



COUNTY OF HUMBOLDT

AGENDA ITEM NO.
C-11

For the meeting of: September 5, 2017

Date: August 24, 2017
To: Board of Supervisors
From: Connie Beck, Director *CB*
Department of Health and Human Services
Subject: Transfer of 1991 and 2011 State/Local Program Realignment from Social Services and Public Health to Mental Health for Fiscal Year (FY) 2016-2017.

RECOMMENDATION(S):

That the Board of Supervisors:

1. Find that the decision to make a change in its allocation of 2011 Social Services 1991 Public Health realignment monies is based on the most cost-effective use of available resources to maximize client outcomes;
2. Direct the Clerk of the Board to send a certified copy of these findings to the Department of Health and Human Services;
3. Direct the Department of Health and Human Services to forward a document containing this finding to the State Controller; and
4. Direct the Auditor-Controller to transfer \$1,000,000 from Mental Health Services Act trust fund 3441 to Mental Health operating fund 1170.
5. Direct the Auditor-Controller to transfer \$1,000,000 of 2011 state/local program realignment funds from Social Services fund 3742 to Mental Health operating fund 1170, and transfer \$2,500,000

Prepared by Leslie Abbott, SSM

CAO Approval *E. Shuttell*

REVIEW:

Auditor *ABM* County Counsel _____ Human Resources _____ Other _____

TYPE OF ITEM:

Consent
 Departmental
 Public Hearing
 Other _____

PREVIOUS ACTION/REFERRAL:

Board Order No. L-1

Meeting of: 6/23/2015

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor *Sundberg* Seconded by Supervisor *Fennell*

Ayes *Sundberg, Fennell, Bass, Bohn, Wilson*
Nays _____
Abstain _____
Absent _____

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: *Sep. 5, 2017*

By: *Kathy Hayes*
Kathy Hayes, Clerk of the Board

from the Social Services operating fund 1160 to the Mental Health fund 1170 in the amount of \$2,000,000 and Alcohol and Other Drugs fund 1180 in the amount of \$500,000;

6. Direct the Auditor-Controller to transfer \$1,426,600 of 1991 state/local program realignment funds from Public Health fund 3444 to the Mental Health fund 1170 in the amount of \$1,000,000 and Alcohol and Other Drugs fund 1180 in the amount of \$426,600;

SOURCE OF FUNDING:

Social Services and Public Health Funds

DISCUSSION:

The Legislature adopted programmatic changes as part of a significantly expanded realignment package enacted by Chapters 87, 89, and 91, Statutes of 1991 (AB 758, Bates, and AB 1288 and AB 948, Bronzan). The realignment passed by the Legislature included three major components: (1) program transfers from the state to the counties, (2) changes in state/county cost-sharing ratios for certain social services and health programs, and (3) an increase in the state sales tax and the Vehicle License Fee (VLF) earmarked for supporting the increased financial obligations of counties.

Section 17600.20 of the Welfare and Institution Codes allows for a transfer of 1991 State/Local Program Realignment funds between subaccounts, not to exceed ten percent (10%) of the amount deposited in the account from which funds are to be reallocated for that fiscal year. Transfers may be made between any of the accounts for any reason, as determined by the Board of Supervisors, as long as transferred funds are spent on realigned programs in other accounts.

Senate Bill 1020, the 2011 Public Safety Realignment legislation, amended Section 30025 of the Government Code, allowing counties to reallocate money between the Protective Services sub-account and the Behavioral Health sub-account within the Support Services Account of the 2011 County Local Revenue Fund. Counties that operate integrated health and human services systems may transfer these funds consistent with the provisions of Welfare and Institutions Code Section 18986.86.

This transfer is consistent with the provisions of Section 30025 of the Government Code, and with the provisions of integrated health and human services systems contained in Welfare and Institutions Code Section 18986.86.

The transfer of funds is recommended in order to address increased costs associated with providing behavioral health services and supports and an increase of needed services for severely mentally ill and homeless populations, and to make the most cost-effective use of available resources to maximize client outcomes.

