.3%	\$ 96,556,660.31	\$ 330,684,888.59	22.6%
CF/TN	\$ -	\$ -	0%	\$ -	\$ -	0%	\$ 10,701,142.23	\$ 21,914,870.36	32.8%	\$ 20,255,604.41	\$ 171,067,894.03	10.6%
INN	\$ -	\$ -	0%	\$ -	\$ -	0%	\$ 34,973.11	\$ 29,495,784.83	0.1%	\$ 2,923,930.65	\$ 77,212,581.55	3.6%
<b>Total</b>	<b>\$ 237,777,452.33</b>	<b>\$ 339,788,376.47</b>	<b>41.2%</b>	<b>\$ 567,454,714.58</b>	<b>\$ 402,749,383.15</b>	<b>58.5%</b>	<b>\$ 902,915,283.35</b>	<b>\$ 602,610,514.49</b>	<b>60.0%</b>	<b>\$ 1,193,788,806.44</b>	<b>\$ 977,344,529.34</b>	<b>55.0%</b>

The column indicating “% of Total Expended in Fiscal Year” represents the percentage of monies expended for a particular component out of the total available monies for that component (expended plus unexpended). Thus, the percentage of WET funds expended out of the total in FY 06-07 is greater than 100 percent and there is a negative balance in the unexpended funds column for FY 06-07 because of guidance to show expenditures in the year incurred and revenue in the year received.<sup>37</sup> In the Revenue and Expenditure Report for FY 06-07, all WET Planning Expenditures were subtracted out on the Unexpended Funds worksheet, and counted as a negative balance.<sup>38</sup> In essence, the negative balance is a result of the reporting instructions.

Table III.2 illustrates, as expected, that the proportion of unexpended to expended Community Services and Supports monies declined over time, as counties/municipalities accessed funds to implement services.

The proportion of unexpended to expended Innovation monies (with far more monies on the unexpended side) is not surprising because FY 09-10 was the second year following launch for Innovation expenditures.

Table III.3 displays the contribution in each fiscal year to the prudent reserve (across counties, as documented on the RER).

<sup>37</sup> [http://www.dmh.ca.gov/Prop\\_63/MHPA/docs/countyplanguidelines4.pdf](http://www.dmh.ca.gov/Prop_63/MHPA/docs/countyplanguidelines4.pdf)

<sup>38</sup> In the RER for FY 06-07, all WET Planning Expenditures were subtracted out on the Unexpended Funds worksheet and counted as a negative balance. Calaveras, Merced, Monterey and San Luis Obispo all showed a negative balance on FY 06-07.

**Table III.3.**  
Contribution to Prudent Reserve  
(FY 06-07 through FY 09-10)

	FY 06-07	FY 07-08	FY 08-09	FY 09-10	Total
<b>Prudent Reserve Contribution</b>	\$ -	\$ 73,067,524	\$ 154,431,706	\$ 191,440,172	\$ 418,939,402

Table III.4 displays component amounts subject to reversion (as documented by counties on the RER).

**Table III.4.**  
MHSA Funds Subject to Reversion  
(FY 06-07 through FY 09-10)

	FY 06-07	FY 07-08	FY 08-09	FY 09-10	Total
<b>Reversion</b>	\$ -	\$ 69,142	\$ 2,165,621	\$ 24,088	\$ 2,258,851

When expended and unexpended monies, contribution to prudent reserve and MHSA funds subject to reversion are subtracted from the cumulative approved amount (through FY 09-10), the result is a deficit of \$112 million. However, this is likely a function of the FY 09-10 RERs in draft form at the time of receipt for analysis (revisions are presently under review at the Department), in addition to other factors.<sup>39</sup>

### c. Contextual Factors – Correlation with Expenditures

The amount expended on each component varies substantially across counties. This section provides information on possible factors related to service populations and characteristics of the counties themselves that may contribute to differences between county component expenditures.<sup>40</sup> Table III.5 displays information about possible county characteristics that may contribute to differences between the component expenditures. These county-level factors were subsequently analyzed using multivariate statistics in order to determine the relationship to the component expenditures in each county. Hence, the purpose was comparison of county-level variables (not individual-level variables).

**Table III.5.**  
Description of County-Level Variables<sup>41</sup>

<i>Number of Counties</i>	The number of counties for which we have component expenditure data in FY 09-10.
Penetration Rate	The penetration rate is a ratio estimate of the prevalence of serious mental illness/serious emotional disturbance in California (developed by Dr. Charles Holzer from the University of Texas). These estimates represent "targets."
Population Density	Population density was created for each county using county population and square miles of the county.
Percent County Population Insured	Percent of county population with health insurance.
Poverty Level	2009 Poverty and Median Income Estimates – Counties; Source: U.S. Census Bureau, Small Area Estimates Branch
Unemployment Rate	The California Employment Development Department (CA EDD) defines "Unemployment Rate" as the number of unemployed divided by the labor force then multiplied by 100.
Rate of Foreclosures	Rate of foreclosures in the county.

<sup>39</sup> See footnote #36.

<sup>40</sup> For an analysis of factors impacting FSP and CF/TN expenditures, please refer to the individual briefs that address these topics in the 2013 cost brief series. Expenditures on outreach and engagement will be explored in a forthcoming brief, due at the end of the first quarter of 2013.

<sup>41</sup> Variables representing county characteristics stem from calendar year 2009 (archival data).

A series of multivariate analyses were conducted in order to determine the relationship between average expenditure by age group and county factors. Analyses completed included:

- Regression
- General Linear Model
- ANOVA
- MANCOVA

None of the multivariate models yielded meaningful results,<sup>42</sup> resulting in return to examining the correlational matrices produced during the process of conducting multivariate analyses.<sup>43</sup> The results are displayed in Table III.6. Table III.6 provides information on possible characteristics of the counties themselves that may contribute to differences among the component expenditures. Table III.6 displays mathematical correlations among select characteristics of the county environment (penetration rate,<sup>44</sup> population density,<sup>45</sup> percent of county population with health insurance,<sup>46</sup> poverty level,<sup>47</sup> county unemployment rate,<sup>48</sup> and rate of foreclosures).<sup>49</sup>

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<sup>42</sup> Initially, a series of multivariate analyses were run to determine each variable's contribution to component expenditures. However, the following issues resulted in reliance on correlational analyses instead:

- The n's are problematic (Innovation in particular has only 28 counties showing expenditures in FY 09-10) and there are 15 variables in the multivariate model. Unfortunately, this results in too few degrees of freedom to produce a stable estimate.
- There is a great deal of collinearity among independent variables (expenditures by component), further adding to instability in the regression models.
- Some measures are highly skewed. Although we addressed this problem through transformation using the winsor process, highly skewed variables add to instability in multivariate models.

<sup>43</sup> Logarithmic Transformation was applied in order to deal with component expenditure outliers for the correlational analyses. When a dataset shows outliers, a logarithmic transformation can help prevent a skew in the data. The logarithmic function will hug together the larger values in the dataset and stretch out the smaller values. Using the logarithm of the variable values instead of the raw values will therefore create a distribution closer to the normal curve.

<sup>44</sup> UCLA updated the penetration rate for each county to reflect the relevant year and applicable census data, per the following notation from DMH:

When considering these penetration rates, it is important to remember that they are based on census data combined with estimates that were calculated by applying prediction weights. Due to the way census data is updated, the data in the tables should be viewed as "best available" and should be checked and/verified at the local level where numbers do not appear to represent actual local population data.

[http://www.dmh.ca.gov/Statistics\\_and\\_Data\\_Analysis/RetentionPenetrationData.asp](http://www.dmh.ca.gov/Statistics_and_Data_Analysis/RetentionPenetrationData.asp)

Please refer to the following report for further information about the penetration rate and its use: *Mental Health Services Act Evaluation: Compiling Community Services and Supports (CSS) Data to Produce All Priority Indicators; Contract Deliverable 2F, Phase II*

[http://www.mhsoac.ca.gov/Evaluations/docs/CompilingCSSDataToProducePriorityIndicators\\_2FPhase2\\_121812.pdf](http://www.mhsoac.ca.gov/Evaluations/docs/CompilingCSSDataToProducePriorityIndicators_2FPhase2_121812.pdf)

See pages 42 – 45.

<sup>45</sup> Population density was created for each county using county population and square miles of the county. The population of each county was taken from the following archival dataset:

<http://www.census.gov/popest/research/eval-estimates/eval-est2010.html>

Population Estimates, 2010, U.S. Census Bureau, Population Division.

The square miles of each county was taken from the following archival dataset:

<http://quickfacts.census.gov/qfd/states/06000.html> U.S. Census Bureau State and County Quick Facts.

The areas analyzed for savings are very similar to those analyzed in the evaluation of AB 2034 efforts, which included inpatient psychiatric hospitalization and incarceration. Emergency room use was also evaluated but was limited to psychiatric rather than physical health.

California Department of Mental Health (2007). (unpublished) *Report to the Legislature on the effectiveness of integrated services for homeless adults with serious mental illness*. Sacramento, CA: Author.

<sup>46</sup> *Percentage Insured* - 2003, 2005, 2007, and 2009: California Health Interview Survey:

<http://www.chis.ucla.edu/>

<sup>47</sup> *Poverty Rate*: Table 1: 2009 Poverty and Median Income Estimates – Counties (released in December 2010); Source: U.S. Census Bureau, Small Area Estimates Branch

<http://www.census.gov/did/www/saie/data/statecounty/data/2009.html>

<sup>48</sup> *Unemployment* - California Unemployment Rate (Average – Not Seasonally Adjusted)

<http://www.labormarketinfo.edd.ca.gov/?pageid=164>

**Table III.6.**  
Correlations (Pearson's) of FSP Services, and County Characteristics to Component Expenditures  
FY 09-10

	CSS Expenditures	WET Expenditures	PEI Expenditures	INN Expenditures
<i>Number of Counties</i>	56	48	56	28
Penetration Rate	<b>-.342</b>	.016	<b>-.287</b>	<b>-.151</b>
Population Density	<b>-.570*</b>	<b>-.338</b>	<b>-.511*</b>	<b>-.257</b>
Percent County Population Insured	<b>-.205</b>	<b>-.072</b>	<b>-.131</b>	<b>-.064</b>
Poverty Rate	<b>-.067</b>	<b>-.038</b>	<b>-.059</b>	.134
Unemployment Rate	<b>-.226</b>	<b>-.047</b>	<b>-.182</b>	.020
Rate of Foreclosures	<b>.356*</b>	<b>.312</b>	<b>.353*</b>	.259

**Bold text:** Correlation is significant at the .05 level (2-tailed test)

**Bold text and asterisk (\*):** Correlation is significant at the .01 level (2-tailed test)

The results displayed in Table III.6 highlight the relatively moderate degree<sup>50</sup> to which some of these factors are associated with component expenditures among counties, for example:

	CSS Expenditures	WET Expenditures	PEI Expenditures	INN Expenditures
→ Population Density	<b>-.570*</b>	<b>-.338</b>	<b>-.511*</b>	<b>-.257</b>

Several associations reach a level of statistical significance. Please note that correlation does not equal causation – association merely means that two variables are related to one another, not that one variable changed the other variable in any way:

- **Penetration Rate** (ratio estimate of the prevalence of serious mental illness/serious emotional disturbance): Higher penetration rate is related (at .05 significance level) to lower CSS and PEI expenditures in counties.
- **Population Density:** Higher population density is correlated with lower CSS and PEI expenditures (at .01 significance level), and lower WET expenditures (at .05 significance level).
- **Foreclosure Rate:** Higher foreclosure rate is correlated with higher CSS and PEI expenditures (at .01 significance level), and higher WET expenditures (at .05 significance level).

