



MHSA Financial Report FY 2017/18

January 26, 2017



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Overview

- The January 2017 Financial Report is based on data from several key sources:
 - The Governor's Proposed Budget for FY 2017/18 provides detail on the Fund Condition for Mental Health Services Fund for FY 2015/16 (actuals), 2016/17 (estimated) and 2017/18 (projected). These include Fund revenues and investment earnings, and Annual Adjustments; as well as expenditures for State Operations and Local Assistance.
 - The Budget also provides information on two other key funding sources:
 - ◆ Realignment I (1991) funds for mental health and
 - ◆ Realignment II (2011) funds for Mental Health and Behavioral Health. Realignment II funds to counties are provided, essentially, as a block grant for mental health and behavioral health (including substance use disorder treatment). Hence, we cannot easily provide Realignment II funds specifically for mental health.
 - Federal Financial Participation in Medi-Cal reimbursable mental health services is the largest single category of Mental Health funding. Estimates for this category are drawn from Department of Health Care Services' data. Updated data was not available in time for this report.
 - Minor revenue sources include the Community Mental Health Block Grant, a formula-driven allocation from the Federal Substance Abuse and Mental Health Services Administration (SAMHSA), and an "Other" residual category of local revenue sources used to support mental health services.
- Projected local mental health funding is up 0.1 percent for FY 2016/17 and 2.2 percent for FY 2017/18 from actuals reported for FY 2015/16.
- Projected MHSAs revenues for the year are up 3.2 percent for FY 2016/17 and 4.5 percent for FY 2017/8 from actuals reported for FY 2015/16.
- Actual distributions to the counties from MHSF for FY 2015-16 were down 18 percent from FY 2014, mostly due to an 84 percent drop in the August distribution. The August 2016 distribution returned to the 2014 level.
- Through January, distributions to counties are up 69.7 percent from this point last year and up 5.9 percent from this point in 2015.

