

# Sutter Yuba Behavioral Health

Rick Bingham, Interim Director of Sutter Yuba Behavioral Health

## Purpose

Sutter Yuba Behavioral Health (SYBH), under a Joint Powers Agreement entered into by the counties of Sutter and Yuba in 1969, provides the full-range of specialty mental health and substance use disorder services to eligible Sutter and Yuba County Medi-Cal beneficiaries; provides crisis and specialty mental health services for all Sutter and Yuba County residents regardless of payer status; administers managed-care contracts for mental health services with private for-profit and non-profit agencies; and provides a comprehensive system of care for the seriously mentally ill, to the extent resources are available.

The Mental Health Services Act (MHSA) addresses a broad continuum of prevention, early intervention, and service needs and the necessary infrastructure, technology, and training elements that support this system for both counties.

Beginning in Fiscal Year 2018-19 Health and Human Services has integrated the operating budgets of the traditional mental health services and the Mental Health Services Act budgets. In practice, Sutter Yuba Behavioral Health has always been an integrated operation.

## Major Budget Changes

### Salaries & Benefits

- \$165,109 General increase due to negotiated Salaries and Benefits
- \$7,285,006 Increase in Salaries & Benefits related to the integration of MHSA

to the Behavioral Health operating budget

- \$105,212 Increase related to the addition of one (1.0 FTE) flexibly-staffed Mental Health Therapist I/II/III position, effective July 1, 2018
- \$79,661 Increase related to the increase of one part-time (0.5 FTE) Quality Assurance/Review Nurse position to one full-time (1.0 FTE) Quality Assurance/Review Nurse position, effective July 1, 2018

### Services & Supplies

- \$1,896,150 Increase in Services & Supplies related to the integration of MHSA to the Behavioral Health operating budget
- \$884,987 Increase in Services and Supplies related to the establishment of direct billing and the elimination of several Interfund / Intrafund accounts
- \$189,371 Increase in ISF Worker's Comp Premium as provided by the Human Resources Department

- \$114,440 Increase in ISF IT Services as provided by the General Services Department

# Sutter Yuba Behavioral Health

Rick Bingham, Interim Director of Sutter Yuba Behavioral Health

## Other Charges

- \$460,593 Increase in Other Charges related to the integration of MHSA to the Behavioral Health operating budget
- (\$884,987) Decrease in Other Charges related to the establishment of direct billing and the elimination of several Interfund / Intrafund accounts
- \$415,600 Increase in Support and Care and other Inpatient Facility Charges based on prior year's history
- \$337,749 Increase in Interfund Overhead Cost Plan charges as provided by the Auditor-Controller's Office

## Capital Assets

- \$111,450 Replacement of three (3) vehicles

## Other Financing Uses

- \$605,576 Increase related to Capital Improvement Projects at 1965 Live Oak Blvd

## Revenues

- \$1,320,000 Increase in Revenues related to the integration of MHSA to the Behavioral Health operating budget
- (\$470,000) Decrease in Medi-Cal Admin and UR/QA Medi-Cal Revenue as charged by the Medi-Cal Cost Report

- (\$1,203,607) Decrease in Federal Mental Health Medi-Cal based on prior year actuals of Medi-Cal eligible clients and actual billing
- \$8,080,891 Increase in Operating Transfer In related to the integration of MHSA to the Behavioral Health operating budget

## Program Discussion

Sutter-Yuba Behavioral Health (SYBH) has served between 5,500 and 6,000 unique mental health clients each year, for the last several years. Over the past decade, there has been an increase in demand for behavioral health services for a variety of reasons in both counties, including, but not limited to, Medi-Cal consolidation, expanded children's services, growth in population, and 1991 and 2011 Realignment.

In 1991, responsibility for providing Specialty Mental Health Services was realigned from the state to counties. Revenue to fund these services came from dedicated shares of Vehicle License Fees (VLF) and sales taxes. During FY 2011-12, the State realigned responsibility for additional mental health and Substance Use Disorder (SUD) services to counties along with an additional dedicated portion of sales taxes to fund them.