Of interest are higher penetration rate and population density and their relationship to lower CSS and PEI expenditures. This pattern is intriguing because it suggests that perhaps these counties bring economies of scale to bear, which could conceivably reduce CSS and PEI expenditures.

The California Employment Development Department (CA EDD) defines “*Unemployment Rate*” as the number of unemployed people divided by the number of people in the labor force then multiplied by 100.

<http://www.labormarketinfo.edd.ca.gov/?pageid=1006>

For sake of consistency in data presentation, UCLA calculated unemployment rates using the same method as CA EDD.

<sup>49</sup> The foreclosure rate is defined as the number of foreclosed properties as a percent of households. HousingLink (2007). *Fixing the foreclosure system: The trouble with foreclosure data*. Retrieved August 23, 2011, from

[http://www.minneapolisfed.org/news\\_events/events/community/100407/foreclosuredata\\_obrien.pdf](http://www.minneapolisfed.org/news_events/events/community/100407/foreclosuredata_obrien.pdf)

The number of foreclosures in the state annually was obtained from Realty Trac, and then foreclosure rates were calculated using the methodology described above.

<sup>50</sup> Correlations between .40 and .60 may be considered in the moderate range.

In order to examine select characteristics of individuals receiving public mental health services (gender and race/ethnicity, as documented in the CSI), <sup>51</sup> additional correlational analyses were conducted. An explanation of the variables used in analysis is provided below, in Table III.7 and the results are displayed in Table III.8

**Table III.7.**  
Description of CSI-Level Variables

Gender	The proportion of Caucasians (by age group) in each county.
Race	The proportion (by age group) in each county that are Male.

**Table III.8.**  
Correlations (Spearman’s Rank Order) of Public Mental Health System Participant Characteristics to Component Expenditures (Fiscal Year 09-10)

	CSS Expenditures	WET Expenditures	PEI Expenditures	INN Expenditures
<i>Number of Counties</i>	56	48	56	28
CYF Gender	.196	.169	.198	.273
TAY Gender	.185	.194	.191	.258
Adult Gender	<b>.498*</b>	<b>.326</b>	<b>.484*</b>	.063
Older Adult Gender	-.018	.096	.010	<b>-.261</b>
CYF Race	<b>-.573*</b>	<b>-.656*</b>	<b>-.565*</b>	<b>-.527*</b>
TAY Race	<b>-.574*</b>	<b>-.664*</b>	<b>-.528*</b>	<b>-.438</b>
Adult Race	<b>-.588*</b>	<b>-.627*</b>	<b>-.571*</b>	<b>-.499*</b>
Older Adult Race	<b>-.675*</b>	<b>-.655*</b>	<b>-.681*</b>	<b>-.517*</b>

**Bold text:** Correlation is significant at the .05 level (2-tailed test)

**Bold text and asterisk (\*):** Correlation is significant at the .01 level (2-tailed test)

The results displayed in Table III.8 highlight the consistently moderate degree to which participant characteristics (particularly race/ethnicity) are associated with the component expenditures for all age groups across counties, for example:

	CSS Expenditures	WET Expenditures	PEI Expenditures	INN Expenditures
→ CYF Race	<b>-.573*</b>	<b>-.656*</b>	<b>-.565*</b>	<b>-.527*</b>
→ TAY Race	<b>-.574*</b>	<b>-.664*</b>	<b>-.528*</b>	<b>-.438</b>
→ Adult Race	<b>-.588*</b>	<b>-.627*</b>	<b>-.571*</b>	<b>-.499*</b>
→ Older Adult Race	<b>-.675*</b>	<b>-.655*</b>	<b>-.681*</b>	<b>-.517*</b>

With respect to the relatively moderate magnitude of association as measured by these coefficients, a number of associations reach a level of statistical significance. Please note that correlation does not equal causation – association merely means that two variables are related to one another, not that one variable changed the other variable in any way:

<sup>51</sup> In order to create a county-level variable, the percentage of the CSI population in each county that is Caucasian was calculated. Individual-level data could not be entered into the model analyzing county-level data. For gender, the percentage of the CSI population that was male was calculated.

- **Gender:** Higher percentages of adult males served by a county public mental health system were associated with higher component expenditures for CSS and PEI (at .01 significance level) and WET (at .05 significance level).

	CSS Expenditures	WET Expenditures	PEI Expenditures
→ Adult Gender	.498*	.326	.484*

- **Race/Ethnicity:**
  - Lower percentages of white (Caucasian) children, TAY, Adults and Older Adults served by a county public mental health system were associated with higher component expenditures for CSS, WET, PEI and INN (at .01 significance level for each component and age group, with the exception of TAY and INN at the .05 significance level).

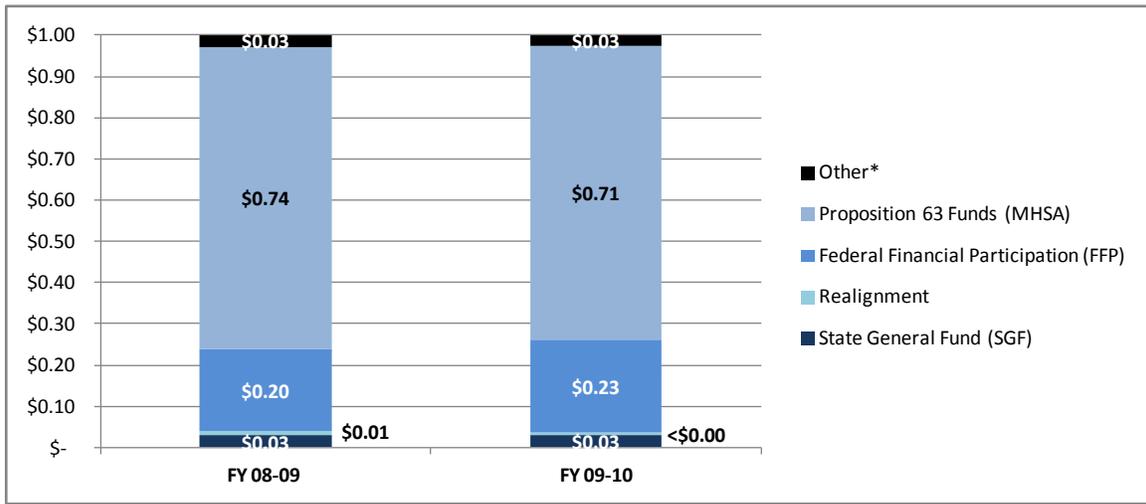
The consistency of this finding across component and age groups suggests that exploration of participant demographics at the time of baseline (e.g., FY 04-05 and FY 05-06) is a worthy endeavor, in order to determine if a racial/ethnic shift has occurred. When this finding is taken into context with demographic findings from the report, *Mental Health Services Act Evaluation: Compiling Community Services and Supports (CSS) Data to Produce All Priority Indicators; Contract Deliverable 2F, Phase II*<sup>52</sup> one hypothesis meriting further exploration is whether expansion to serve previously underserved and unserved populations carries additional cost considerations. If demographics of individuals served by the public mental health system are markedly different in years 04-05/05-06, the analysis will reveal that MHSA has been successful in shifting resources to counties in order to reach previously underserved and unserved populations. Therefore, increased expenditures associated with serving new populations is expected.

#### **d. Expenditures by Funding Source**

Exhibit III.1 displays the breakout from all counties and municipalities that submitted a Revenue and Expenditure Report in FY 08-09 and/or FY 09-10.

<sup>52</sup> [http://www.mhsoac.ca.gov/Evaluations/docs/CompilingCSSDataToProducePriorityIndicators\\_2FPhase2\\_121812.pdf](http://www.mhsoac.ca.gov/Evaluations/docs/CompilingCSSDataToProducePriorityIndicators_2FPhase2_121812.pdf)

**Exhibit III.1.**  
Proportion of MHSAs Expenditures by Funding Source:  
FY 08-09 and FY 09-10



An increase in MHSAs expenditures on MediCal from FY 08-09 to FY 09-10 suggest that counties and municipalities are successfully leveraging MHSAs in order to bring in additional federal dollars.

## e. Summary

Expenditures on Mental Health Services Act components through FY 09-10 suggest a graduated rollout of services under the Mental Health Services Act. This finding is consistent with the California Department of Mental Health (2010) in launching services under the Mental Health Services Act, for the staggered implementation of services and supports was intentional, “because of the complexity of each component.” (p. 2)<sup>53</sup>

- Just over \$2.9 billion had been expended on MHSAs activities as of FY 09-10. As expected, the bulk of monies are expended on Community Services and Supports.
- Approximately \$977 remained unexpended at the time of Revenue and Expenditure Report submission for FY 09-10. The majority of CSS funds were expended – 81.3 percent of the total (when expended and unexpended are combined). Among other components, less than 25 percent of the total was expended in FY 09-10.
- Just over \$266 million was documented on the Revenue and Expenditure Report as set aside for Prudent Reserve (from FY 06-07 through FY 09-10).
- Just over \$154 million of component monies distributed was documented on the Revenue and Expenditure Report as reverting back to the State of California (from FY 06-07 through FY 09-10).

The amount expended on each component varies substantially across counties. UCLA examined possible factors related to service populations and characteristics of the counties themselves that may contribute to differences between county component expenditures. Analysis of these variables revealed interesting patterns:

<sup>53</sup> California Department of Mental Health (2010, January). *Mental Health Services Act Expenditure Report, Fiscal Year 2010 – 2011*. Sacramento, CA.

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- **Higher penetration rate and population density and their relationship to lower CSS and PEI expenditures:** This pattern is intriguing because it suggests that perhaps these counties bring economies of scale to bear, which could conceivably reduce CSS and PEI expenditures.
  - **Race/Ethnicity:** Lower percentages of white (Caucasian) children, TAY, Adults and Older Adults served by a county public mental health system were associated with higher component expenditures for CSS, WET, PEI and INN.
    - This pattern is particularly intriguing because it hints at the possibility of system transformation – that is – county mental health systems transforming to serve previously underserved and unserved populations, which logically carries additional, associated expenditures. The question of whether a more diverse population is now served through the Mental Health Services Act (particularly Full Service Partnership) will be explored in a forthcoming report, in which baseline demographic data will be analyzed and compared to later fiscal years.

