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March 7, 2008

DMH INFORMATION NOTICE NO.: 08-04

TO: LOCAL MENTAL HEALTH DIRECTORS  
LOCAL MENTAL HEALTH PROGRAM CHIEFS  
LOCAL MENTAL HEALTH ADMINISTRATORS  
COUNTY ADMINISTRATIVE OFFICERS  
CHAIRPERSONS, LOCAL MENTAL HEALTH BOARDS

SUBJECT: MENTAL HEALTH SERVICES ACT FISCAL QUESTIONNAIRE

REFERENCE: IMPLEMENTATION OF THE MHSA, WELFARE & INSTITUTIONS  
CODE SECTIONS 5890 ET. SEQ., AND TITLE 9, CALIFORNIA  
CODE OF REGULATIONS SECTIONS 3500 ET. SEQ.

This Department of Mental Health (DMH) Information Notice provides Counties<sup>1</sup> who receive funding under the Mental Health Services Act (MHSA) notice of DMH's plan to conduct fiscal reviews of each County's MHSA program. DMH will be gathering information regarding how effectively counties are complying with requirements regarding MHSA expenditures. This will be a review and not a formal audit of MHSA funds. The information collected focuses on the statutory and regulatory requirements associated with receiving and expending MHSA funds.

MHSA charges DMH with the responsibility of administering the Mental Health Services Fund (MHS Fund), specified in Welfare & Institutions Code (WIC) § 5890(a). Within the MHSA, Interagency System of Care, as set forth in Section 5860 of WIC, DMH is required to audit and monitor the use of funds for compliance with the systems of care.

DMH has developed a series of fiscal questions which will be sent to counties along with the usual and customary Medi-Cal program audit notification letter. The fiscal review period will be from January 1, 2005, up to the date that the audit staff reviews the responses to the questionnaire received from the County, as well as pre-review data gathered by DMH audit staff regarding the program. (For example, the MHSA program commenced on January 1, 2005, and if audits' review of the County's responses is January 31, 2008, the fiscal review period will be January 1, 2005, to January 31, 2008.)

The Counties will be given the following time frames to respond to the questions:

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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. (Title 9, California Code of Regulations § 3200.060)

- Counties who received the MHSA questionnaire along with the audit notification letter will be given 45 calendar days from the date of the notification letter to submit written responses to DMH.
- Counties who did not receive the MHSA questionnaire or an audit notification letter for FY 02-03 will be sent a copy of the questionnaire and will be given 45 calendar days from the date of the transmittal letter to submit written responses to DMH.

An interim assessment of the implementation status of the MHSA program will be beneficial for both identifying and clarifying issues as well as enabling DMH to better learn about and share “best practices” approaches to strengthen and improve County compliance. DMH intends to provide a draft report to the County Mental Health Director for input and clarification, as necessary, prior to issuance of the final report.

If you have any questions or need any additional information or assistance, please contact Walter J. Hill, Jr., Audits Branch Chief, at [walter.hill@dmh.ca.gov](mailto:walter.hill@dmh.ca.gov) or (916) 445-1554, and you will be referred to the appropriate audit supervisor.

Sincerely,

Original signed by

STEPHEN W. MAYBERG, Ph.D.  
Director