FINANCIAL IMPACT:

The requested transfers of \$1,000,000 from Mental Health Services Act fund 3441 to Mental Health operating fund 1170; \$3,500,000 from Social Services and \$1,426,600 from Public Health per attachment 4, does not affect currently budgeted Social Services and Public Health program service levels. The \$1,000,000 transfer of Mental Health Services Act fund from Trust Fund 3441 will leave a balance of \$5,108,375 for fiscal year 2016-17. The \$1,000,000 transfer of Social Services 2011 state/local program realignment from Trust Fund 3742 will leave a balance of \$4,748,352 for fiscal year 2016-17. The \$2,500,000 transfer from Social Services Administrative Fund 1160 will leave a balance of \$206,590 for fiscal year 2016-17. The \$1,426,600 transfer from Public Health 1991 state/local program realignment from Trust Fund 3444 will leave a balance of \$2,909,703 for fiscal year 2016-17. These transfers totaling \$5,926,600 will increase the Mental Health operating fund 1170 an additional \$5,000,000 and the Alcohol and Other Drugs fund 1180 an additional \$926,600 Fiscal Year end 2016-17.

This transfer of funds supports the Boards Strategic Framework by creating opportunities for improved health and safety and protecting vulnerable populations.

OTHER AGENCY INVOLVEMENT:

County Administrative Office, Auditor-Controller and State Controller

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could elect not to authorize the transfer of these funds. This is not recommended as the Department is taking this action to assure its ability to meet state and federal mandate and entitlement obligations.

ATTACHMENTS:

Attachment 1: California Government Code Section 30025

Attachment 2: Welfare and Institutions Code Section 18986.86

Attachment 3: Welfare and Institutions Code Section 17600.20

Attachment 4: Fiscal Year 2016-17 Journal

ATTACHMENT 1

The people of the State of California do enact as follows:

SECTION 1. This act is titled and may be cited as 2011 Realignment Legislation.

SEC. 2. Section 30025 of the Government Code is amended to read:

(A) Any county or city and county may only annually reallocate money between subaccounts in the Support Services Account, provided that the reallocation may not exceed 10 percent of the amount deposited in the immediately preceding fiscal year in the subaccount in the Support Services Account with the lowest balance.

(B) A county or city and county shall, at a regularly scheduled public hearing of its governing body, document that any decision to make any change in its allocation between the Protective Services Subaccount or Behavioral Health Subaccount moneys among services, facilities, programs, or providers as a result of reallocating funds pursuant to subparagraph (A) was based on the most cost effective use of available resources to maximize client outcomes.

(C) Any reallocation made pursuant to this paragraph shall only be in effect for the fiscal year in which the reallocation is made, and the reallocation shall be neither a permanent allocation nor a permanent funding source for any program or service receiving funds from the reallocation.

(D) Any county or city and county that reallocates funds pursuant to this paragraph shall forward a copy of the documentation in subparagraph (B) to the Controller. The Controller shall make an annual report to the fiscal committees of the Legislature of transfers made and shall forward copies of the documentation to other interested parties upon request.

(E) Notwithstanding subparagraph (A), any county authorized to operate an integrated and comprehensive county health and human services system pursuant to Chapter 12.95 (commencing with Section 18989), Chapter 12.96 (commencing with Section 18986.60), or Chapter 12.991 (commencing with Section 18986.86) of Part 6 of Division 9 of the Welfare and Institutions Code may reallocate money between the Protective Services Subaccount and the Behavioral Health Subaccount within the Support Services Account of the County Local Revenue Fund 2011 established pursuant to paragraph (3), consistent with the provisions and restrictions contained in Chapter 12.95 (commencing with Section 18989), Chapter 12.96 (commencing with Section 18986.60), or Chapter 12.991 (commencing with Section 18986.86) of Part 6 of Division 9 of the Welfare and Institutions Code.