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# Appendix A

## Revenue and Expenditure Reports

**Exhibit A.1**  
 Counties/Municipalities that submitted Revenue and Expenditure Reports  
 (Fiscal Year 06-07 through Fiscal Year 09-10)

Counties/Municipalities	Revenue & Expenditure Report (RER) 1 = RER submitted, 0 = no RER submitted			
	FY 06/07	FY 07/08	FY 08/09	FY 09/10
Alameda	1	1	1	1
Alpine	0	1	1	1
Amador	1	1	1	1
Berkeley City	1	1	1	1
Butte	1	1	1	1
Calaveras	1	1	1	1
Colusa	1	1	1	1
Contra Costa	1	1	1	1
Del Norte	1	1	1	0
El Dorado	1	1	1	1
Fresno	1	1	1	1
Glenn	1	1	1	1
Humboldt	1	1	1	1
Imperial	1	1	1	1
Inyo	1	1	1	1
Kern	1	1	1	1
Kings	1	1	1	1
Lake	1	1	1	1
Lassen	1	1	1	1
Los Angeles	1	1	1	1
Madera	1	1	1	1
Marin	1	1	1	1
Mariposa	1	1	1	1
Mendocino	1	1	1	1
Merced	1	1	1	1
Modoc	1	1	1	1
Mono	1	1	1	1
Monterey	1	1	1	1
Napa	1	1	1	1
Nevada	1	1	1	1
Orange	1	1	1	1
Placer	1	1	1	1
Plumas	1	1	1	1
Riverside	1	1	1	1
Sacramento	1	1	1	1

Counties/Municipalities	Revenue & Expenditure Report (RER) 1 = RER submitted, 0 = no RER submitted			
	FY 06/07	FY 07/08	FY 08/09	FY 09/10
San Benito	1	1	1	1
San Bernardino	1	1	1	1
San Diego	1	1	1	1
San Francisco	1	1	1	1
San Joaquin	1	1	1	1
San Luis Obispo	1	1	1	1
San Mateo	1	1	1	1
Santa Barbara	1	1	1	1
Santa Clara	1	1	1	1
Santa Cruz	1	1	1	1
Shasta	1	1	1	1
Sierra	1	1	1	1
Siskiyou	1	1	1	0
Solano	1	1	1	1
Sonoma	1	1	1	0
Stanislaus	1	1	1	1
Sutter-Yuba	1	1	1	1
Tehama	1	1	1	1
Tri City	0	0	1	1
Trinity	1	1	1	1
Tulare	1	1	1	1
Tuolumne	1	1	1	1*
Ventura	1	1	1	1
Yolo	1	1	1	1
<i>*New summary (aggregated) RER format</i>				

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# Appendix B

## Revenue and Expenditure Report Challenges

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## Revenue and Expenditure Reports

### Process of Transferring Individual County Excel Files into Master Cross-Site File

The MHSA (FY: 06/07, 07/08, 08/09) Database was created in the Spring of 2011 in order to conduct analyses for Phase II Deliverable 1. It is an aggregated database containing fiscal data from a total of 59 California counties/municipalities spanning three fiscal year periods, covering 25 program data sets, sourced from 589 distinct file locations, containing a total of 4,498 unique variables, encompassing a grand total of 287,265 distinct data points.

Fiscal Year 2006-2007 contained 1,325 distinct variables provided by 57 counties/municipalities across 6 programs located within 57 separate files containing a total of 72,525 distinct data points.

Fiscal Year 2007-2008 contained 1,265 distinct variables provided by 59 counties/municipalities across 7 programs located within 60 separate files containing a total of 75,900 distinct data points.

Fiscal Year 2008-2009 contained 2,264 distinct variables provided by 59 counties/municipalities across 11 programs located within 472 separate files containing a total of 135,840 distinct data points.

The MHSA Database was constructed through a process of template creation, formula crafting, running transfer protocols and performing validity checks.

Templates were formed via construction of a list of all variables across each program over all three fiscal years. Formula were generated to transfer the values of individual cells to the database template and were compiled to transfer all the relevant data points within a given workbook and, subsequently, entire source-file.

Formulas were crafted for each of the unique variables contained within each program or workbook. Master formulae were crafted for each workbook within a file or fiscal year. The master formulae performed the relocation of each relevant data point, across all programs, within a given file or fiscal year.

Transfer protocols were generated to perform manual and semi-automated opening and closing of files, updating formula and transferring the relevant data values of each fiscal year to the database. Validity checks were performed throughout each stage of the process with full checks on each new formula, random spot checks, specific value checks and redundant report checks.

### Challenges/Limitations

Complications in the construction of the database template arose from the systemic variance within a specific program across multiple fiscal years. Each program contains differing sets of reported variables across each fiscal year. Such complexity required the database construction and formulae formats to account for the disparate data formats. This was accomplished through the merger of otherwise identical variables names that were renamed and through the adjustment of cell-specific spacing references in all formulae.

Further complicating the construction of the database was the systemic variance between the three fiscal years in file sets and data locations. While fiscal years 2006-2007 and 2007-2008 are rather similar, the 2008-2009 and 2009-2010 fiscal year files are provided in an entirely different file set format. Additionally, each fiscal year

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contains noteworthy variance in data locations from the other fiscal years. This complexity required the substantial retooling of the formula sets and numerous additional, unique formula sets to be constructed.

However, the most severe complications came as a result of modifications performed by reporting counties to the file names, workbook names and, most significantly, workbook formats. Variances which caused transfer protocols to report incorrect and invalid data points, if not miss the source-data entirely. These issues necessitated the manual reformatting of all files and workbooks locations found to be employing deviant standards and the subsequent manual operation of all associated transfer protocols.

UCLA hired a contractor to complete the initial extraction and merge. The contractor's services were retained again to complete the extraction and merge for the FY 09-10 data.

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# Appendix C

## FY 09-10 Component Expenditures by County

**\*Note:** See Appendix A for a tally of RERs submitted by county in each FY. Counties indicated by an asterisk have no RER in at least one FY.

County	Total Mental Health Expenditures	FY 09-10 Component Expenditures					
		Community Services and Supports	Workforce Education and Training	Prevention & Early Intervention	Capital Facilities	Technological Needs	Innovation
Alameda	\$ 29,088,900.73	\$ 25,775,210.36	\$ 372,687.00	\$ 2,941,003.37	\$ -	\$ -	\$ -
Alpine	\$ 168,010.00	\$ 154,117.00	\$ -	\$ 13,893.00	\$ -	\$ -	\$ -
Amador	\$ 3,094,744.00	\$ 2,933,904.00	\$ 20,685.00	\$ 135,805.00	\$ -	\$ -	\$ 4,350.00
Berkeley City	\$ 2,636,236.00	\$ 2,097,445.00	\$ -	\$ 538,791.00	\$ -	\$ -	\$ -
Butte	\$ 11,298,353.56	\$ 9,393,271.64	\$ 46,872.19	\$ 1,330,197.74	\$ -	\$ 522,034.42	\$ 5,977.57
Calaveras	\$ 1,315,773.60	\$ 857,725.00	\$ 71,503.00	\$ 205,636.00	\$ -	\$ 148,970.60	\$ 31,939.00
Colusa	\$ 4,135,260.82	\$ 3,851,366.82	\$ 110,617.00	\$ 127,754.00	\$ -	\$ 45,523.00	\$ -
Contra Costa	\$ 21,121,660.25	\$ 16,804,422.00	\$ 260,973.00	\$ 3,957,586.00	\$ 81,793.00	\$ -	\$ 16,886.25
Del Norte*							
El Dorado	\$ 4,581,235.00	\$ 4,248,129.00	\$ 137,555.00	\$ 188,905.00	\$ -	\$ -	\$ 6,646.00
Fresno	\$ 26,924,706.00	\$ 21,615,855.45	\$ 308,197.05	\$ 3,647,246.85	\$ 213,953.35	\$ 1,099,962.52	\$ 39,490.78
Glenn	\$ 4,289,485.93	\$ 3,754,320.81	\$ 15,186.39	\$ 133,193.00	\$ 900.00	\$ 384,525.73	\$ 1,360.00
Humboldt	\$ 10,360,344.72	\$ 9,540,937.00	\$ 79,005.00	\$ 737,049.72	\$ -	\$ 3,353.00	\$ -
Imperial	\$ 7,303,758.00	\$ 6,095,043.00	\$ -	\$ 1,147,426.00	\$ -	\$ -	\$ 61,289.00
Inyo	\$ 3,304,695.00	\$ 3,085,460.00	\$ 22,062.00	\$ 197,169.00	\$ 4.00	\$ -	\$ -
Kern	\$ 22,523,346.68	\$ 20,887,362.76	\$ 722,067.48	\$ 344,361.94	\$ -	\$ 459,254.12	\$ 110,300.38
Kings	\$ 3,796,688.00	\$ 3,387,611.00	\$ 227,870.00	\$ 81,588.00	\$ -	\$ -	\$ 99,619.00
Lake	\$ 2,586,134.83	\$ 2,516,218.95	\$ -	\$ 50,335.00	\$ -	\$ 19,580.88	\$ -
Lassen	\$ 1,759,210.00	\$ 1,618,351.00	\$ 30,144.00	\$ 110,715.00	\$ -	\$ -	\$ -
Los Angeles	\$ 400,619,678.87	\$ 378,533,806.61	\$ 4,173,625.63	\$ 15,596,942.40	\$ 1,668,407.23	\$ 63,927.00	\$ 582,970.00
Madera	\$ 4,789,107.00	\$ 3,513,345.00	\$ 201,587.00	\$ 1,074,175.00	\$ -	\$ -	\$ -
Marin	\$ 5,317,021.83	\$ 4,191,857.92	\$ 169,775.00	\$ 937,243.41	\$ -	\$ 18,145.50	\$ -
Mariposa	\$ 1,528,725.46	\$ 1,201,137.88	\$ 29,166.00	\$ 82,238.00	\$ 199,105.00	\$ 2,702.58	\$ 14,376.00
Mendocino	\$ 1,746,598.27	\$ 1,601,290.60	\$ 45,426.00	\$ 99,881.67	\$ -	\$ -	\$ -
Merced	\$ 8,620,171.00	\$ 6,370,134.00	\$ 152,588.00	\$ 874,464.00	\$ 914,313.00	\$ 308,672.00	\$ -
Modoc	\$ 1,596,011.00	\$ 1,528,850.00	\$ 10,650.00	\$ 56,511.00	\$ -	\$ -	\$ -
Mono	\$ 1,445,564.77	\$ 917,890.00	\$ 31,250.00	\$ 236,368.00	\$ 146,806.93	\$ 89,249.84	\$ 24,000.00
Monterey	\$ 17,274,534.34	\$ 11,239,587.87	\$ 685,093.94	\$ 3,763,907.75	\$ 198,015.75	\$ 1,006,553.70	\$ 381,375.33
Napa	\$ 4,692,320.72	\$ 4,649,387.00	\$ 414.26	\$ 10,650.00	\$ 1,650.00	\$ -	\$ 30,219.46
Nevada	\$ 6,546,700.64	\$ 6,049,859.26	\$ 31,205.31	\$ 257,315.00	\$ -	\$ 208,321.07	\$ -
Orange	\$ 73,703,226.12	\$ 62,047,557.97	\$ 3,343,084.16	\$ 6,202,839.77	\$ 385,900.54	\$ 1,295,772.51	\$ 428,071.17
Placer	\$ 6,502,688.00	\$ 5,393,260.00	\$ 283,256.00	\$ 803,922.00	\$ -	\$ -	\$ 22,250.00
Plumas	\$ 1,075,387.00	\$ 881,072.00	\$ 134,176.00	\$ 60,139.00	\$ -	\$ -	\$ -
Riverside	\$ 56,845,242.86	\$ 52,570,418.72	\$ 849,606.68	\$ 1,897,415.12	\$ 152,026.91	\$ 913,921.27	\$ 461,854.16
Sacramento	\$ 31,642,975.43	\$ 29,571,228.92	\$ 199,082.00	\$ 956,465.01	\$ -	\$ 916,199.50	\$ -
San Benito	\$ 1,979,966.00	\$ 1,741,379.00	\$ -	\$ 238,587.00	\$ -	\$ -	\$ -
San Bernardino	\$ 68,023,350.00	\$ 56,292,779.80	\$ 1,516,950.00	\$ 9,285,457.64	\$ 5,398.00	\$ 617,223.26	\$ 305,541.30
San Diego	\$ 98,942,274.68	\$ 83,136,358.68	\$ 955,905.14	\$ 12,589,917.86	\$ -	\$ 2,260,093.00	\$ -
San Francisco	\$ 24,120,507.54	\$ 17,603,381.04	\$ 753,040.42	\$ 5,176,029.37	\$ 556,915.46	\$ -	\$ 31,141.25
San Joaquin	\$ 20,004,419.36	\$ 17,044,825.36	\$ 247,280.00	\$ 2,707,734.00	\$ -	\$ -	\$ 4,580.00
San Luis Obispo	\$ 9,114,715.00	\$ 6,220,233.00	\$ 183,168.00	\$ 2,185,419.00	\$ -	\$ 474,179.00	\$ 51,716.00
San Mateo	\$ 20,692,032.00	\$ 15,289,127.00	\$ 417,230.00	\$ 2,030,013.00	\$ -	\$ 2,955,662.00	\$ -