The areas realigned are:

- EPSDT
- Mental Health Managed Care
- Drug Courts
- Drug Medi-Cal
- Non-Drug Medi-Cal Treatment Services

# Sutter Yuba Behavioral Health

---

*Rick Bingham, Interim Director of Sutter Yuba Behavioral Health*

These services, previously funded by State General Fund monies, are now funded through VLF and sales tax.

SYBH has a contract with Youth for Change to provide community based services to youth.

SYBH provides substance use disorder treatment services to residents of Sutter and Yuba Counties under contracts with the California Department of Health Care Services (DHCS), which include significant funding from federal Substance Abuse Prevention and Treatment (SAPT) block grants.

SYBH provides several judicially-linked programs. These include drug diversion services authorized under §1000 of the California Penal Code; services to individuals referred by the courts in both counties for mental health treatment and substance use disorder counseling; psychiatric services to youth in juvenile hall and the Maxine Singer Youth Guidance Center; and services to individuals involved in drug courts in both counties.

During FY 2011-12, Public Safety Realignment shifted responsibility for certain offenders from the state to counties and funding became available to continue and expand services in collaboration with the Probation Department. SYBH has staff that are integrated with Yuba and Sutter County Probation to provide services related to Public Safety Realignment.

SYBH also provides an intensive day treatment program to pregnant women and women with small children under its First Steps program. First Steps is widely recognized to be a very effective substance use disorder treatment

program with many successful graduates in our communities.

Although responsibility for Drug Medi-Cal (DMC) services has been realigned to counties, local DMC providers are still contracted directly with DHCS. There are currently two of these agencies in the community. It is anticipated that SYBH will assume responsibility for oversight of these contractor-provided services in the future.

SYBH, under funding agreements with Sutter and Yuba Counties' Social Services agencies, provides additional treatment services in the Child Protective Services and the California Work Opportunity and Responsibility to Kids (CalWORKs) programs of both counties.

Currently extra hire personnel are essential to the operation of Behavioral Health's Psychiatric Health Facility (PHF), which provides inpatient treatment, and Psychiatric Emergency Services (PES), which provides crisis services, both of which operate on a 24 hour per day, 7 days per week basis

During FY 2016-17, SYBH entered into a relationship with Rideout Memorial Hospital. Psychiatric Emergency Services (PES) Crisis Counselors are embedded 24/7 at Adventist Health-Rideout Emergency Department (ED). Individuals placed on an involuntary hold under Welfare and Institutions Code §5150 are now taken directly to the Adventist Health-Rideout ED for assessment. This arrangement has proven to be beneficial for SYBH, Adventist Health-Rideout, and the community. Crisis services are still available for voluntary clients 24/7 at the main SYBH facility on Live Oak Boulevard.

# Sutter Yuba Behavioral Health

*Rick Bingham, Interim Director of Sutter Yuba Behavioral Health*

Healthcare Reform, also known as the Affordable Care Act (ACA) impacted SYBH. Impacts include changes in the clients SYBH serve, increasing linkages to primary care providers, new requirements for claims submission and cost reporting, etc. These impacts continue to evolve and SYBH services evolve with them.

Work has continued on the 850 Gray Ave project which will eventually move the majority of Health and Human Services to one facility. This would empty the modular building at the Live Oak Boulevard site, which has exceeded its useful life span. Following the move, the modular building will be removed and returned to its owner.

## **Mental Health Services Act**

The Mental Health Services Act (MHSA), also known as Proposition 63, was passed by the voters in November 2004. The passage of Proposition 63, provided the first opportunity in many years for Sutter-Yuba Behavioral Health (SYBH) to provide increased funding, personnel, and other resources to support county mental health programs and monitor progress toward statewide goals for children, transition age youth, adults, older adults, and families. MHSA funds for counties are used to expand and transform mental health services.

