



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Department Name:** Behavioral Wellness  
**Department No.:** 043  
**For Agenda Of:** November 8, 2016  
**Placement:** Administrative  
**Estimated Tme:**  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

---

**TO:** Board of Supervisors  
**FROM:** Department Alice Gleghorn, Ph.D., Director  
Director(s) Department of Behavioral Wellness 681-5220  
Contact Info: Refujio Rodriguez, Mental Health Service Act Division Chief  
Department of Behavioral Wellness 681-4505  
**SUBJECT:** Mental Health Services Act Plan Update FY 16- 17

---

**County Counsel Concurrence**

As to form: N/A

**Auditor-Controller Concurrence**

As to form: N/A

**Other Concurrence:**

As to form: N/A

**Recommended Actions:**

That the Board of Supervisors:

- A. Approve and adopt the Department of Behavioral Wellness Mental Health Services Act Plan Update for Fiscal Year 16/17 in accordance with the California Department of Health Care Services (DHCS) requirements.
- B. Determine that these activities are exempt from California Environmental Quality Act review per CEQA Guidelines Section 15378(b)(4) since the recommended actions are government fiscal activities which do not involve commitment to any specific project which may result in potentially significant physical impact on the environment.

**Summary Text:**

This item is on the agenda to provide an update to the Board of Supervisors regarding the Mental Health Services Act (MHSA) Plan for Fiscal Year 16/17, for funded programs and services, as required by the California Department of Health Care Services (DHCS).

Approval of the recommended action will allow Behavioral Wellness to comply with the State requirement, per Welfare and Institutions Code Section 5847, and will ensure Behavioral Wellness continues to receive Mental Health Services Act funding in a timely manner.

## **Background:**

The Department of Behavioral Wellness provides specialty mental health services to Medi-Cal beneficiaries with specialty mental health needs, and to the extent resources allow, to uninsured children with Serious Emotional Disturbance (SED) and adults with Serious Mental Illness (SMI). The Mental Health Services Act (MHSA), passed by California voters in 2004, levied a 1% tax on annual incomes over \$1.0 million to increase funding for mental health services.

The Fiscal Year 16/17 Update contains several changes that primarily impact MHSA's Community Services and Support (CSS) and Prevention and Early Intervention (PEI) funding components. Although no new programs are proposed, as was noted in the 14/15 update, several crisis components funded by grants will eventually be sustained, in part, by MHSA. In FY 16/17, MHSA CSS funding will support: Crisis Residential North (\$147,246) and Crisis Residential South (\$231,378). The update also includes a summary of the use of funds and a projection of funding by program. The total proposed MHSA Plan budget for FY 16/17 is \$20,322,742. The Plan Update reports on five MHSA funding components approved for Santa Barbara County: Community Services and Supports (CSS), Prevention and Early Intervention (PEI) Workforce Education and Training (WET), Innovation (INN), and Capital Facilities and Technological Needs (CF/TN).

The largest MHSA component is CSS and will fund approximately twenty programs totaling \$14,698,756. PEI will support seven projects with a budget total of \$3,808,026. Two Innovation projects totaling \$1,263,127 will also be supported under this plan. The remaining WET resources total \$200,575 and the Technological Needs component has \$352,258 remaining. Funding for WET and Technological Needs should be exhausted at the end of FY 16/17 and can be funded with CSS in future years.

The most significant change to this plan consists of the elimination of the Integrated Mental Health and Primary Care Program in PEI. This component was intended to serve individuals with mental health needs who do not fit the public mental health criteria of severe mental illness. The program was developed prior to the passage of the Affordable Care Act (ACA) and was intended to care for clients considered to be mild-to-moderate. Mild-to-moderate mental illness is now a service provision supported by ACA and allows these individuals to receive care.

The Board approved the Assisted Outpatient Treatment (AOT) (Laura's Law) three-year pilot program, May 2016, in response to AB1421, to serve about ten (10) adults annually. The annual appropriations, for were included and approved within the FY 16/17 Mental Health Fund Budget supported by one-time General Funds of \$606,888 and \$148,608 of Medi-Cal Revenue.

After the initial year, the continuation of AOT is dependent on the availability of funding. Behavioral Wellness will explore the options available through MHSA for sustainability of the AOT program and include the MHSA stakeholders' in the process over the next several months. Behavioral Wellness has established a process to implement a timeline for the MHSA FY 17-18 Plan completion that occurs before the start of the upcoming 17/18 Fiscal Year in order to inform the budget process. Existing MHS programs cannot be reduced in order to fund AB 1421 services. While we will look at leveraging other funding resources (i.e. Medi-Cal, MHSA growth or Realignment growth) these are dependent on increased availability of funds through improved state income tax revenues, state sales tax, and other state determined resources that have unpredictable growth factors (i.e. realignment allocation formulas). Pending legislation may also impact the availability of growth and/or sustainable MHSA allocations by diverting county funds to specific statewide programs.