County	Total Mental Health Expenditures	FY 09-10 Component Expenditures					
		Community Services and Supports	Workforce Education and Training	Prevention & Early Intervention	Capital Facilities	Technological Needs	Innovation
Santa Barbara	\$ 14,560,755.00	\$ 14,130,366.00	\$ 211,134.00	\$ 113,980.00	\$ -	\$ 87,642.00	\$ 17,633.00
Santa Clara	\$ 51,336,176.75	\$ 44,351,603.75	\$ 1,617,955.00	\$ 5,180,447.00	\$ -	\$ 116,024.00	\$ 70,147.00
Santa Cruz	\$ 10,695,144.00	\$ 9,502,838.00	\$ 384,902.00	\$ 806,411.00	\$ -	\$ -	\$ 993.00
Shasta	\$ 5,642,759.74	\$ 5,282,130.95	\$ 25,487.00	\$ 335,141.79	\$ -	\$ -	\$ -
Sierra	\$ 756,840.36	\$ 572,277.36	\$ 163,011.00	\$ 13,962.00	\$ 7,590.00	\$ -	\$ -
Siskiyou*							
Solano	\$ 10,196,385.00	\$ 8,460,160.00	\$ 143,067.00	\$ 1,355,280.00	\$ -	\$ 237,878.00	\$ -
Sonoma*							
Stanislaus	\$ 15,798,844.22	\$ 14,226,557.22	\$ 369,804.00	\$ 1,107,332.00	\$ -	\$ -	\$ 95,151.00
Sutter-Yuba	\$ 7,145,258.21	\$ 6,672,088.00	\$ -	\$ 473,170.21	\$ -	\$ -	\$ -
Tehama	\$ 3,417,978.80	\$ 3,167,383.64	\$ -	\$ 250,595.16	\$ -	\$ -	\$ -
Tri-Cities	\$ 4,528,974.00	\$ 4,246,934.00	\$ -	\$ 282,040.00	\$ -	\$ -	\$ -
Trinity	\$ 3,096,296.00	\$ 2,162,229.00	\$ 99,977.00	\$ 114,200.00	\$ 377,895.00	\$ 338,497.00	\$ 3,498.00
Tulare	\$ 9,511,271.30	\$ 7,869,333.46	\$ 10,152.79	\$ 1,580,897.30	\$ 50,887.75	\$ -	\$ -
Tuolumne	\$ 3,205,207.00	\$ 2,736,530.00	\$ 105,100.00	\$ 297,999.00	\$ 45,022.00	\$ -	\$ 20,556.00
Ventura	\$ 20,390,978.00	\$ 18,467,261.00	\$ 316,401.00	\$ 952,163.00	\$ -	\$ 655,153.00	\$ -
Yolo	\$ 6,394,118.04	\$ 5,693,491.14	\$ 19,875.68	\$ 680,751.22	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 1,193,788,747.43</b>	<b>\$ 1,053,746,701.94</b>	<b>\$ 20,305,850.12</b>	<b>\$ 96,556,660.31</b>	<b>\$ 5,006,583.92</b>	<b>\$ 15,249,020.49</b>	<b>\$ 2,923,930.65</b>

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# Appendix D

## FY 09-10 Component Approved Amounts by County

**\*Note:** Del Norte, Siskiyou and Sonoma are included in the Appendix – but their FY 09-10 amounts are not included in the overall report because these counties did not submit FY 09-10 RERs

County	Approved Amounts FY 09-10				
	CSS	WET	PEI	CF/TN	INN
Alameda	\$ 31,914,400	--	\$ 12,445,300	--	\$ 2,543,800
Alpine	\$ 872,600	--	\$ 225,200	--	\$ 62,000
Amador	\$ 1,648,300	--	\$ 296,000	--	\$ 115,200
Berkeley City	\$ 2,687,100	--	\$ 1,079,800	--	\$ 214,800
Butte	\$ 5,340,000	--	\$ 1,856,000	--	\$ 418,100
Calaveras	\$ 1,754,300	--	\$ 362,000	--	\$ 126,400
Colusa	\$ 1,509,500	--	\$ 228,100	--	\$ 101,500
Contra Costa	\$ 20,347,300	--	\$ 7,795,100	--	\$ 1,616,400
Del Norte	\$ 1,574,500	--	\$ 108,100	--	\$ 261,700
El Dorado	\$ 3,744,800	--	\$ 1,239,800	--	\$ 292,000
Fresno	\$ 22,217,000	--	\$ 8,169,900	--	\$ 1,739,800
Glenn	\$ 1,584,500	--	\$ 261,400	--	\$ 108,700
Humboldt	\$ 3,340,600	--	\$ 1,074,500	--	\$ 258,700
Imperial	\$ 4,576,900	--	\$ 1,519,100	--	\$ 353,200
Inyo	\$ 1,033,600	--	\$ 227,100	--	\$ 72,800
Kern	\$ 19,210,900	--	\$ 6,995,900	--	\$ 1,503,100
Kings	\$ 3,870,700	--	\$ 1,239,300	--	\$ 298,300
Lake	\$ 1,985,000	--	\$ 512,700	--	\$ 150,000
Lassen	\$ 1,578,100	--	\$ 260,700	--	\$ 108,200
Los Angeles	\$ 255,155,500	--	\$ 98,889,100	--	\$ 20,294,900
Madera	\$ 4,037,700	--	\$ 1,322,600	--	\$ 311,100
Marin	\$ 5,124,500	--	\$ 1,872,800	--	\$ 402,000
Mariposa	\$ 1,042,600	--	\$ 227,200	--	\$ 73,400
Mendocino	\$ 2,361,000	--	\$ 704,700	--	\$ 181,400
Merced	\$ 6,737,600	--	\$ 2,309,500	--	\$ 522,700
Modoc	\$ 962,000	--	\$ 226,200	--	\$ 68,000
Mono	\$ 909,900	--	\$ 226,700	\$ 100,000	\$ 71,200
Monterey	\$ 10,576,700	--	\$ 3,905,800	--	\$ 837,400
Napa	\$ 3,107,500	--	\$ 1,019,900	--	\$ 240,500
Nevada	\$ 2,598,300	--	\$ 752,100	--	\$ 199,100
Orange	\$ 72,573,400	--	\$ 28,183,200	--	\$ 5,787,600
Placer	\$ 6,249,400	--	\$ 2,142,400	--	\$ 483,800
Plumas	\$ 1,458,000	--	\$ 227,100	--	\$ 98,000
Riverside	\$ 47,117,200	--	\$ 3,673,500	--	\$ 17,254,200
Sacramento	\$ 27,976,100	--	\$ 10,914,900	\$ 875,000	\$ 2,267,300
San Benito	\$ 1,930,000	--	\$ 476,200	--	\$ 145,000
San Bernardino	\$ 47,400,100	\$ 142,000	\$ 17,672,000	--	\$ 3,737,900
San Diego	\$ 73,166,800	--	\$ 28,428,500	--	\$ 5,816,200
San Francisco	\$ 16,467,000	--	\$ 6,603,400	--	\$ 1,313,800
San Joaquin	\$ 15,292,600	--	\$ 5,545,400	--	\$ 1,197,800
San Luis Obispo	\$ 5,901,550	--	\$ 2,193,000	\$ 294,950	\$ 487,300
San Mateo	\$ 14,546,300	--	\$ 5,688,900	--	\$ 1,163,000

County	Approved Amounts FY 09-10				
	CSS	WET	PEI	CF/TN	INN
Santa Barbara	\$ 10,474,700	--	\$ 3,869,300	--	\$ 829,800
Santa Clara	\$ 38,732,100	\$ 2,000,000	\$ 16,394,100	--	\$ 3,263,200
Santa Cruz	\$ 6,660,600	--	\$ 2,453,800	--	\$ 527,600
Shasta	\$ 4,464,700	--	\$ 1,488,300	--	\$ 346,800
Sierra	\$ 894,800	--	\$ 225,400	--	\$ 63,500
Siskiyou	\$ 1,724,300	--	\$ 333,800	--	\$ 122,800
Solano	\$ 9,143,000	--	\$ 3,352,800	--	\$ 718,900
Sonoma	\$ 10,235,200	--	\$ 3,820,300	--	\$ 813,300
Stanislaus	\$ 11,684,900	--	\$ 4,209,100	--	\$ 914,400
Sutter-Yuba	\$ 4,510,900	--	\$ 1,294,300	--	\$ 344,500
Tehama	\$ 1,929,300	--	\$ 489,900	--	\$ 144,500
Tri-Cities	\$ 4,989,000	--	\$ 1,912,100	--	\$ 402,600
Trinity	\$ 1,005,600	--	\$ 226,600	--	\$ 70,900
Tulare	\$ 11,085,300	--	\$ 3,952,900	--	\$ 865,300
Tuolumne	\$ 1,870,700	--	\$ 427,000	--	\$ 138,200
Ventura	\$ 18,726,100	--	\$ 7,015,000	--	\$ 1,483,000
Yolo	\$ 4,975,000	--	\$ 1,699,900	--	\$ 386,700
<b>Total</b>	<b>\$ 896,588,050</b>	<b>\$ 2,142,000</b>	<b>\$ 322,265,700</b>	<b>\$ 1,269,950</b>	<b>\$ 84,734,300</b>

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# Appendix E

## Contribution to Prudent Reserve by County (FY 06-07 through FY 08-09)

**\*Note:** See Appendix A for a tally of RERs submitted by county in each FY. Counties indicated by an asterisk have no RER in at least one FY.

