

Fresno County
Department of Behavioral Health
Mental Health Services Act
Assembly Bill 114 (Statute of 2017) Plan to Spend

[Posted: June 28, 2018 – Revised August 7, 2018*](#)

Public Discussion: August 2018

[View our website for a list of public meetings in August](#)

Approval by Board of Supervisors: Scheduled for September 25, 2018

*The only revision of this document is a change from a scheduled public hearing to a scheduled public discussion; a public hearing is not required.



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Introduction and Overview

On December 28, 2017 Fresno County Department of Behavioral Health (DBH) received Information Notice (IN) 17-059 from California Department of Health Care Services (DHCS) Mental Health & Substance Use Disorders Services (MHSUDS).

The purpose of Information Notice 17-059 was to inform counties of the following:

- The process the DHCS will use to determine the amount of unspent Mental Health Services Act (MHSA) funds subject to reversion as of July 1, 2017;
- The appeal process available to a county regarding that determination; and
- The requirement that by July 1, 2018, counties have a plan to expend the reverted funds by July 1, 2020.

Background and Local Impact for IN 17-059:

Assembly Bill (AB) 114 (Chapter 38, Statutes of 2017) became effective July 10, 2017. The bill amended certain Welfare and Institutions Code (WIC) Sections related to the reversion of MHSA funds. AB 114 implemented provisions concerning funds subject to reversion as of July 1, 2017. Funds subject to reversion as of July 1, 2017, were deemed to have been reverted and reallocated to the county of origin for the purposes for which they were originally allocated (WIC Section 5892.1 (a)). Funds that could be subject to reversion as of July 1, 2017, were distributed to counties from Fiscal Year (FY) 2005-06 through FY 2014-15.

In Fresno County this includes \$9,433,301 of Prevention and Early Intervention (PEI), Innovation (INN), Workforce, Education and Training (WET), and Capital Facility/Technology Needs (CFGN) funds as follows:

Fiscal Year	PEI	INN	WET	CFTN	Total
2006-07	-	-	\$ 617,664	-	\$ 617,664
2007-08	-	-	\$ 2,388,530	\$ 1,381,341	\$ 3,769,871
2008-09	-	\$ 1,467,376	-	-	\$ 1,467,376
2009-10	\$ 1,240,689	\$ 1,430,021	-	-	\$ 2,670,710
2010-11	-	\$ 907,680	-	-	\$ 907,680
2011-12	-	-	-	-	-
2012-13	-	-	-	-	-
2013-14	-	-	-	-	-
2014-15	-	-	-	-	-
Total	\$ 1,240,689	\$ 3,805,077	\$ 3,006,194	\$ 1,381,341	\$ 9,433,301

No Community Services & Supports (CSS) funds are included in this calculation or at risk for reversion.

By July 1, 2018, DHCS is required to prepare a report to the Legislature identifying the amounts of funds subject to reversion by county. Prior to releasing the report, DHCS is required to provide each county with the amount of funds they have determined are subject to reversion and a process for counties to appeal that determination (WIC Section 5892.1 (b)).

Additionally, by July 1, 2018, counties are required to have a plan to spend those funds by July 1, 2020 (WIC Section 5892.1 (c)). Pursuant to WIC Section 5892.1, subdivision (e), 1 DHCS provided counties with IN 17-059 to implement those requirements. Additionally, IN 17-059 supersedes all other reversion policies contained in past Information Notices developed by the former Department of Mental Health and DHCS.

A county may expend reallocated funds for an already approved program/project or use the reallocated funds to expand an already approved program/project provided the program/project is the same component as the component for which the funds were originally allocated to the county, which must be in compliance with applicable MHSA statutes and regulations.

If a county fails to prepare a plan and submit a link to the plan by the required deadlines, the county will be substantially out of compliance with the MHSA. Per WIC Section 5899(e), DHCS will work with the SCO (State Controller's Office) to develop a process to withhold 25% of the county's monthly allocations from the MHF (Mental Health Fund) until the county submits a link to the plan.

Information Notice 17-059 specified the following instructions for counties to plan to spend the funds:

- Every county must develop a plan to spend its reallocated funds and post it to the county's website;
- The county must submit a link to the plan to DHCS via email at MHSA@dhcs.ca.gov by July 1, 2018;
- Each county's Board of Supervisors (BOS) must adopt a final plan within 90 days of the county posting the plan to the county's website;
- Each county must submit its final Plan to Spend to DHCS and the MHSAOAC within 30 days of adoption by the county's BOS;
- A county may not spend funds that are deemed reverted and reallocated to the county until the county's BOS has adopted a plan to spend those funds;
- The expenditure plan must account for the total amount of reverted and reallocated funds for all impacted FYs, as indicated in the applicable notice of unspent funds subject to reversion or in the final determination on an appeal;
- The county must include the Plan to Spend in the County's Three-Year Program and Expenditure Plan or Annual Update, or as a separate plan update to the County's Three-Year Program and Expenditure;
- Plan, and comply with WIC Section 5847(a);
- Reallocated funds must be expended on the component for which they were originally allocated to the county.

