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December 10, 2009

DMH INFORMATION NOTICE NO.: 09-20

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 PLANNING ESTIMATES FOR
FISCAL YEAR 2010/11

REFERENCE IMPLEMENTATION OF THE MHSA, WELFARE AND INSTITUTIONS
CODE SECTIONS 5847, 5848, AND 5892

This Department of Mental Health (DMH) Information Notice transmits the Mental Health Services Act (MHSA) Planning Estimates¹ for Counties² for the Fiscal Year (FY) 2010/11 for the three components of the Three-Year Program and Expenditure Plan funded in FY 2010/11 (Community Services and Supports (CSS), Prevention and Early Intervention (PEI), and Innovation (INN). Enclosure 1 provides the FY 2010/11 Planning Estimates for the CSS component and Enclosures 2 and 3 provide the FY 2010/11 Planning Estimates for PEI and INN components. Enclosure 4 provides a summary of the FY 2010/11 Planning Estimates for CSS, PEI and INN. Enclosure 5 provides the maximum amount of CSS funds that can be transferred to other components pursuant to Welfare and Institutions Code (WIC) section 5892, subdivision (b).

Total statewide funding for each component is determined each year based on actual deposits into the Mental Health Services Fund (MHS Fund) compared to existing commitments and obligations against the MHS Fund. The Department, in consultation with the California Mental Health Directors' Association (CMHDA), the Mental Health Services Oversight and Accountability Commission (MHSOAC), and the Mental Health Planning Council, then establishes the total fiscal year statewide funding for each component, using the percentages set forth in the Act. (See Welf. & Inst. Code § 5892)

The MHSA services and programs are funded by revenues from the voter approved one percent (1%) tax levy on individuals earning a gross adjusted income above one million dollars. Due to the current economic recession, the numbers of individuals in this tax bracket

¹Planning Estimates are the estimates provided by the Department of each County of the maximum amount of MHSA funding by component that the County can request through its Three-Year Program and Expenditure Plan or update(s) for a given year.

² "County" means the County Mental Health Department, two or more County Mental Health Departments.

have decreased. As a result, future MHSAs revenues are expected to decline, resulting in reductions to MHSAs Planning Estimates. If deposits into the MHS Fund decline in future years, the total statewide funding for a component may be less than prior years. Also, if deposits into the MHS Fund from prior years have not been fully obligated or committed for a component, total statewide funding for that component may be greater in one year than the next.

DMH will provide further guidance on how a County can access MHSAs funds for FY 2010/11 in a separate Information Notice. Distribution of funds is subject to approval of a County's request by DMH and, for PEI and INN, the MHSOAC.

Pursuant to the MHSAs Section 5847 (f), the Act requires DMH, in consultation with CMHDA, to annually inform Counties of the amounts of funds available for services. Based on this consultation and the Principles for MHSAs Distribution Methodology developed by CMHDA, during the years in which funding available for a MHSAs component is in decline, the distribution formula applied to that component should support maintaining service obligations by applying a proportional reduction across all Counties. The reduction in individual County Planning Estimates for CSS and PEI are based on the previously used methodology updated with the most current information from state and national databases as provided in detail in DMH Information Notice No.:08-36. The Planning Estimates include the following factors that have been weighted:

1. The need for mental health services in each County
2. Adjustments to the need for mental health services in each County

Planning Estimates for INN are based on the relative share of total CSS and PEI Planning Estimates provided to each County in FY 2009/10 and 2010/11 in order to be consistent with Welfare and Institutions Code § 5892(a)(6), in which funding utilized for innovative work plans is a proportion of CSS and PEI funding (Enclosure 3).

If you have questions about this Information Notice, please contact your County Technical Assistance representative identified on the following DMH website:

http://www.dmh.ca.gov/Services_and_Programs/Local_Program_Support/County_Technical_Assistance.asp

Sincerely,

Original signed by

STEPHEN W. MAYBERG, Ph.D.
Director

Enclosures (5)

cc: California Mental Health Planning Council
California Mental Health Directors Association
Mental Health Services Oversight and Accountability Commission
Deputy Director, Community Services Division