County	Assignment to Prudent Reserve			
	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Alameda	\$ -	\$ 1,508,280.00	\$ 2,303,934.00	\$ 8,747,410.00
Alpine*		\$ 99,428.00	\$ 99,041.00	\$ 169,000.00
Amador	\$ -	\$ 50,081.00	\$ 599,069.00	\$ -
Berkeley City	\$ -	\$ -	\$ 251,800.00	\$ 985,262.00
Butte	\$ -	\$ 1,060,439.00	\$ 1,609,561.00	\$ -
Calaveras	\$ -	\$ 389,561.00	\$ 440,530.00	\$ 534,659.00
Colusa	\$ -	\$ 85,502.00	\$ 40,000.00	\$ 90,000.00
Contra Costa	\$ -	\$ 3,812,150.00	\$ -	\$ 7,436,767.00
Del Norte*	\$ -	\$ -	\$ -	
El Dorado	\$ -	\$ 1,079,853.00	\$ 346,997.00	\$ 471,434.00
Fresno	\$ -	\$ 3,655,169.00	\$ 1,500,000.00	\$ 6,980,736.00
Glenn	\$ -	\$ 109,049.00	\$ 155,361.00	\$ 88,510.00
Humboldt	\$ -	\$ -	\$ -	\$ 584,359.00
Imperial	\$ -	\$ 299,969.00	\$ 1,144,008.00	\$ 356,358.00
Inyo	\$ -	\$ 191,134.00	\$ -	\$ -
Kern	\$ -	\$ 1,212,437.00	\$ -	\$ 8,171,136.00
Kings	\$ -	\$ 274,000.00	\$ 790,144.00	\$ 379,303.00
Lake	\$ -	\$ 78,250.00	\$ 104,500.00	\$ 575,952.00
Lassen	\$ -	\$ -	\$ 364,050.00	\$ -
Los Angeles	\$ -	\$ -	\$ 75,188,674.00	\$ 33,147,652.00
Madera	\$ -	\$ 967,114.00	\$ -	\$ 1,654,186.00
Marin	\$ -	\$ -	\$ 483,440.00	\$ 1,692,050.00
Mariposa	\$ -	\$ -	\$ 118,507.00	\$ 327,262.00
Mendocino	\$ -	\$ 202,463.00	\$ -	\$ 130,238.00
Merced	\$ -	\$ -	\$ -	\$ -
Modoc	\$ -	\$ -	\$ 185,564.00	\$ -
Mono	\$ -	\$ 139,000.00	\$ 85,856.00	\$ -
Monterey	\$ -	\$ -	\$ 1,064,500.00	\$ -
Napa	\$ -	\$ 240,418.00	\$ -	\$ -
Nevada	\$ -	\$ -	\$ 1,029,150.00	\$ -
Orange	\$ -	\$ 17,891,065.00	\$ 8,215,285.00	\$ 30,494,017.00
Placer	\$ -	\$ -	\$ -	\$ -
Plumas	\$ -	\$ -	\$ 230,559.00	\$ 55,938.00
Riverside	\$ -	\$ 2,786,008.00	\$ 8,364,753.00	\$ 11,618,952.00
Sacramento	\$ -	\$ 2,651,735.00	\$ 9,120,412.00	\$ 2,119,700.00
San Benito	\$ -	\$ 363,260.00	\$ 1,800.00	\$ -
San Bernardino	\$ -	\$ 11,989,911.00	\$ 5,107,439.00	\$ 10,162,452.00
San Diego	\$ -	\$ 5,664,347.00	\$ 13,189,000.00	\$ 23,339,773.00
San Francisco	\$ -	\$ 1,000,000.00	\$ -	\$ -
San Joaquin	\$ -	\$ -	\$ 8,876,334.00	\$ 10,708,796.00
San Luis Obispo	\$ -	\$ 2,005,600.00	\$ 3,858.00	\$ -
San Mateo	\$ -	\$ -	\$ 600,000.00	\$ -

County	Assignment to Prudent Reserve			
	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Santa Barbara	\$ -	\$ -	\$ 1,899,950.00	\$ 3,794,131.00
Santa Clara	\$ -	\$ 8,139,723.00	\$ -	\$ 11,156,000.00
Santa Cruz	\$ -	\$ 550,132.00	\$ -	\$ 2,637,424.00
Shasta	\$ -	\$ 569,757.00	\$ 910,600.00	\$ 331,411.00
Sierra	\$ -	\$ 70,000.00	\$ -	\$ 210,835.00
Siskiyou*	\$ -	\$ 57,199.00	\$ 334,078.00	
Solano	\$ -	\$ 694,106.00	\$ 41,540.00	\$ 487,191.00
Sonoma*	\$ -	\$ -	\$ -	
Stanislaus	\$ -	\$ -	\$ -	\$ 500,000.00
Sutter-Yuba	\$ -	\$ -	\$ -	\$ 271,836.00
Tehama	\$ -	\$ 354,650.00	\$ 541,550.00	\$ 78,835.00
Tri-Cities*			\$ 1,860,700.00	\$ 410,500.00
Trinity	\$ -	\$ -	\$ -	\$ -
Tulare	\$ -	\$ 1,094,901.00	\$ 7,195,110.22	\$ 2,079,715.00
Tuolumne	\$ -	\$ 171,775.00	\$ -	\$ 200,000.00
Ventura	\$ -	\$ 1,559,058.00	\$ -	\$ 7,780,375.00
Yolo	\$ -	\$ -	\$ 34,052.00	\$ 480,017.00
<b>Total</b>	<b>\$ -</b>	<b>\$ 73,067,524.00</b>	<b>\$ 154,431,706.22</b>	<b>\$ 191,440,172.00</b>

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# Appendix F

## Component Amounts Subject to Reversion by County

### (FY 06-07 through FY 08-09)

**\*Note:** See Appendix A for a tally of RERs submitted by county in each FY. Counties indicated by an asterisk have no RER in at least one FY.

County	Subject to Reversion			
	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Alameda	\$ -	\$ -	\$ -	\$ -
Alpine*		\$ 18,718.00	\$ -	\$ 24,088.00
Amador	\$ -	\$ -	\$ -	\$ -
Berkeley City	\$ -	\$ -	\$ -	\$ -
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	\$ -	\$ -	\$ -	\$ -

County	Subject to Reversion			
	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Santa Barbara	\$ -	\$ -	\$ -	\$ -
Santa Clara	\$ -	\$ -	\$ -	\$ -
Santa Cruz	\$ -	\$ -	\$ -	\$ -
Shasta	\$ -	\$ -	\$ -	\$ -
Sierra	\$ -	\$ -	\$ -	\$ -
Siskiyou*	\$ -	\$ -	\$ -	
Solano	\$ -	\$ -	\$ -	\$ -
Sonoma*	\$ -	\$ -	\$ -	
Stanislaus	\$ -	\$ -	\$ -	\$ -
Sutter-Yuba	\$ -	\$ -	\$ -	\$ -
Tehama	\$ -	\$ 50,424.00	\$ -	\$ -
Tri-Cities*			\$ -	\$ -
Trinity	\$ -	\$ -	\$ -	\$ -
Tulare	\$ -	\$ -	\$ 2,165,621.00	\$ -
Tuolumne	\$ -	\$ -	\$ -	\$ -
Ventura	\$ -	\$ -	\$ -	\$ -
Yolo	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ -</b>	<b>\$ 69,142.00</b>	<b>\$ 2,165,621.00</b>	<b>\$ 24,088.00</b>

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# Appendix G

## Description of MHSA Components

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The Mental Health Services Act provides funding to county mental health departments in order to provide a continuum of care, ranging from prevention and early intervention through treatment and emergency intervention. The Mental Health Services Act also provides funding to support upgrades to the public mental health system, including infrastructure, technology and training. The specific continuum of care and upgrades to the public mental health system required under the MHSA are collectively referred to as “*components*.” The MHSA specifies five major “*components*” to be funded under the act.

## Community Services and Supports

Community Services and Supports are envisioned to be part of a “*System of Care*.”<sup>54</sup>

...an interagency system of care for children with serious emotional and behavioral disturbances that provides comprehensive, coordinated care [5852]

A system of care for adults and older adults with severe mental illness...[5801]

The Community Services and Supports (CSS) component contains four service categories:

1. Full Service Partnership.
2. General System Development.
3. Outreach and Engagement.
4. Mental Health Services Act Housing Program.<sup>55</sup>

### Full Service Partnerships

Per the California Code of Regulations:

(a) The County shall develop and operate programs to provide services under the Full Service Partnership Service Category. The services to be provided for each client with whom the County has a full service partnership agreement may include the Full Spectrum of Community Services necessary to attain the goals identified in the Individual Services and Supports Plan (ISSP). The services to be provided may also include services the County, in collaboration with the client, and when appropriate the client’s family, believe are necessary to address unforeseen circumstances in the client’s life that could be, but have not yet been included in the ISSP.<sup>56</sup>

- 1) The Full Spectrum of Community Services consists of the following:
  - A. Mental health services and supports, including, but not limited to:

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<sup>54</sup> The system of care is addressed in:

California Welfare and Institutions Code, Division 5. Community Mental Health Services, Part 4. The Children’s Mental Health Services Act. Chapter 1. Interagency System of Care (5850 – 5851.5).

California Welfare and Institutions Code (WIC), Division 5. Community Mental Health Services, Part 3. Adult and Older Adult System of Care Act. Article 1. Legislative Findings and Intent (5801 – 5802) and Article 2. Establishing New County Systems of Care (5803 – 5809).

<sup>55</sup> CSS is addressed in:

California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 2. Definitions, Community Services and Supports, 3200.080.

and

California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 6. Community Services and Supports. 3615. Community Services and Supports Service Categories.

<sup>56</sup> Full Service Partnership is addressed in:

California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 6. Community Services and Supports, 3620 Full Service Partnership Service Category.