Summary and Recommendation:

- 12/5/11 Department of Mental Health (now DHCS) issued Information Notice 11-15 clarifying how funds subject to reversion should be calculated by counties. Using this calculation, Fresno County had no funds subject to reversion.
- 6/23/16 DHCS issued IN 16-026 rescinding IN 11-15, thereby making unspent funds from fiscal years 2008-2009 through 2015-2016 subject to reversion if not spent within three fiscal years from 7/1/16.
- 7/10/17 Assembly Bill (AB) 114 (Chapter 38, Statutes of 2017) became effective and amended Welfare and Institutions Code (W&IC) sections related to the reversion of MHSA funds making funds subject to reversion as of 7/1/17 deemed reverted and reallocated to the county of origin for the purposes for which they were initially allocated, and that such funds be spent by 7/1/20. AB 114 required that each County with unspent funds prepare a plan to expend funds by 7/1/18.
- 12/28/17 DHCS issued IN 17-059 providing the methodology used to calculate funds subject to reversion as of 7/1/17. IN 17-059 also provides guidance on the appeals process, the plan to spend the funds, and the consequences for failure to spend the funds.

DBH recommends the following plan to spend reverted/reallocated PEI funds:

Expenditure Item	Years to be spent	Amount to be spent	From Fiscal Year
Community Response/Law Enforcement*	FY 2018-2019 FY 2019-2020	\$ 1,240,689	FY 2009-2010
<i>*Total amount of funds have already been approved in the “Fresno County Department of Behavioral Health Mental Health Service Act Plan” for fiscal years 2017-2020 approved by the Fresno County Board of Supervisors on December 5, 2017 and there is no expansion in this plan to spend. A Request for Proposal will be released in June 2018 and the program is expected to be in operation by the close of FY 2018-2019</i>			

DBH recommends the following plan to spend reverted/reallocated INN funds:

Expenditure Item	Years to be spent	Amount to be spent	From Fiscal Year
Technology Suite** The Lodge* APP for Transportation*	FY 2018-2019 FY 2019-2020	\$ 3,805,077	FY 2008-2009 FY 2009-2010 FY 2010-2011
<i>*Total amount of funds have already been approved in the “Fresno County Department of Behavioral Health Mental Health Service Act Plan” for fiscal years 2017-2020 approved by the Fresno County Board of Supervisors on December 5, 2017 and there is no expansion in this plan to spend.</i>			

*****Fresno County is planning on increasing services to join a cross-county collaborative Mental Health Technology Suite MHSA Innovation project aimed at decreasing stigma and increasing access to mental health services subject to Board and Mental Health Oversight and Accountability Commission (MHSOAC) approval.***

DBH recommends the following plan to spend reverted/reallocated WET funds:

Expenditure Item	Years to be spent	Amount to be spent	From Fiscal Year
Administration and Coordination Activities*	FY 2017-2018		FY 2006-2007
Appropriate Services*	FY 2018-2019	\$ 3,006,194	FY 2007-2008
Career Pathways*	FY 2019-2020		
De-Stigmatization*			
<i>*Total amount of funds have already been approved in the “Fresno County Department of Behavioral Health Mental Health Service Act Plan” for fiscal years 2017-2020 approved by the Fresno County Board of Supervisors on December 5, 2017 and there is no expansion in this plan to spend.</i>			

DBH recommends the following plan to spend reverted/reallocated CFTN funds:

Expenditure Item	Years to be spent	Amount to be spent	From Fiscal Year
Sierra Resource Center Facility Upgrades*	FY 2017-2018 FY 2018-2019 FY 2019-2020	\$ 1,381,341	FY 2007-2008
<i>*Total amount of funds have already been approved in the “Fresno County Department of Behavioral Health Mental Health Service Act Plan” for fiscal years 2017-2020 approved by the Fresno County Board of Supervisors on December 5, 2017 and there is no expansion in this plan to spend.</i>			

Future of PEI, INN, WET and CFTN funding in Fresno:

Following these new instructions from DHCS accomplishes the following steps:

- Reconciles with DHCS the amount of funds that were reverted / reallocated to Fresno.
- Brings Fresno in compliance with IN 17-059 by developing a plan to spend identified reverted/reallocated funds prior to June 30, 2020.
- Identifies guidelines for future expenditures of PEI, INN, WET, and CFTN funds.
- Clarifies funds available for future planning processes utilizing funds from FY 2017-2018 forward.

Local Review Process:

MHSA Plan to Spend Reverted/Reallocated Funds FY 2017-2018 (MHSA Plan to Spend) will be discussed with the community stakeholders at a public meeting in July 2018 for clarification and input. The MHSA Plan to spend will be available for 30-day public review and comment. Notification of the public review dates and access to copies of the document is made available through the following methods:

- An electronic copy is posted on the County's MHSA website:
<http://www.co.fresno.ca.us/departments/behavioral-health/mental-health-services-act/mhsa-three-year-plan-and-annual-updates>.
- Electronic notification was sent to all DBH service sites with a link to <http://www.co.fresno.ca.us/departments/behavioral-health/mental-health-services-act/mhsa-three-year-plan-and-annual-updates>, announcing the posting of this document.
- Behavioral Health Board members, as well as other community stakeholders will be sent an email informing them of the start of the 30-day review, and how to obtain a copy of the MHSA Plan to Spend.
- Public Notices will be posted in newspapers throughout Fresno County. The Public Notice will include access to the MHSA Plan to Spend, on-line at <http://www.co.fresno.ca.us/departments/behavioral-health/mental-health-services-act/mhsa-three-year-plan-and-annual-updates> and a phone number to request a copy of the document.

Public Comment:

To be added following the 30 day public review and comment period.