The MHSA has five components:

- Community Services and Support
- Prevention & Early Intervention
- Innovation
- Capital Facilities & Technology Needs
- Workforce Education and Training

SYBH has had approved programs in all five MHSA components. These components and programs can be found in Sutter Yuba Behavioral Health MHSA Plan.

## **FY 2018-19 Budget Discussion**

Sutter Yuba Behavioral Health's rates are required by federal law to be based on actual costs. Medi-Cal is billed using interim rates, estimated based on costs from a prior year, and these rates are then reconciled to actual costs at the end of each fiscal year through a mandated cost report process. For FY 2018-19, SYBH will charge \$1,136.55 per day on the Inpatient Unit. Other services are charged by the minute: \$8.23 per minute for Medication Support, \$3.42 per minute for Case Management/Brokerage, \$4.42 per minute for Mental Health Services, and \$6.57 per minute for Crisis Intervention. These interim rates are based on the FY 2013-14 Cost Report and may be adjusted upon completion of the FY 2014-15 and FY 2015-16 Cost Reports.

In addition to the above, the rate for the First Steps perinatal substance abuse treatment program is \$118.94 per day. Clients are charged for these and for other substance use disorder treatment services on a sliding fee schedule based on ability to pay.

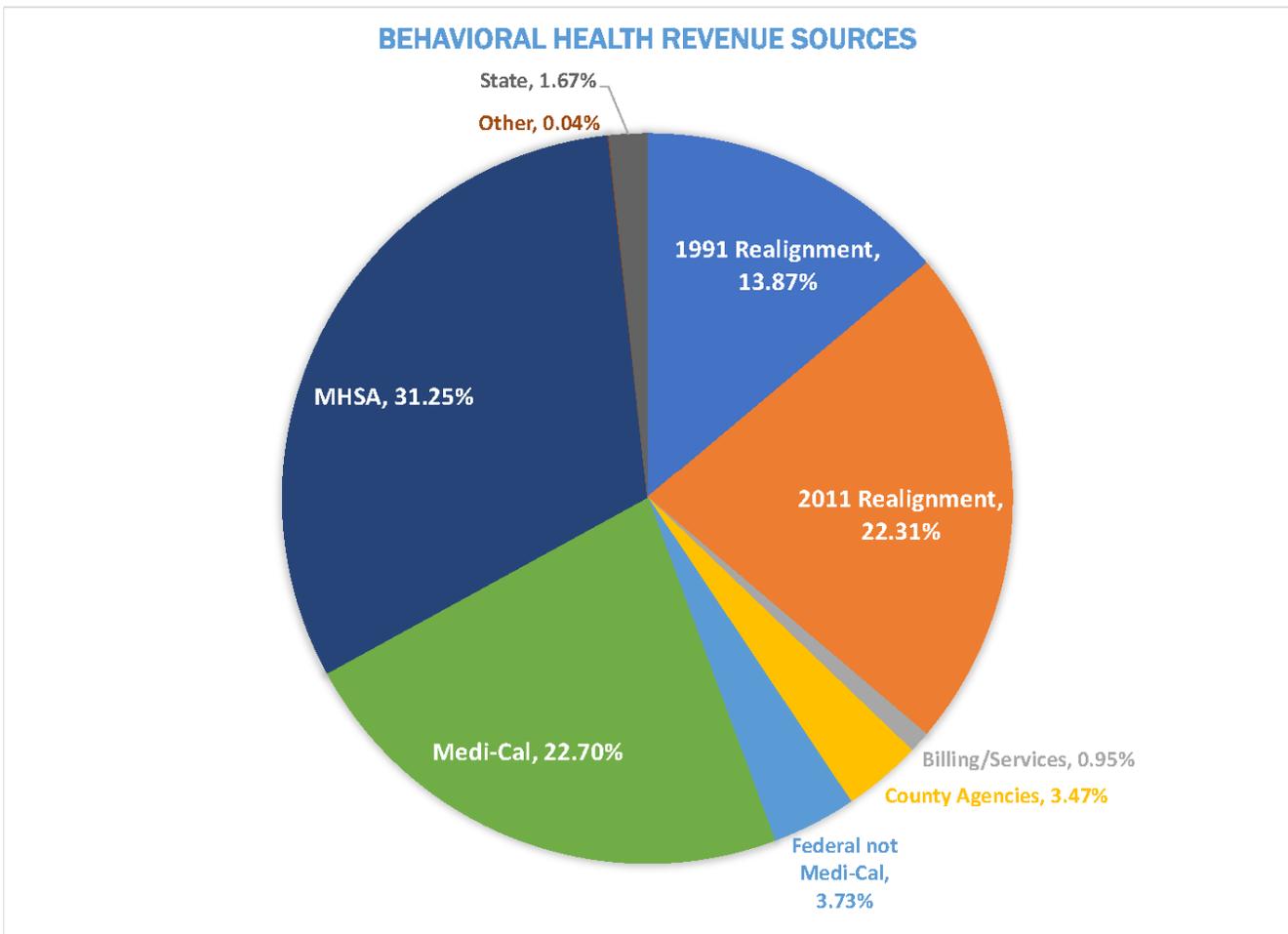
From a financial perspective, several factors affect the FY 2018-19 Behavioral Health budget.