- i. Mental health treatment, including alternatives and culturally specific treatments.
  - ii. Peer support.
  - iii. Supportive services to assist the client, and when appropriate, the client's family, in obtaining and maintaining employment, housing, and/or education.
  - iv. Wellness centers.
  - v. Alternative treatment and culturally specific treatment approaches.
  - vi. Personal service coordination/case management to assist the client, and when appropriate the client's family, to access needed medical, educational, social, vocational, rehabilitative and/or other community services.
  - vii. Needs assessment.
  - viii. ISSP development.
  - ix. Crisis intervention/stabilization services.
  - x. Family education services.
- B. Non-mental health services and supports including, but not limited to:
- i. Food.
  - ii. Clothing.
  - iii. Housing, including, but not limited to, rent subsidies, housing vouchers, house payments, residence in a drug/alcohol rehabilitation program, and transitional and temporary housing.
  - iv. Cost of treatment of co-occurring conditions, such as substance abuse.
  - v. Respite care.
- C. Wrap-around services to children.<sup>57</sup>

A complete articulation of the Full Service Partnership model is beyond the scope of this brief. For a thorough discussion of services strategies implemented across the state, the reader is referred to the companion report in the 2012 MHSA Cost series - *Full Service Partnerships: California's Investment to Support Children and Transition-Age Youth with Serious Emotional Disturbance and Adults and Older Adults with Severe Mental Illness: Contextual Factors and the Impact on Costs and Cost*.<sup>58</sup>

Per the California Code of Regulations, "The County shall direct the majority of its Community Services and Supports funds to the Full Service Partnership Service Category."<sup>59</sup>

### **General System Development**

Per the California Code of Regulations:

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<sup>57</sup> in accordance with WIC Section 18250 et. seq.

<sup>58</sup> The report is currently under MHSOAC review.

<sup>59</sup> CSS directing the majority of funds to FSP is addressed in:

California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 6. Community Services and Supports, 3620 Full Service Partnership Service Category. Subsection (c).

- a) The County may develop and operate programs to provide mental health services to clients,<sup>60</sup> and when appropriate the clients' families.
- b) General System Development funds may only be used to:
  - 1) Provide one or more of the following mental health services and supports:
    - A. Mental health treatment, including alternative and culturally specific treatments.
    - B. Peer support.
    - C. Supportive services to assist the client, and when appropriate the client's family, in obtaining employment, housing, and/or education.
    - D. Wellness centers.
    - E. Personal service coordination/case management to assist the client, and when appropriate the client's family, to access needed medical, educational, social, vocational, rehabilitative or other community services.
    - F. Needs assessment.
    - G. Individual Services and Supports Plan development.
    - H. Family education services.
    - I. Project-based housing program.
  - 2) Improve the county mental health service delivery system for all clients and their families.
  - 3) Develop and implement strategies for reducing ethnic/racial disparities.<sup>61</sup>

In addition:

- a) The County may use General System Development funds for costs associated with Project-Based Housing, including but not limited to:
  - 1) Purchasing/renovating/constructing Project-Based Housing.
  - 2) Master leasing of Project-Based Housing.
    - A. The lease between the County and the property owner shall specify that the County shall select the tenants and collect payments from the tenants for the Project-Based Housing.
  - 3) Repairing damage to the Project-Based Housing.in which a tenant resides/resided.
  - 4) Establishing and maintaining a Capitalized Operating Subsidy Reserve.<sup>62</sup>
  - 5) Establishing a Project-Based Housing Fund.
    - A. This Fund shall be an irrevocable transfer of money from the County to a local government housing entity for a specific Project-Based Housing program within the County.
    - B. If the County and the local government housing entity determine that completion of the Project-Based Housing program is not feasible, the

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<sup>60</sup> Clients as specified in Welfare and Institutions Code Section 5600.3(a) or (c).

<sup>61</sup> GSD is addressed in:

California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 6. Community Services and Supports, 3630 General System Development Service Category.

<sup>62</sup> As defined in section 3200.028.

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money shall remain in the Fund for redirection to other approved Project-Based Housing programs.

- b) The County shall not use General System Development funds for client-based housing expenditures, including, but not limited to, housing vouchers, rental subsidies, utility startup deposits, utility costs and furniture rental.<sup>63</sup>

### **Outreach and Engagement**

Per the California Code of Regulations:<sup>64</sup>

- a) The County may develop and operate outreach and engagement programs/activities for the purpose of identifying unserved individuals<sup>65</sup> in order to engage them, and when appropriate their families, in the mental health system so that they receive the appropriate services.
- b) Outreach and Engagement funds may be used to pay for:
- 1) Strategies to reduce ethnic/racial disparities.
  - 2) Food, clothing, and shelter, but only when the purpose is to engage unserved individuals, and when appropriate their families, in the mental health system.
  - 3) Outreach to entities such as:
    - A. Community based organizations.
    - B. Schools.
    - C. Tribal communities.
    - D. Primary Care Providers.
    - E. Faith-based organizations.
  - 4) Outreach to individuals such as:
    - A. Community leaders.
    - B. Those who are homeless.
    - C. Those who are incarcerated in county facilities.
- c) When the County works in collaboration with other non-mental health community programs and/or services, only the costs directly associated with providing mental health services and supports shall be paid under the Outreach and Engagement Service Category.

### **Workforce Education and Training**

Workforce Education and Training (WET) funding is expected to be used in order to alleviate: *“the shortage of qualified individuals to provide services to address severe mental illnesses (WIC Section 5820).”*<sup>66</sup> Further:

- b) Each county mental health program shall submit to the Office of Statewide Health Planning and Development a needs assessment identifying its shortages in each professional and other occupational category in order to increase the supply of

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<sup>63</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 6. Community Services and Supports, 3630.05 Project-Based Housing Program.

<sup>64</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 6. Community Services and Supports, 3640. Outreach and Engagement.

<sup>65</sup> Who meet the criteria of Welfare and Institutions Code Sections 5600.3 (a), (b) or (c).

<sup>66</sup> Per the Mental Health Services Act, Section 8. Part 3.1 (commencing with Section 5820) is hereby added to Division 5 of the Welfare and Institutions Code, to read: Part 3.1 Human Resources, Education and Training Program, Section 5820.

professional staff and other staff that county mental health programs anticipate they will require in order to provide the increase in services projected to serve additional individuals and families.<sup>67</sup> For purposes of this part, employment in California’s public mental health system includes employment in private organizations providing publicly funded mental health services.

“Workforce Education and Training” means the component of the Three-Year Program and Expenditure Plan that includes education and training programs and activities for prospective and current Public Mental Health System employees, contractors, and volunteers.<sup>68</sup>

Workforce Education and Training (WET) funds may be used to:<sup>69</sup>

- 1) Educate the Public Mental Health System workforce on incorporating the General Standards in Section 3320 into its work.<sup>70</sup>
- 2) Increase the number of clients and family members of clients employed in the Public Mental Health System through activities such as:
  - A. Recruitment.
  - B. Supported employment services.<sup>71</sup>
  - C. Creating and implementing promotional opportunities.
  - D. Creating and implementing policies that promote job retention.
- 3) Conduct focused outreach and recruitment to provide equal employment opportunities in the Public Mental Health System for individuals who share the racial/ethnic, cultural and/or linguistic characteristics of clients, family members of clients and others in the community who have serious mental illness and/or serious emotional disturbance.
- 4) Recruit, employ and support the employment of individuals in the Public Mental Health System who are culturally and linguistically competent or, at a minimum, are educated and trained in cultural competence,<sup>72</sup> and linguistic competence.<sup>73</sup>
- 5) Provide financial incentives to recruit or retain employees within the Public Mental Health System.

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<sup>67</sup> Pursuant to Part 3 (commencing with Section 5800), Part 3.2 (commencing with Section 5830), Part 3.6 (commencing with Section 5840), and Part 4 (commencing with Section 5850) of this division.

<sup>68</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 2. Definitions. 3200.320 Workforce Education and Training.

<sup>69</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 8. Workforce Education and Training. 3810, General Workforce Education and Training Requirements.

<sup>70</sup> The General Standards are discussed, along with the complete citation from the California Code of Regulations, in Chapter III of the companion report in the 2012 MHSA Cost series - *Full Service Partnerships: California’s Investment to Support Children and Transition-Age Youth with Serious Emotional Disturbance and Adults and Older Adults with Severe Mental Illness: Contextual Factors and the Impact on Costs and Cost Offsets*. This report is currently under review at MHSOAC.

<sup>71</sup> As defined in Section 3200.275.

<sup>72</sup> As defined in Section 3200.100.

<sup>73</sup> As defined in Section 3200.210.

- 6) Incorporate the input of clients and family members of clients and, whenever possible, utilize them as trainers and consultants in public mental health Workforce Education and Training programs and/or activities.
- 7) Incorporate the input of diverse racial/ethnic populations that reflect California's general population into Workforce Education and Training programs and/or activities.
- 8) Establish Regional Partnerships. <sup>74</sup>
- 9) Coordinate Workforce Education and Training programs and/or activities.

Per the California Code of Regulations: <sup>75</sup>

- a) The Workforce Education and Training component contains five funding categories:
  - 1) Training and Technical Assistance.
  - 2) Mental Health Career Pathways Programs.
  - 3) Residency and Internship Programs.
  - 4) Financial Incentive Programs.
  - 5) Workforce Staffing Support.

### **Training and Technical Assistance**

Training and Technical Assistance refers to: <sup>76</sup>

The funding category of the Workforce Education and Training component of the Three-Year Program and Expenditure Plan that funds consultation and/or education to assist those providing services and supports to individuals, clients and/or family members of clients who are working in and/or receiving services from the Public Mental Health System.

Further: <sup>77</sup>

- a) The Training and Technical Assistance Funding Category may fund programs and/or activities that increase the ability of the Public Mental Health System workforce to do the following:
  - 1) Promote and support the General Standards in Section 3320. <sup>78</sup>
  - 2) Support the participation of clients and family members of clients in the Public Mental Health System.
  - 3) Increase collaboration and partnerships among Public Mental Health System staff and individuals and/or entities that participate in and support the provision of services in the Public Mental Health System.

<sup>74</sup> As defined in Section 3200.255.

<sup>75</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 8. Workforce Education and Training, 3840. Workforce Education and Training Funding Categories.

<sup>76</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 2. Definitions, 3200.276. Training and Technical Assistance Funding Category.

<sup>77</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 8. Workforce Education and Training, 3841. Training and Technical Assistance Funding Category.

<sup>78</sup> The General Standards are discussed, along with the complete citation from the California Code of Regulations, in Chapter III of the companion report in the 2012 MHSA Cost series - *Full Service Partnerships: California's Investment to Support Children and Transition-Age Youth with Serious Emotional Disturbance and Adults and Older Adults with Severe Mental Illness: Contextual Factors and the Impact on Costs and Cost Offsets*. This report is currently under review at MHSOAC.

- 4) Promote cultural and linguistic competence.
- b) The Training and Technical Assistance Funding Category may be used to pay for the following:
- 1) Collaboration and partnerships among Public Mental Health System staff, individuals including clients and family members, and/or entities that participate in and support the provision of services in the Public Mental Health System, for the purpose of developing curricula and providing training to entities such as the following:
    - A. Clients and family members of clients.
    - B. Individuals from racial/ethnic, cultural and linguistic communities that are underrepresented in the Public Mental Health System.<sup>79</sup>
    - C. Other unserved and underserved communities.<sup>80</sup>
  - 2) Development of curricula that meets the objectives in (a) above and training preparation, including expenses and consulting services.
  - 3) Payment to trainers to deliver training, technical assistance, and consultation.
    - A. The County shall ensure that trainers have knowledge of the objectives in (a) above.
  - 4) Other costs of providing training, such as materials, supplies, and room equipment rental costs.
  - 5) Travel expenses of trainers and Public Mental Health System training participants, including mileage, lodging and per diem.
    - A. The employer shall not be reimbursed for the time an employee takes from his/her duties to attend training.
  - 6) Evaluation of the effectiveness of the training, and its impact on service delivery in the Public Mental Health System.
- c) Employees, contractors, and volunteers in non-mental health systems, such as criminal justice, social services and health care may participate in programs and activities under this funding category.
- 1) MHSAs funds shall not be used to pay for the personnel, operating and administrative costs of employees, contractors and volunteers in non-mental health systems for this participation.