ATTACHMENT 2

WELFARE AND INSTITUTIONS CODE

DIVISION 9. PUBLIC SOCIAL SERVICES [10000 - 18996]

(Division 9 added by Stats. 1965, Ch. 1784.)

PART 6. MISCELLANEOUS PROVISIONS [18000 - 18999.6]

(Part 6 added by Stats. 1965, Ch. 1784.)

CHAPTER 12.991. County Integrated Health and Human Services Program [18986.86 - 18986.89]

(Chapter 12.991 added by Stats. 1999, Ch. 705, Sec. 1.)

18986.86.

(a) Humboldt County, Mendocino County, Alameda County, and any additional county or counties, as determined by the Secretary of California Health and Human Services, with the assistance and participation of the appropriate state departments, within the existing resources of those departments, may implement a program, upon approval of the county board of supervisors for the funding and delivery of services and benefits through an integrated and comprehensive county health and human services system.

(b) In providing services through an integrated system to families and individuals, the program may, among other things, do all of the following:

- (1) Implement and evaluate a system of universal intake for those seeking services.
- (2) Implement and evaluate a system whereby a family or individual eligible for more than one service may be provided those services through an integrated, coordinated service plan.
- (3) Implement and evaluate a system of administration that integrates and coordinates the management and support of client services.
- (4) Implement and evaluate a system of reporting and accountability that provides for the combined provision of services as provided for in paragraph (2), without the loss of state or federal funds provided under current law.
- (5) In consultation with the appropriate state departments, as designated by the Secretary of Health and Human Services, any participating county may develop specific goals in addition to those specified in paragraphs (1) to (4), inclusive, to achieve an integrated and comprehensive county health and human services system.

(c) The integrated system may include any or all of the following:

- (1) Adoption services.
- (2) Child abuse prevention services.
- (3) Child welfare services.
- (4) Delinquency prevention services.
- (5) Drug and alcohol services.
- (6) Mental health services.
- (7) Eligibility determination.
- (8) Employment and training services.
- (9) Foster care services.
- (10) Health services.
- (11) Public health services.

(12) Housing services.

(13) Medically indigent program services.

(d) (1) Part 2.6 (commencing with Section 56) of Division 1 of the Civil Code shall apply to the programs or services providing integrated services.

(2) Before a program obtains an individual's medical information, including mental health and drug treatment records, his or her informed authorization shall be obtained, or the informed authorization of his or her custodial parent, or his or her guardian shall be obtained if the individual is a minor, unless the minor is authorized to give consent.

(3) Medical information shall not be disclosed to any individual who is not authorized to have that information pursuant to the authorization provided in paragraph (2).

(4) Medical information shall not be disclosed for any purpose that is not authorized by the authorization in paragraph (2).

(5) The sharing of information permitted under paragraphs (2), (3), and (4) shall be governed by memoranda of understanding among the agencies represented on the team. These memoranda shall specify the types of information that may be shared without a signed release form, and the process to be used to ensure that current confidentiality requirements, as described in subdivision (d), are met.

(6) Any client shall have access to his or her medical information and shall have the right to correct any inaccurate information contained in the medical information.

(e) Programs or services shall be included in the program only to the extent that federal funding to either the state or the county will not be reduced as a result of the inclusion of the services in the project. This program shall not generate any increased expenditures from the General Fund.

(f) Each participating county and the appropriate state departments shall jointly seek federal approval of the program, as may be needed to ensure its funding and allow for the integrated provision of services.

(g) This chapter shall not authorize each participating county to discontinue meeting its obligations under current law to provide services or to reduce its accountability for the provision of these services.

(h) This chapter shall not authorize a participating county to reduce the county's eligibility under current law for state funding for the services included in the program.

(i) A participating county shall utilize any and all state general and county funds that it is legally allocated or entitled to receive. Through the creation of integrated health and social services structures, the county shall maximize federal matching funds.

(j) The Secretary of Health and Human Services shall designate a lead department to coordinate the state's participation in the county's program.

