

Alcohol, Drug and Mental Health Services Department (ADMHS)

Financial Status Update
May 20, 2014



Recommended Actions

- Receive and file a report regarding the financial status of the Alcohol, Drug and Mental Health Services Department (ADMHS);
- Approve a Budget Revision Request (BRR # 0003357) to Increase Appropriations of \$4,686,938 in ADMHS Mental Health Fund for Salaries & Benefits (\$132,158), Services & Supplies (\$3,609,570), and Other Charges (\$945,210) funded by Intergovernmental Revenue (\$592,532), Charges for Services (\$1,958,386), Other Financing Sources (\$1,600,000) and Miscellaneous Revenue (\$536,020). Increase appropriations of \$1,600,000 in the General County Programs General Fund for Other Financing Uses funded by a release of Committed Fund Balance.
- Direct the Department to return to the Board in August 2014 with further information on how the Department ended FY 13-14.

Mental Health

- Mandated to serve all Medi-Cal beneficiaries with specialty mental health needs, and
- To the extent resources allow:
 - Adults who require or are at risk of requiring crisis services or acute inpatient care because of psychosis or the likelihood of suicide or violence
 - Children with serious emotional disturbance (SED)
 - Adults and older adults with serious mental illness (SMI)

Children's Mental Health

- Residential treatment
- Crisis services (SAFTY)
- Array of Outpatient services, including:
 - ADMHS Outpatient Clinics
 - Therapeutic Behavioral Services
 - Wraparound
 - Intensive In-Home
 - Juvenile Justice Mental health
 - Katie A. (new for FY 13-14)

Adult Mental Health

- Acute psychiatric inpatient hospital (PHF and contracted)
- Long term IMD (including nursing facilities)
- Intensive Residential
- Crisis services
 - Crisis Triage Teams (new for FY 13-14)
- Array of Outpatient services
 - ADMHS Outpatient Clinics
 - Assertive Community Treatment (ACT)
 - Supported Housing
 - Homeless

Historical Financial Challenges

- Structural funding imbalance
 - Costs exceed budgeted funding for three main reasons:
 1. Services to the indigent
 - CARES to MHSA in FY 11-12 resolved Outpatient
 2. Homeless shelter beds and services
 - Cost reductions attributed to increase in Inpatient cost
 3. Inpatient services (PHF and out-of-County)
 - Non-PHF costs continue to increase

FY 13-14 Year-End Projections

- End of 2nd Quarter Projected Deficit: \$4.0M
 - BOS approved \$1.2M of additional GFC
 - Remaining projected deficit of \$2.8M
- End of 3rd Quarter Projected Deficit: \$1.6M
 - Increase of revenue by \$3.1M
 - Increase of expenses by \$4.7M

Current Financial Challenges

Year-End Projected Revenue Budget Increases	Projected Amount
Increase in State revenue	+\$0.6 million
Increase in Charges for Service revenues	+\$2.0 million
Increase in settlement revenues	+\$0.5 million
Total Projected Revenue Budget Increase for the Mental Health Fund	+\$3.1 million

Current Financial Challenges

Year-End Projected Expense Budget Increases	Projected Amount
Increase in inpatient contract bed expenses	-\$2.5 million
Increase in Extra Help expenses	-\$0.8 million
Increase in temporary nurse staff expenses	-\$0.5 million
Increase in support services expenses from other departments	-\$0.3 million
Increase in cost report settlement expenses	-\$0.6 million
Total Projected Expense Budget Increase for the Mental Health Fund	-\$4.7 million

Total Projected Deficit for the Mental Health Fund	-\$1.6 million
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Questions