### **Mental Health Career Pathway Programs**

Mental Health Career Pathway Programs are defined as:<sup>81</sup>

the funding category of the Workforce Education and Training component of the Three-Year Program and Expenditure Plan that funds education, training, and counseling programs designed to recruit and prepare individuals for entry into and advancement in jobs in the Public Mental Health System.

Further:<sup>82</sup>

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<sup>79</sup> As underrepresentation is defined in Section 11139.6 of the Government Code.

<sup>80</sup> As defined in Sections 3200.300 and 3200.310.

<sup>81</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 2. Definitions, 3200.215. Mental Health Career Pathway Programs Funding Category.

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- a) The Mental Health Career Pathways Program Funding Category may fund, but is not limited to, the following:
    - 1) Programs to prepare clients and/or family members of clients for employment and/or volunteer work in the Public Mental Health System.
    - 2) Programs and coursework in high schools, adult education, regional occupational programs, colleges and universities that introduce individuals to and prepare them for employment in the Public Mental Health System.
    - 3) Career counseling, training and/or placement programs designed to increase access to employment in the Public Mental Health System to groups such as immigrant communities, Native Americans and racial/ethnic, cultural and linguistic groups that are underrepresented in the Public Mental Health System.<sup>83</sup>
    - 4) Focused outreach and engagement in order to provide equal opportunities for employment to individuals who share the racial/ethnic, cultural and linguistic characteristics of the clients served.
    - 5) Supervision of employees in Public Mental Health System occupations that are in a Mental Health Career Pathway Program.
  - b) Development of Mental Health Career Pathway Programs shall include:
    - 1) Identification of available financial and other resources to supplement MHSA funds.
    - 2) A process for tracking a participant's progress including successful completion of the program, and educational and/or employment choices after program completion.
    - 3) Identification of outcomes by which the program shall be evaluated.

### **Residency Internship Programs**

Residency Internship Programs are defined as:<sup>84</sup>

the funding category of the Workforce Education and Training component of the Three-Year Program and Expenditure Plan that funds psychiatric residency programs and post-secondary mental health internship programs in order to increase the number of licensed and/or certified individuals employed in Public Mental Health System.

Further:<sup>85</sup>

- a) The Residency and Internship Programs Funding Category may fund, but is not limited to, the following:
  - 1) Time required of staff, including university faculty, to supervise psychiatric residents training to work in the Public Mental Health System.

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<sup>82</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 8. Workforce Education and Training, 3842. Mental Health Career Pathway Programs Funding Category.

<sup>83</sup> As underrepresentation is defined in Section 11139.6 of the Government Code.

<sup>84</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 2. Definitions, 3200.256. Residency and Internship Programs Funding Category.

<sup>85</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 8. Workforce Education and Training, 3843. Residency and Internship Programs Funding Category.

- 2) Time required of staff, including university faculty, to supervise post-graduate interns training to work as psychiatric nurse practitioners, masters of social work, marriage and family therapists, or clinical psychologists in the Public Mental Health System.
  - A. Only faculty time spent supervising interns in programs designed to lead to licensure is eligible.
- 3) Time required of staff, including university faculty, to train psychiatric technicians to work in the Public Mental Health System.
- 4) Time required of staff, including university faculty, to train physician assistants to work in the Public Mental Health System and to prescribe psychotropic medications under the supervision of a physician.
- 5) Addition of a mental health specialty to a physician assistant program.
- b) Participants in Residency and Internship programs shall be trained in the use of the General Standards in Section 3320.<sup>86</sup>
- c) Funds may only be used for staff and program expenses required to address the occupational shortages identified in the County's Workforce Needs Assessment.
- d) All program content shall be consistent with the General Standards in Section 3320.<sup>87</sup>
- e) The Residency and Internship Programs Funding Category shall not be used to pay for time spent by residents, interns and/or supervisors when providing direct services to clients.

### **Financial Incentive Program**

Financial Incentive Programs are:<sup>88</sup>

the funding category of the Workforce Education and Training component of the Three-Year Program and Expenditure Plan that funds stipends, scholarships and the Mental Health Loan Assumption Program for the purpose of recruiting and retraining Public Mental Health System employees.

Further:<sup>89</sup>

- a) The Financial Incentive Programs Funding Category may fund financial assistance programs that address one or more of the occupational shortages identified in the County's Workforce Needs Assessment. Financial Incentive Programs include:
  - 1) Scholarships.
  - 2) Stipends.
  - 3) Loan Assumption Programs.

<sup>86</sup> The General Standards are discussed, along with the complete citation from the California Code of Regulations, in Chapter III of the companion report in the 2012 MHSA Cost series - *Full Service Partnerships: California's Investment to Support Children and Transition-Age Youth with Serious Emotional Disturbance and Adults and Older Adults with Severe Mental Illness: Contextual Factors and the Impact on Costs and Cost Offsets*. This report is currently under review at MHSOAC.

<sup>87</sup> Ibid.

<sup>88</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 2. Definitions, 3200.125. Financial Incentive Programs Funding Category.

<sup>89</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 8. Workforce Education and Training, 3844. Financial Incentive Programs Funding Category.

- b) Scholarships and stipends shall pay or reimburse individuals for expenses, or a portion of the expenses, associated with participation in programs and/or activities.<sup>90</sup>
- c) Financial incentive programs may be utilized to encourage the recruitment and retention of the following populations:
  - 1) Individuals who can fill identified occupational shortages or have the skills needed by Public Mental Health System employers, as identified in the County's most recent Workforce Needs Assessment, such as those in a licensed profession or those with a proficiency in a language other than English.
  - 2) Individuals with client and/or family member experience who are participating in Workforce Education and Training programs and/or activities.<sup>91</sup>
  - 3) Individuals with client and/or family member experience who are participating in an education or training program designed to lead to employment in the Public Mental Health System.
- d) The County may contract with a fiduciary entity, university or accredited educational institution to establish a financial incentive program.

### **Workforce Staffing Support**

Workforce Staffing Support means:<sup>92</sup>

the funding category of the Workforce Education and Training component of the Three-Year Program and Expenditure Plan that funds staff needed to plan, administer, coordinate and/or evaluate Workforce Education and Training programs and activities.

Further:<sup>93</sup>

- a) The Workforce Staffing Support Funding Category may fund, but is not limited to, the following:
  - 1) Public Mental Health System staff to plan, recruit, coordinate, administer, support and/or evaluate Workforce Education and Training programs and activities.<sup>94</sup>
  - 2) Staff to support Regional Partnerships,<sup>95</sup> when performing activities that address the following:
    - A. Shortages within the workforce or shortages of workforce skills identified as critical by the Regional Partnership.
    - B. Deficits in cultural and/or linguistic competence.
    - C. Promotion of employment and career opportunities in the Public Mental Health System for clients and family members of clients.
  - 3) Staff to provide ongoing employment and educational counseling and support to:
    - A. Clients entering or currently employed in the Public Mental Health System workforce.

<sup>90</sup> Paid for under a funding category in Section 3840.

<sup>91</sup> Paid for through a funding category in Section 3840.

<sup>92</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 2. Definitions, 3200.325. Workforce Staffing Support Funding Category.

<sup>93</sup> California Code of Regulation (Barclays Official), Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 8. Workforce Education and Training, 3845. Workforce Staffing Support Funding Category.

<sup>94</sup> When the staff is not funded through any of the other funding categories in Section 3840.

<sup>95</sup> As defined in Section 3200.255.

- B. Family members of clients who are entering or currently employed in the Public Mental Health System workforce.
- C. Family members who are entering or currently employed in the Public Mental Health System workforce.
- 4) Staff to provide education and support to employers and employees to assist with the integration of clients and/or family members of clients into the Public Mental Health System workforce.
- 5) Staff necessary to support activities in multiple Workforce Education and Training funding categories.<sup>96</sup>
- 6) The Workforce Education and Training Coordinator.<sup>97</sup>

## Prevention and Early Intervention

Per California's Welfare and Institutions Code:<sup>98</sup>

- a) The State Department of Health Care Services, in coordination with counties, shall establish a program designed to prevent mental illness from becoming severe and disabling. The program shall emphasize improving timely access to services for underserved populations.
- b) The program shall include the following components:
  - 1) Outreach to families, employers, primary care health care providers, and others to recognize the early signs of potentially severe and disabling mental illnesses.
  - 2) Access and linkage to medically necessary care provided by county mental health programs for children with severe mental illness,<sup>99</sup> and for adults and seniors with severe mental illness,<sup>100</sup> as early in the onset of these conditions as practicable.
  - 3) Reduction in stigma associated with either being diagnosed with a mental illness or seeking mental health services.
  - 4) Reduction in discrimination against people with mental illness.
- c) The program shall include mental health services similar to those provided under other programs effective in preventing mental illnesses from becoming severe, and shall also include components similar to programs that have been successful in reducing the duration of untreated severe mental illnesses and assisting people in quickly regaining productive lives.
- d) The program shall emphasize strategies to reduce the following negative outcomes that may result from untreated mental illness:
  - 1) Suicide.
  - 2) Incarcerations.
  - 3) School failure or dropout.
  - 4) Unemployment.
  - 5) Prolonged suffering.

<sup>96</sup> When the staff time is not included in the budget for any other funding category in Section 3840.

<sup>97</sup> Required in Section 3810 (b).

<sup>98</sup> Per the Mental Health Services Act, Section 4. Part 3.6 (commencing with Section 5840) is hereby added to Division 5 of the Welfare and Institutions Code, to read: Part 3.6 Prevention and Early Intervention Programs.

<sup>99</sup> As defined in Section 5600.3.

<sup>100</sup> Ibid.

- 6) Homelessness.
  - 7) Removal of children from their homes.
- e) Prevention and early intervention funds may be used to broaden the provision of community-based mental health services by adding prevention and early intervention services or activities to these services.<sup>101</sup>

## Capital Facilities and Technological Needs

Per California's Welfare and Institutions Code:

A program for technological needs and capital facilities needed to provide services pursuant to Part 3 (commencing with Section 5800), Part 3.6 (commencing with Section 5840), and Part 4 (commencing with Section 5850). All plans for proposed facilities with restrictive settings shall demonstrate that the needs of the people to be served cannot be met in a less restrictive or more integrated setting.<sup>102</sup>

Per the Capital Facilities and Technological Needs Component - Capital Facilities Project Proposal Proposed Guidelines for the County's Three-Year Program and Expenditure Plan:<sup>103</sup>

A "Capital Facility" is a building secured to a foundation which is permanently affixed to the ground and used for the delivery of MHSA services to individuals with mental illness and their families or for administrative offices. Capital Facility funds may be used by the County to acquire, develop or renovate such buildings or to purchase land in anticipation of acquiring/constructing a building. Capital Facility expenditures must result in a capital asset which increases the County Department of Mental Health's infrastructure on a permanent basis (i.e., acquisition of buildings rather than rental or leased buildings) and must result in an expansion of the capacity/access of existing services or the provision of new services.

