



State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

DATE: May 19, 2014

MHSUDS INFORMATION NOTICE NO.: 14-017

TO: COUNTY ALCOHOL AND DRUG PROGRAM ADMINISTRATORS
COUNTY MENTAL HEALTH DIRECTORS
LOCAL MENTAL HEALTH BOARDS

SUBJECT: FISCAL YEAR 2012-13 BEHAVIORAL HEALTH SERVICES
GROWTH SPECIAL ACCOUNT ALLOCATIONS

REFERENCE: SENATE BILL (SB) 1020 (CHAPTER 40, STATUTES OF 2012)

EXPIRES: Retain until superseded

Senate Bill (SB) 1020 (Chapter 40, Statutes of 2012) amended Section 30025 of the Government Code to create the Behavioral Health Services Growth Special Account within the Support Services Growth Subaccount within the Sales and Use Tax Growth Account of the Local Revenue Fund 2011. Section 30029.07 of the Government Code requires the State Controller's Office (SCO) to distribute funds allocated to the Behavioral Health Services Growth Special Account pursuant to a schedule provided by the Department of Finance (Finance) created in consultation with appropriate State agencies and the California State Association of Counties. The Behavioral Health Services Growth Special Account has \$27,863,053.10 for Fiscal Year 2012-13. The purpose of this information notice is to describe the methodology used to develop the allocation schedule that Finance provided to the SCO for the distribution of these funds.

Distribution of Growth Funds

First priority was given to reimburse counties for the two entitlement programs, Medi-Cal Specialty Mental Health Early and Periodic Screening Diagnosis and Treatment (EPSDT) and Drug Medi-Cal (DMC). Specifically, this allocation schedule provides additional funding to eight counties (Del Norte, Glenn, Imperial, Inyo, Los Angeles, Modoc, Mono, Santa Clara) in which the approved claims for EPSDT and DMC services provided in Fiscal Year 2012-13 was greater than the funding they received in 2012-13 from the Behavioral Health Subaccount. The total amount allocated for this purpose is \$8,693,873.26.

The remaining balance of \$19,169,179.10 in the Behavioral Health Services Growth Special Account will be distributed using the same percentage schedule used to distribute the funds allocated to the Behavioral Health Subaccount in 2013-14.

Enclosure 1 is the allocation schedule that Finance has provided the SCO to distribute the Fiscal Year 2012-13 Behavioral Health Services Growth Funds and the amount each county will receive.

Enclosure 2 displays how the allocation schedule was calculated. Column A displays each county's historical State General Fund share of FY 2012-13 approved claims for EPSDT and DMC services based upon claims submitted through December 31, 2013. Column B displays the proportional share of 2011 Local Revenue Funds available to each county to provide EPSDT and DMC Services in Fiscal Year 2012-13. Column B includes the proportional share of funding each county received from the Behavioral Health Subaccount in Fiscal Year 2012-13 for EPSDT and DMC services plus the unexpended balance of funds distributed to counties from the Local Revenue Fund 2011 for DMC services in Fiscal Year 2011-12. Column C displays the amount of funding each county will receive for the historical share of State General Fund for entitlement programs. Column D displays the Fiscal Year 2013-14 Behavioral Health Subaccount Allocation Schedule. Column E displays the allocation of the remaining \$19,167,179.10 in growth funds for each county based upon the Fiscal Year 2013-14 Behavioral Health Subaccount Allocation schedule. Column F is equal to the sum of Columns C and E, and represents the total amount of money each county will receive from the Behavioral Health Services Growth Special Account for the revenue collected for Fiscal Year 2012-13. Column G is equal to the amount in Column D for each county divided by the grand total of Column D. Column G is the allocation schedule that Finance provided to the SCO to allocate the \$27,863,053.10 in the Behavioral Health Services Growth Special Account.

Federal Entitlement to Medi-Cal Specialty Mental Health EPSDT

As DHCS previously clarified in [Information Notice 13-01](#), 2011 Realignment did not in any way abrogate or diminish the requirement that a County Mental Health Plan (MHP) provide, or arrange for the provision of, Medi-Cal specialty mental health services, including EPSDT services, for Medi-Cal beneficiaries. The EPSDT benefit, mandated under the Medi-Cal program pursuant to federal law, requires MHPs to provide, or arrange for the provision of, specialty mental health services to beneficiaries under age 21 who meet medical necessity criteria for those services and are eligible for the full scope of Medi-Cal services. This applies whether or not such specialty mental health services are specified in the State Plan, as long as they are covered under the federal Medicaid entitlement.

Consultation to Develop Allocation of Growth Funds

As required by Government Code Section 30029.07, Finance consulted with relevant state agencies and the California State Association of Counties on these allocations. DHCS, in collaboration with Finance, also sought and received input on factors for this growth revenue from stakeholders, including client groups and provider organizations, through a stakeholder call on September 25, 2013, and review of subsequent written comments DHCS received.

Future Growth

For future years, the first priority for growth funds will continue to be the entitlement programs: Medi-Cal Specialty Mental Health EPSDT and DMC. Further examination of other factors is needed prior to the distribution of future of growth funds. These factors may be based on information that will be available through the Performance Outcome System for Medi-Cal Specialty Mental Health for Children and Youth, once available, or for counties that do not currently operate the DMC program.

For any questions regarding this information notice, please contact Gary Renslo, Chief, Fiscal Management and Outcomes Reporting Branch, Mental Health Services Division, at Gary.Renslo@dhcs.ca.gov.

Sincerely,

Original Signed By

Karen Baylor, Ph.D., LMFT, Deputy Director
Mental Health & Substance Use Disorder Services

Enclosures (2)