

Setting the Standard in Health Care Excellence

June 18, 2024

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

SUBJECT: Approval of, and Authorization for the Ventura County Behavioral Health Director to Sign and Submit, the Mental Health Services Act Annual Update for Fiscal Year 2023-24 to the Department of Health Care Services (DHCS) and Mental Health Services Oversight and Accountability Commission (MHSOAC).

RECOMMENDATION:

Approval of, and authorization for the Ventura County Behavioral Health (VCBH) Director or designee to sign and submit, the Mental Health Services Act (MHSA) Annual Update for Fiscal Year (FY) 2023-24 (Exhibit 1) to the Department of Health Care Services (DHCS) and Mental Health Services Oversight and Accountability Commission (MHSOAC).

FISCAL/MANDATES IMPACT:Mandatory: No [] Yes [X] Cite Authority: Proposition 63 MHSA.Source of Funding: Proposition 63 MHSA Funds, Short Doyle/Medi-Cal (SD/MC)
Federal Financial Participation (FFP), Other Grants, and Client Fees.Funding Match Required: NoImpact on Other Department(s): None

| | <u>FY2023-24</u> | <u>FY2024-25</u> |
|---|------------------|------------------|
| Summary Forecast of Revenue and Total Costs | | |
| Revenue: | \$108,570,166 | \$121,144,063 |
| Costs: | | |
| Direct Cost | \$108,570,166 | \$121,144,063 |
| Indirect - Dept. | \$0 | \$0 |
| Total Costs | \$108,570,166 | \$121,144,063 |
| Net County Costs | \$0 | \$0 |

| FY 2023-24 Adjusted Budget for MHSA Division #3260 | | | | |
|---|-----------------------|------------------------|-------------------------|------------------------------------|
| | Adopted Budget | Adjusted Budget | Projected Actual | Estimated Savings/(Deficit) |
| Appropriations | \$90,051,311 | \$116,059,238 | \$108,570,166 | \$7,489,072 |
| Revenue | \$86,774,914 | \$106,721,301 | \$107,152,030 | \$430,729 |
| Net Cost | \$3,276,397 | \$9,337,937 | \$1,418,136 | \$7,919,801 |

Note: Appropriations and revenue are included in the FY 2023-24 adjusted budget and FY24-25 preliminary budget for MHSA.

DISCUSSION:

Background

Proposition 63, passed by California voters in November 2004, effective on January 1, 2005, and known as the MHSA, imposes a one (1) percent income tax on personal income in excess of \$1,000,000 to provide funding to counties for the development of a broad continuum of mental health services and supports programs that will reduce the adverse impact from untreated serious mental illness in adults and severe emotional disturbance in children and youth with an emphasis on unserved and underserved individuals. The MHSA is comprised of five components: (1) Community Services and Supports (CSS), (2) Prevention and Early Intervention (PEI), (3) Innovation (INN), (4) Workforce Education and Training (WET), and (5) Capital Facilities and Technological Needs (CF/TN). The regulations require that counties develop three (3) year plans detailing how Proposition 63 MHSA funding will be utilized within the county and submit an Annual Update each year of the subsequent three (3) years. This plan is developed locally with stakeholder input and is reviewed by the local mental health board, approved by the Board of Supervisors, and then submitted to the DHCS and the MHSAOAC. MHSA funds are considered a last resort for programs and are used only after all other funding sources are applied.

MHSA Annual Update

The MHSA requires counties to provide an annual update report ("Annual Update") forecasting VCBH's projected total expenses and revenues from all sources for the current fiscal year. The FY 2023-24 Annual Update before your Board includes the Community Program Planning and Local Review Process, VCBH's MHSA Budget, forecasted program adjustments and reporting on the MHSA Plan components for Community Services and Supports (CSS), Prevention and Early Intervention (PEI), Workforce Education and Training (WET), Capital Facilities and Technology (CFTN) and Innovation (INN). The community planning process allows stakeholders the opportunity

to provide feedback from their unique perspective about the programs and services being funded through MHSA. An annual update is a standalone report that conveys the changes to the current 3-year Plan. The 3-year plan was submitted to DHCS on June 30, 2023. This year's Annual Update report focuses on year 1 (FY 2022-23) of the current 3-year plan, and will be submitted to DHCS on June 30, 2024, upon your Board's approval.

The FY 2023-24 Annual Update was presented and posted for comment at the April 15, 2024, Behavioral Health Advisory Board (BHAB) general meeting. The public comment period was open from April 15, 2024 through May 20, 2024. A Public Hearing took place at the BHAB general meeting on May 20, 2024. At that time, the FY 2023-24 Annual Update was approved by the BHAB for submittal to the Board of Supervisors.

To date for FY 2023-24, VCBH's expenses for mental health services totaled \$66,536,266. Of this amount, approximately 87% were funded by MHSA. The remaining 13% were funded utilizing non-MHSA sources, such as SD/MC FFP, grants, insurance, and client fees. By the close of FY 2023-24, VCBH expects to commit \$108,570,166 in total expenses for the provision of mental health services. VCBH forecasts that non-MHSA funding sources will cover 32% of program costs. The remaining 68% will be funded by VCBH's available MHSA program funding.

VCBH recommends approval of, and authorization for the VCBH Director or designee to sign and submit, the FY 2023-24 Annual Update to the DHCS and the MHSOAC.

This Board letter has been reviewed by the County Executive Office, Auditor-Controller's Office, and County Counsel. If you have any questions regarding this item, please contact VCBH Interim Director Loretta L. Denering, DrPH, MS at (805) 981-2214 or Health Care Agency Assistant Chief Financial Officer Narcisa Egan at (805) 973-5357.



LORETTA DENERING DRPH, MS
Behavioral Health Interim Director

BARRY ZIMMERMAN
Health Care Agency Director

Attachment:

Exhibit 1 – FY 2023-24 MHSA Annual Update