The County may utilize Capital Facilities funds to:

- Acquire and build upon land that will be County-owned
- Acquire buildings that will be County-owned
- Construct buildings that will be County-owned
- Renovate buildings that are County-owned
- Establish a capitalized repair/replacement reserve for buildings acquired or constructed with Capital Facilities funds and/or personnel cost directly associated with a Capital Facilities Project, i.e., a project manager.

The County may utilize Capital Facilities funds to renovate buildings that are privately owned if the building is dedicated and used to provide MHSA services. The County shall:

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<sup>101</sup> (f) In consultation with mental health stakeholders, and consistent with guidelines from the Mental Health Services Oversight and Accountability Commission, pursuant to Section 5846, the Department shall revise the program elements in Section 5840 applicable to all county mental health programs in future years to reflect what is learned about the most effective prevention and early intervention programs for children, adults, and seniors.

<sup>102</sup> Part 3.7 Oversight and Accountability, 5847 Integrated Plans for Prevention, Innovation and System of Care Services. (5) mentions Capital Facilities and Technological Needs. Nowhere in WIC or CCR is this component explicitly defined.

<sup>103</sup> [http://www.dmh.ca.gov/dmhdocs/docs/notices08/08-09\\_Enclosure\\_2.pdf](http://www.dmh.ca.gov/dmhdocs/docs/notices08/08-09_Enclosure_2.pdf)

- 1) When the renovation is for treatment facilities, describe how the renovation will benefit the clients served in the facility i.e., will result in an expansion of the capacity/access to existing services or the provision of new services;
- 2) When the renovation is for administrative offices, describe how the administrative offices augment/support the County's ability to provide programs/services, as set forth in the County's Three-Year Program and Expenditure Plan (Three-Year Plan), and
- 3) Describe how the costs of renovation are reasonable and consistent with what a prudent buyer would incur. The prudent buyer refuses to pay more than the going price for an item/service and seeks to economize by minimizing costs.
- 4) Demonstrate a method for protecting its capital interest in the renovation. Examples of methods counties might use to protect their capital interest in renovated facilities include, but are not limited to:
  - o Instituting a deed restriction on property use in exchange for the resources invested.
  - o Amending loan agreements to reflect all improvements are considered property of the County which allows the County the option of removing the improvements if specified conditions are not met.
  - o Acquiring an interest in the property as evidenced by a grant deed.

Funds shall be used for land and buildings, including administrative offices, which enable the County and/or contract provider to provide programs/services, as set forth in the County's Three-Year Program and Expenditure Plan.

- Capital Facilities funds shall only be used for those portions of land and buildings where MHSA programs, services and administrative supports are provided; consistent with the goals identified in the Community Services and Supports (CSS) and Prevention and Early Intervention (PEI) components of the County's Three-Year Plan.
- Land acquired and built upon or construction/renovation of buildings using Capital Facilities funds shall be used to provide MHSA programs/services and/or supports for a minimum of twenty years.
- All buildings under this component shall comply with federal, state and local laws and regulations including zoning and building codes and requirements; licensing requirements, where applicable; fire safety requirements; environmental reporting and requirements; hazardous materials requirements; the Americans with Disabilities Act (ADA), California Government Code Section 11135 and other applicable requirements.
- Capital Facilities funds may be used to establish a capitalized repair/replacement reserve for buildings acquired or constructed with Capital Facilities funds. The reserve will be controlled, managed, and disbursed by the County.
- The County shall ensure that the property is updated to comply with applicable requirements, and maintained as necessary, and that appropriate fire, disaster, and liability insurance coverage is maintained.
- Under limited circumstances Counties may "lease (rent) to own" a building. The County must provide justification why "lease (rent) to own" is preferable to the outright purchase of the building and why the purchase of such property, with MHSA Capital Facilities funds, is not feasible.

- For purchase of land with no MHPA funds budgeted for construction of a building or purchase of a building (i.e. modular, etc.), the County must explain its choice and provide a timeline with expected sources of income for the planned construction or purchase of building upon this land and how this serves to increase the County's infrastructure. (pp. 2-3)

Per the Capital Facilities and Technological Needs Component –Proposed Guidelines for completing the Technological Needs Project Proposal for the County's Three-Year Program and Expenditure Plan:<sup>104</sup>

All County MHPA Technological Needs Projects must be framed within the context of the guiding principles of MHPA and meet the General Standards in Section 3320 of the California Code of Regulations governing the MHPA. The Technological Needs Project Proposal must demonstrate the ability to serve and support the MHPA objectives through cost effective and efficient improvements to data processing and communications. These objectives allow for an overall transformation of processes that will require a phased approach of technology enhancements. DMH will be an active participant in supporting the successful implementation of these local Projects through inception, planning, implementation, and ongoing delivery. DMH will provide needed materials and tools through the DMH website including: County level Project summaries with current status and lessons learned, sample requests for proposals (RFP), Project readiness assessments, sample work plans and templates.

Evaluation and funding approval of Technological Needs Project Proposals will be made within the context of two goals:

- Increase **Client and Family Empowerment** and engagement by providing the tools for secure client and family access to health information that is culturally and linguistically competent within a wide variety of public and private settings.
- **Modernize and Transform** clinical and administrative information systems to ensure quality of care, parity, operational efficiency and cost effectiveness.

#### ***Client and Family Empowerment***

Technology solutions have the potential to significantly improve quality of care and health outcomes. This can be accomplished by providing accurate and current information about a client's mental health history to the service provider, the client and his/her family when appropriate. Complete and accurate health information is crucial in reducing medical errors, improving care coordination and increasing client and family mental health literacy. Improved access to information has the potential to improve communication between clients and service providers, resulting in more meaningful client participation in the healthcare process. Having access to such information in a language they understand is empowering, enabling clients to be informed and make sensible choices within the mental health system.

As reported by the National Committee on Vital and Health Statistics, the potential benefits of client accessible health information systems can be applied to behavioral health and include:

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<sup>104</sup> [http://www.dmh.ca.gov/dmhdocs/docs/notices08/08-09\\_Enclosure\\_3.pdf](http://www.dmh.ca.gov/dmhdocs/docs/notices08/08-09_Enclosure_3.pdf)

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- Support wellness activities
  - Improve understanding of health issues
  - Increase sense of control over health and well being
  - Increase control over access to personal health information
  - Support timely, appropriate preventive services
  - Support healthcare decisions and responsibility for care
  - Strengthen communication with providers
  - Verify accuracy of information in provider records
  - Support home monitoring for chronic diseases
  - Support understanding and appropriate use of medications
  - Support continuity of care across time and providers
  - Manage insurance benefits and claims
  - Avoid duplicate tests
  - Reduce adverse drug interactions and allergic reactions
  - Support convenient online appointment scheduling and prescription refills
  - Increase access to providers via e-visits

A successful system of service delivery and coordination of care allows for client and family input and communication with their service provider in a culturally and linguistically competent manner. As evidenced throughout the stakeholder discussion process, clients and families have shown overwhelming support for expenditures in computer resources to improve communication. The basis of the relationship between service providers and clients and family is the delivery of high quality care with the utmost respect for client self-reliance and culturally and linguistically competent care. This can only be achieved with the knowledge that information is secure and confidential. The use of uniform policies and procedures to ensure that technology supports the client's privacy and security is essential. Technology can be used to securely provide clients with the ability to view and enter comments or data in their records, and the ability to share their journeys with a family member, friend and service provider as designated by the client.

#### ***Modernize and Transform Information Systems***

Information is an essential tool for decision-making at all levels of the public mental health system (e.g. national, state, county, local, family and client). It is employed by service providers to provide appropriate, quality, and evidence-based care; by staff in utilizing resources in the most efficient manner; and by management in developing better methods of providing culturally and linguistically competent services. In a context of increased need, diverse ethnic and linguistic access need, increased geographical locations where care is provided, and changes in mental health treatment and recovery methodology, information is becoming even more important. Mental health information systems should exist to enable a collaborative decision-making process with service providers, clients and families in all aspects of the mental health system. Information systems are an essential planning tool: they can provide reliable and consistent information about mental health services and client's needs that are essential for improved client treatment and recovery. These systems can be tools to assist service providers with recording and monitoring the client needs. They can provide a means of reporting the utilized treatments that can be linked to the ongoing

improvement of service quality and recovery. In addition, to the extent possible, information systems should have the ability to provide information in the preferred language of the client and family member with support tools available. (pp. 2-3)

## Innovation

Per California's Welfare and Institutions Code:<sup>105</sup>

County mental health programs shall develop plans for innovative programs to be funded.<sup>106</sup>

- a) The innovative programs shall have the following purposes:
  - 1) To increase access to underserved groups.
  - 2) To increase the quality of services, including better outcomes.<sup>107</sup>
  - 3) To promote interagency collaboration.
  - 4) To increase access to services.
- b) All projects included in the innovative program portion of the county plan shall meet the following requirements:
  - 1) Address one of the following purposes as its primary purpose:
    - A. Increase access to underserved groups.
    - B. Increase the quality of services, including measurable outcomes.
    - C. Promote interagency and community collaboration.
    - D. Increase access to services.
  - 2) Support innovative approaches by doing one of the following:
    - A. Introducing new mental health practices or approaches, including, but not limited to, prevention and early intervention.
    - B. Making a change to an existing mental health practice or approach, including, but not limited to, adaptation for a new setting or community.
    - C. Introducing a new application to the mental health system of a promising community-driven practice or an approach that has been successful in nonmental health contexts or settings.<sup>108</sup>
- c) An innovative project may affect virtually any aspect of mental health practices or assess a new or changed application of a promising approach to solving persistent, seemingly intractable mental health challenges, including, but not limited to, any of the following:
  - 1) Administrative, governance, and organizational practices, processes, or procedures.
  - 2) Advocacy.
  - 3) Education and training for service providers, including nontraditional mental health practitioners.
  - 4) Outreach, capacity building, and community development.
  - 5) System development.
  - 6) Public education efforts.
  - 7) Research.
  - 8) Services and interventions, including prevention, early intervention, and treatment.

<sup>105</sup> Division 5 of the Welfare and Institutions Code, Part 3.2 Innovative Programs.

<sup>106</sup> Pursuant to paragraph (6) of subdivision (a) of Section 5892.

<sup>107</sup> Note that text has been reproduced verbatim from WIC – therefore, grammatical and spelling errors have not been corrected.

<sup>108</sup> Ibid.

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- d) If an innovative project has proven to be successful and a county chooses to continue it, the project workplan shall transition to another category of funding as appropriate. <sup>109</sup>
  - e) County mental health programs shall expend funds for their innovation programs upon approval by the Mental Health Services Oversight and Accountability Commission.

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<sup>109</sup> Ibid.

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