

**MENTAL HEALTH SERVICES
OVERSIGHT AND ACCOUNTABILITY COMMISSION (MHSOAC)
Mental Health Funding & Policy Committee**

March 9, 2011

MHSOAC Conference Room

1300 17th Street, Suite 1000

Sacramento, CA 95811

3:00 p.m. to 5:00 p.m.

DRAFT

Committee Members Present:

Andrew Poat*, Chair
Ann Arneill-Py
Kathleen Derby
Stacie Hiramoto
Bentley Paul Stansbury*
Rusty Selix*
Jack Joiner*
Wayne Clark*
Crystal Crawford*
**Participated via telephone*

Staff:

Sherri Gauger
Kevin Hoffman
Carol Hood
Thomas Powers
Jose Oseguera
Vivian Lee

Other Attendees:

Richard Van Horn*
Joseph Robinson*
April Grant*
Eleanor Prouty*
Steve Leoni*
Delphine Brody
Sarah Harbin*

Minutes revised as requested by the Committee (in Italic and yellow highlight)

Welcome/Introductions

- Andrew Poat, Committee Chair, convened the meeting at 3:05 PM. All meeting participants introduced themselves.

Review and Approve Minutes of January 25 and February 15, 2011

- The January 25, 2011 minutes and the February 15, 2011 minutes were adopted by unanimous consent.

Discuss and Adopt Committee Ground Rules

The Committee members reviewed the examples of Ground Rules and discussed Ground Rules for the Mental Health Funding and Policy Committee. The Committee was supportive of the 7 sample ground rules provided by "Examples of Ground Rules" and #8 from the sample Ground Rules from the Services Committee as below.

- Strive for consensus when possible and when not, a vote will be taken. To support diverse points of view, majority and minority positions will be reported.

Discuss State Budget Update

MHSOAC staff provided an update on several State budget issues related to the MHSA.

- Reductions in State Administration
 1. Feb 1, 2011 - the MHSA Administration fund cap was reduced from 5% to 3.5%

2. Feb 17, 2011 – the Department of Finance (DOF) letter issued a letter cutting funds to multiple recipients of MHSA Administration funds, transferring MHSOAC evaluations funds to DMH, and reducing MHSOAC positions from 22 to 12.
 3. Feb 23, 2011 – the Conference Compromise Summary, cut additional DMH funding and positions, restored MHSOAC positions and transferred \$1 million dollars to the MHSOAC for Evaluation efforts.
- One-time Transfer of \$861M
 - The MHSOAC is awaiting Trailer Bill Language.

Committee Updates on State Budget:

- Trailer Bill language is not expected to provide additional direction. The process for resolving additional policy issues is not yet determined.
- Trailer Bill Language is expected to eliminate the provisions for DMH and MHSOAC to approve county plans. New statutory language is needed to establish how this process is going to work and how counties will get their money.
- MHSOAC should take the lead on what it should be.
- In the Big Picture: a) Trailer Bill will need to divert one-time \$861 million dollars. It needs to be linked to realignment growth and how the State will pay back this money (as a loan). b) Conference Committee has adopted a budget, the revenue increases will create the balance, 2/3 vote necessary to go forward. This week's deadline is going to be missed, it could delay election till later in June. c) We are paying attention to the constitutional amendment and lack of protection for mental health.

Discussion— Suggestions and Comments:

- Oversight over local plans is needed at state level.
- Oversight provided by other State agencies is being lost, such as Department of Aging.
- Watching this debate on the use of funds, we appreciate important oversight roles that Commission has been doing and appreciate the opportunity to review and provide input.
- At the local level, transparency is sometimes lacking. At the state level, decisions made need meaningful inputs and transparency.
- Adhere to the purpose and intent of the Act. Plan review and approval can not be replaced.
- The shift from administrative costs to services is movement in the right direction.

Discussion—Questions:

- What state level accountability will there be for the local planning process?
- How will the State's leadership and accountability be maintained?
- Will there be mechanisms to ensure that mental health funding is preserved for mental health services?

Review the Approved “MHSOAC Principles Regarding Governor’s Proposed Fiscal Year (FY) 2011/12 Budget Impact on Mental Health Services Act”

Committee Discussion and Comments:

- The Principles were completed and approved by the Commission in February, 2011.
- Does the second principle, “Minimize the impact to existing MHSA services”, preserve the existing services and condone that new programs will not be started? The Act intends to reduce the disparity; we must acknowledge that the reduction could cause problems. *We should go for more cost effective services, client and family member driven and more recovery oriented services.*
- The proposed fund redirection should not cause more delays in MHSA implementation to meet the needs of unserved and underserved populations. We need to bring people in services that they are not currently receiving
- The second principle addresses the potential need to modify current payment practices to counties, if the proposed one-time transfer is included in the final budget

The chair requested that Stacie Hiramoto and any other members who are interested to provide to staff any requests for revised language to MHSOAC Principle Policy Paper.

Review MHSOAC 2011 Calendar and Charter of the Mental Health Funding and Policy Committee to ensure deadlines are met.

The Committee Charter was adopted by the Commission in January. The Charter has been edited to add more precise time frames and include a workplan. The activities have been included in the MHSOAC 2011 Calendar.

- Discussion and Comments on “Plan Review”—Clarification was provided that payment for “previously approved programs” is not dependent on approval of a new plan or update. It is unclear what the intent is or process will be to approve new programs.

General Public Comment

- Disconcerting that funding could go out to the counties in the absence of a plan approval process.
- MHSOAC does not intend to develop a position on the budget proposals to eliminate state level plan approval.

Adjournment

Meeting adjourned at 4:05 PM.