(k) The appropriate state departments, as designated by the Secretary of Health and Human Services, that are assisting, participating, and cooperating in the implementation of the program authorized by this chapter shall have the authority to waive regulations regarding the method of providing services and the method of reporting and accountability, as may be required to meet the goals set forth in subdivision (b). However, the departments shall not waive regulations pertaining to privacy and confidentiality of records, civil service merit systems, or collective bargaining. The departments shall not waive regulations if the waiver results in a diminished amount or level of services or benefits to eligible recipients as compared to the benefits and services that would have been provided to recipients absent the waiver.

ATTACHMENT 3

Section 17600.20. (Amended by Stats. 1993, Ch. 100, Sec. 9.)

Cite as: Cal. Welf. & Inst. Code §17600.20.

(a) Any county or city or city and county may reallocate money among accounts in the local health and welfare trust fund, not to exceed 10 percent of the amount deposited in the account from which the funds are reallocated for that fiscal year.

(b) After depositing funds to the social services account allocated to a county or city and county pursuant to Section 17605 and after reallocating funds from both the health account and mental health account of the local health and welfare trust fund under subdivision (a), a county may reallocate up to an additional 10 percent of the money from the health account to the social services account in the 1992–93 fiscal year and fiscal years thereafter, for caseload increases for mandated social services programs listed in paragraph (2) of subdivision (b) of Section 17605 in excess of revenue growth in the social services account.

(c)(1) A county or city or city and county shall, at a regularly scheduled public hearing of its governing body, document that any decision to make any substantial change in its allocation of mental health, social services, or health trust fund moneys among services, facilities, programs, or providers as a result of reallocating funds pursuant to subdivision (a), (b), or (d) was based on the most cost-effective use of available resources to maximize client outcomes.

(2) Any county or city and county that reallocates funds pursuant to subdivision (b) shall document, at a regularly scheduled public hearing of the board of supervisors, that the net social services caseload has increased beyond the revenue growth in the social services account.

(3) Any county, city, or city and county that is required to document any reallocation of funds pursuant to paragraphs (1) and (2) shall forward a copy of the documentation to the Controller. The Controller shall make copies of the documentation available to the Legislature and to other interested parties, upon request.

(d) In addition to subdivision (a), a county or city and county may reallocate up to an additional 10 percent of the money from the social services account to the mental health account or the health account in the 1993–94 fiscal year and fiscal years thereafter when there exist in the social services account revenues in excess of the amount necessary to fund mandated caseload costs, pursuant to paragraph (2) of subdivision (b) of Section 17605, as determined by the county board of supervisors, as a result of implementation of personal care services or other program changes.

ATTACHMENT 4

COUNTY OF
HUMBOLDT

Debit: 5,926,600.00
 Credit: 5,926,600.00
 Net: 0.00
 Records: 1

Dept Name: DHHS
 Prepared By: Trevis Green
 Phone: 441-5420
 Posting Date: 6/30/2017
 Department Approved: Trevis Green

GL KEY	GL OBJECT	DEBIT	CREDIT	DESCRIPTION (30)	CK Num (8)	SECONDARY REF (16)	PEID
3441000	808000	1,000,000.00		MHSA TF transfer FY 2016-17			
1170424	515120		1,000,000.00	MHSA TF transfer FY 2016-17			
3742000	710000	1,000,000.00		SS to MH transfer FY 2016-17			
1170424	515120		1,000,000.00	SS to MH transfer FY 2016-17			
1160000	710000	2,500,000.00		SS to MH transfer FY 2016-17			
1170000	710050		2,000,000.00	SS to MH transfer FY 2016-17			
1180000	710050		500,000.00	SS to AOD transfer FY 2016-17			
3444000	710000	1,426,600.00		PH to MH transfer FY 2016-17			
1170000	710050		1,000,000.00	PH to MH transfer FY 2016-17			
1180000	710050		426,600.00	PH to AOD transfer FY 2016-17			

Explanation

Per Board Agenda Item: _____

APPROVED BY	
SIGNATURE	DATE

POSTED BY	
SIGNATURE	DATE