- Mental Health Realignment (1991) revenue originally based on portions of sales taxes and motor vehicle license fees is now based only on an increased portion of sales tax revenue due to 2011 Realignment.

# Sutter Yuba Behavioral Health

Rick Bingham, Interim Director of Sutter Yuba Behavioral Health

- Statewide growth in Realignment funding paid for increasing caseloads in Child Welfare Services, Foster Care, and/or In-Home Supportive Services (IHSS); these programs, by statute have first draw on Realignment growth dollars.
- Realignment funding is used as a match to draw down the Federal share of Medi-Cal revenue.
- Untimely and inconsistent audits conducted by the Department of Health Care Services. Audits can be four to five years in arrears.
- No Place Like Home Initiative (NPLHI), passed in 2016, will divert a portion of MHPA funds to provide bond funds for affordable housing to a target population of individuals who are living with serious mental illness and who are homeless or are at risk of homelessness. Some of the funding will be in the form of grants for which counties, or groups of counties, will have to compete for, while a smaller portion will provide technical assistance grants, of which Sutter County has received \$75,000 and Yuba County anticipates receiving \$75,000.



# Sutter Yuba Behavioral Health

*Rick Bingham, Interim Director of Sutter Yuba Behavioral Health*

The complexity of mental health and SUDS funding and programs has increased for a variety of reasons, including 2011 Realignment and major changes to MHSA’s payment methodology. This increased complexity along with other state regulations has required added administrative staff in Administration and Finance and in Quality Assurance.

## Recommended Budget

This budget is recommended at \$38,474,370 which is an increase of \$8,237,990 (37.2%) over FY 2017-18; however, this increase is a result of the operating budget being combined into one budget unit.