If the County determines, after the three-year pilot is concluded, they do want to implement the program, Behavioral Wellness will need to explore funding options for sustainability of the AOT program with possible funding through MHSA and with input and approval of the stakeholders through the future planning process. The Board of Supervisors must also authorize the program by resolution or through the County budget process.

The plan provides a summary of programs and funding by the Mental Health Services Act Component and clearly identifies the in-depth stakeholder process undertaken by the department. The plan also highlights changes to programs. The five MHSA Components and Programs outlined in the plan are:

**Community Services and Supports:**

- ACT
- Adult Wellness and Recovery
- Bridge to Care
- CARES Crisis Residential North and South
- CARES Mobile Crisis
- Child Recovery and Resilience
- Co-Occurring Services
- Crisis Stabilization Unit
- Crisis Triage
- Homeless Services
- HOPE Program
- Justice Alliance/Forensics Full Service Partnership (FSP)
- Medical Integration Program and Older Adult Component
- New Heights
- Partners in Hope
- Supported Housing

**Workforce Education and Training:**

- Crisis Intervention Training
- Peer Support Specialist Training and Internships

**Prevention and Early Intervention:**

- Support to Culturally Underserved Communities
- Early Childhood Mental Health Services (Great Beginnings)
- School-Based Prevention/Early Intervention Services
- Early Intervention and Detection Teams for Transitional Age Youth (TAY)
- Crisis Services for Children and TAY
- Access and Assessment

**Innovation:**

- Respect, Inspire, Support, Empower (RISE - previously GRRRL) Program

**Capital Facilities and Technological Needs:**

- Client/Family Access to Resources
- Electronic Health Records Enhancement
- Consumer Security and Confidentiality

The plan also provides a MHSA Budget and Prudent Reserve update for fiscal year 16/17. Each MHSA funded component also includes program descriptions and substantive program changes if applicable.

In prior Mental Health Service Act Plan Updates, the Behavioral Wellness Director was authorized to approve and submit Annual Plan Updates to the State, after following a specified stakeholder process. As of 2012, Welfare and Institutions Code Section 5847 amended this process by requiring that the Board of Supervisors also adopt all plan updates. It is also important to note that Welfare and Institutions Code Section 5891 and Title 9 of the California Code of Regulations Section 3410, directly related to Non-Supplanting of Mental Health Services Act funds, have not been amended and must be adhered to by counties. The current plan update was presented to stakeholders and was posted for a 30-day public posting and review period. Additionally, the plan was also presented to stakeholders in a public hearing on August 31, 2016 by the Mental Health Commission.

**Fiscal and Facilities Impacts:**

Budgeted: There were only minor changes to the MHSA Plan budget from the FY 15-16 to 16-17 due to the elimination of funding for two Prevention and Early Intervention (PEI) programs as these services are now covered under Affordable Care Act (ACA).

In FY 15-16 and prior years, PEI expenditures exceeded ongoing available funding, so the Restricted Fund Balance was utilized. Restricted Fund Balance for PEI was exhausted in FY 15-16.

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized On-going Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
General Fund	\$ -	\$ -	\$ -
State	\$ 34,682,014.00	\$ 34,682,014.00	\$ -
Federal	\$ 26,689,993.00	\$ 26,689,993.00	\$ -
Fees	\$ -	\$ -	\$ -
Other:	\$ 6,746,810.00	\$ 6,746,810.00	\$ -
<b>Total</b>	<b>\$ 68,118,817.00</b>	<b>\$ 68,118,817.00</b>	<b>\$ -</b>

Narrative: The MHSA Plan Update for FY 16/17 is based on the FY 16/17 adjusted budget as approved by the Board of Supervisors July 2016. This reflects the total MHSA funds and other sources leveraged by those funds.

As the income tax that funds MHSA is paid by only a very small proportion of the population (approximately 1/10 of one percent of California taxpayers), it is subject to some variability from year to year. While the State’s current economic forecasts indicate continued annual growth in this funding stream over the next two years, the County maintains a prudent reserve that can be drawn on during economic downturns. However, the department is aware of the State’s “No Place Like Home” housing initiative which will redirect up to \$1.4M of Behavioral Wellness’ MHSA funding annually. This redirection is not expected to begin until FY2017/18 and will be phased in, to a maximum of \$1.4M annually, over the course of the next two to three fiscal years. As this redirection is phased in, economic trends indicate expected growth over this period, so it is expected that the increased funding from economic growth will fully cover the redirection of funding to the “No Place Like Home” initiative.

**Special Instructions:**

Please return one (1) Minute Order to [dmorales@co.santa-barbara.ca.us](mailto:dmorales@co.santa-barbara.ca.us).

**Attachments:**

Attachment A: MHSA Plan Update for FY 16/17

**Authored by:**

Refujio Rodriguez/Denise Morales