



# Mental Health Services Act Annual Revenue and Expenditure Report

## REVIEW PROCESS

January 31

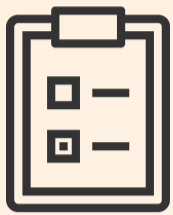
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### REVENUE & EXPENDITURE REPORT

Counties submit completed Annual Revenue Expenditure Report (RER) to the Department of Health Care Services (DHCS) for review by the **January 31st deadline**.

- Authority Cited: California Code of Regulations (CCR), Section 3510.

JANUARY



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### RER REVIEW AND CORRECTIONS

DHCS reviews county RER submissions and provides necessary guidance/technical assistance to counties with RER errors in need of corrections.

- DHCS Review Process: 5 days
- County RER Corrections: 2 weeks

1. DHCS will review the RER within 5 business days.
2. If DHCS finds errors, the county RER point of contact will be notified via email.
3. If the County does not resubmit a revised and corrected RER within two weeks, a follow-up email will be sent. DHCS will review the RER within 5 business days.
4. DHCS provides guidance and technical assistance to the counties as needed.
5. A clean and finalized RER must be submitted to DHCS by Jan. 31st of the reporting fiscal year.

February 1 and ongoing

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### LATE SUBMISSIONS AND WITHHOLDS

- If a county does not submit the annual RER by the required deadline, the department may withhold MHPA funds until the reports are submitted.
- Authority Cited: Welfare and Institutions Code (WIC) Section 5899(e)



1. DHCS will notify any county that has not submitted a complete and accurate RER. The county will have 30 calendar days to make their submission.
2. DHCS will direct the State Controller's Office (SCO) to withhold 25% of the next monthly MHPA allocation if an RER is not timely or accurate.
3. When DHCS determines that the county has submitted a complete and accurate RER, it will direct the SCO to release the withheld funds back to the county.

February 1 to March 30

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### REVERSION CALCULATIONS

- Reverted Funds: MHPA funds allocated to a county that have not been spent within a specified period of time must revert to the state, be deposited into the Reversion Account, and made available to other counties in future years.
- Reversion calculations are conducted after all county RERs for the fiscal year have been completed and finalized. DHCS will determine reversion calculations within 30 to 60 days.
- Authority Cited: WIC, Section 5892(h).



April 30

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### OFFICIAL REVERSION NOTICES

By April 30 of each year, after reversion calculations are determined and finalized, DHCS will send an official notice to each county notifying them of the amount of county funds that are subject to reversion. The notice will include a schedule of the county's funds subject to reversion from each component (CSS, PEI, INN, CFTN, and WET)\*, and will include data from the county's RER that DHCS used to determine the amounts subject to reversion.



- \* CSS: Community Services and Supports
- PEI: Prevention and Early Intervention
- INN: Innovation
- CFTN: Capital Facilities and Technological Needs
- WET: Workforce Education and Training

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### COUNTY SUBMISSION OF APPEAL

If a county disagrees with DHCS' determination of the reversion amount, the county may submit an appeal to DHCS. To appeal, the county shall submit the following documents by email to [MHPA@dhcs.ca.gov](mailto:MHPA@dhcs.ca.gov):

- A completed Adjustments to Revenue or Expenditure Summary form (DHCS 1821 Form).
- An executed MHPA Fiscal Accountability Certification form (DHCS 1820 Form).



- The county must submit an appeal within 30 calendar days of receiving the notice of the amount of the county's funds that are subject to reversion. DHCS will not consider late appeals.
- Decision on Appeal: DHCS will review the appeal documents and email a written decision to the county within 45 calendar days of receiving the appeal. DHCS' decision will include a statement of the reasons that support the decision.

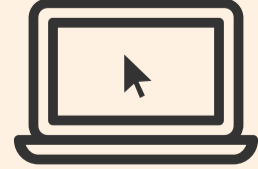
October 1

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### DHCS FINAL REVERSION REPORT

DHCS finalizes reversion calculations (including adjustments made per appeal determinations), receives remitted funds from counties, and reallocates the remitted funds to all other counties.

The final reversion report is sent to the legislature and posted on the DHCS website by October 1st.



- As counties remit, DHCS redistributes the funds back into the Mental Health Service Fund.
- There is no deadline for the return of the reverted funds.