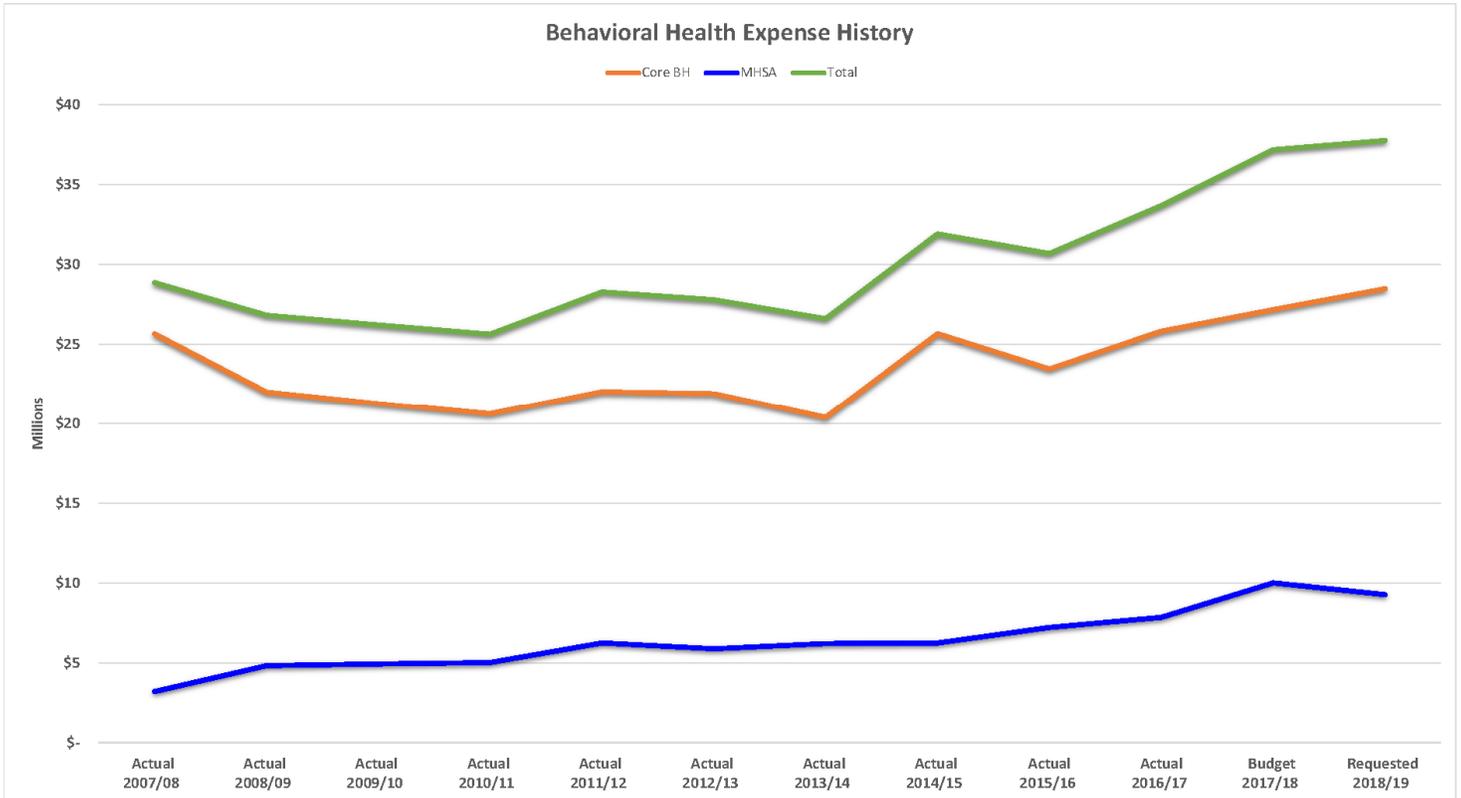
The combined operating FY 2017-18 was \$37,172,189; therefore, the FY 2018-19

recommended budget is an increase of \$1,302,181 (3.5%) over FY 2017-18.

The following new positions are recommended to be effective July 1, 2018:

- Addition of one (1.0 FTE) flexibly-staffed Mental Health Therapist I/II/III position
- Increase of one part-time (0.50 FTE) Quality Assurance/Review Nurse position to one full-time (1.0 FTE) Quality Assurance/Review Nurse position

Capital Assets are recommended at \$111,450 for the purchase of three (3) replacement vehicles. The Department has requested two (2) 8-passenger vans and one (1) full-size SUV caged car, effective July 1, 2018.



# Sutter Yuba Behavioral Health

*Rick Bingham, Interim Director of Sutter Yuba Behavioral Health*

This budget unit receives no financing from the County General Fund. The sources of funding for Sutter-Yuba Behavioral Health Services are shown in the *Behavioral Health Revenue Sources* chart. Behavioral Health's expense history is shown graphically in the *Behavioral Health Expense History* chart.

It remains SYBH's objective to keep Behavioral Health programs in balance and to fully utilize all available funding most advantageous to our counties. By creating Bi-county Behavioral Health through a Joint Powers Agreement, our two counties have provided more resources and a greater array of services for those with serious mental illness or substance use disorders than our two counties would be able to provide separately. The staff of Sutter-Yuba Behavioral Health is proud of the services we have provided for the citizens of Sutter and Yuba Counties for almost 50 years.

## Use of Fund Balance

The Behavioral Health fund contained a Restricted Fund Balance in the amount of (\$3,225,761) as of July 1, 2017. It is estimated that the Restricted Fund Balance will equal \$0 at July 1, 2018. It is not recommended to use any Restricted Fund Balance in FY 2018-19.

The Behavioral Health fund also contains a Restricted Fund Balance for Sutter County use in the amount of \$51,419. These funds will be used for the facility improvements in the SYBH Psychiatric Health Facility.

## Purpose

The Mental Health Services Act requires counties to place MHSAs funds in a local Mental Health Services Fund, invest the funds consistent with county practice for other funds, and transfer any interest earned back into the Fund. The MHSAs prohibits using MHSAs funds to supplant funding that was previously provided for Mental Health Services by other sources.

Beginning in Fiscal Year 2018-19 Health and Human Services has integrated the operating budgets of the traditional mental health services and the Mental Health Services Act budgets; however, by statute will continue to use this fund to invest the MHSAs funds and transfer funding as needed to the operating budget. In practice, Sutter Yuba Behavioral Health has always been an integrated operation.

## Major Budget Changes

### *Salaries & Benefits*

- (\$7,285,006) Decrease in Salaries and Benefits related to the integration of MHSAs to the Behavioral Health operating budget

### *Services and Supplies*

- (\$1,896,150) Decrease in Services and Supplies related to the integration of MHSAs to the Behavioral Health operating budget

# Sutter Yuba Behavioral Health

*Rick Bingham, Interim Director of Sutter Yuba Behavioral Health*

## Other Charges

- (\$460,593) Decrease in Other Charges related to the integration of MHSA to the Behavioral Health operating budget
- \$8,080,891 Increase in Operating Transfer Out related to the integration of MHSA to the Behavioral Health operating budget

## Revenues

- (\$1,320,000) Decrease in Revenues related to the integration of MHSA to the Behavioral Health operating budget

## Program Discussion

The Mental Health Services Act (MHSA), also known as Proposition 63, was passed by the voters in November 2004. The passage of Proposition 63, provided the first opportunity in many years for Sutter-Yuba Behavioral Health (SYBH) to provide increased funding, personnel, and other resources to support county mental health programs and monitor progress toward statewide goals for children, transition age youth, adults, older adults, and families. MHSA funds for counties are used to expand and transform mental health services.

The MHSA has five components:

- Community Services and Support
- Prevention & Early Intervention
- Innovation
- Capital Facilities and Technological Needs
- Workforce Education and Training

SYBH has had approved programs in all five MHSA components. These components and programs can be found in Sutter Yuba Behavioral Health MHSA Plan.

## FY 2018-19 Funding

The process by which counties receive their MHSA funding changed in FY 2011-12. Counties previously received funds 18 to 24 months after the State received the related tax revenue. However, funds are now being transferred to counties monthly based on their allocations and approved MHSA plans, as tax revenue is received. This process is managed by the California Department of Finance.

## Recommended Budget

This budget is recommended at \$12,467,318, which is a decrease of \$2,646,001 (17.5%) compared to FY 2017-18; however, this decrease is a result of the operating budgets being combined into one budget unit.

## Use of Fund Balance

The MHSA fund contained a Restricted Fund Balance in the amount of \$9,028,654 as of July 1, 2017. It is estimated the Restricted Fund Balance will equal \$6,793,851 at July 1, 2018. It is recommended that \$4,317,318 of the Restricted Fund Balance account (#31170) be cancelled in FY 2018-19 for use in the MHSA budget.

The MHSA fund also contains Non-Spendable Fund Balance amounts of \$874,458 (#31014) for housing.