

# FY 2018-19 Budget Hearings Board Inquiry Form

Board Member	
Williams	X
Wolf	
Hartmann	
Adam	
Lavagnino	

Inquiry Number: 003

Department: Behavioral Wellness  
 Date: 6/7/18  
 Page(s) of Budget Book/PowerPoint:

**Request/Question:**

Please answer questions posed in the letter below from NAMI, Santa Barbara County



2018 MAY 18 A 8:19  
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 BEHAVIORAL WELLNESS

May 15, 2018

Supervisor Das Williams  
 County of Santa Barbara  
 105 E. Anapamu  
 Santa Barbara, CA 93101

Dear Supervisor Williams:

We are contacting you regarding our concern about the Behavioral Wellness Department's budget for fiscal 18/19.

We certainly understand the strains on the County's budget resulting from the fires and flooding last winter, and the need to be prudent with available funds. We also know that departments are required to present balanced budgets.

However, the Behavioral Wellness Department's budget requires cuts of \$2.3 million in order to achieve balance. We are concerned that the proposed cutting of board and care beds by over half (40 out of 63) and significant reduction of IMD beds will impact the Department's most critically ill clients.

We believe, given the acute shortage of appropriate housing for these people, the intended savings from these cuts will result in the displaced clients experiencing deterioration of their mental health status, homelessness, and requiring more expensive inpatient services and jail.

Before your Board approves these cuts, we suggest that you ask the Behavioral Wellness Department to explain why they are proposing to cut the services that are typically needed by their most at-risk clients, rather than from elsewhere in their \$133 million budget. Also:

1. What is the billing productivity rate for capturing available funds from MediCal and Medicare? Our Department has had a long-standing problem with a low (according to State standards) billing rate for these vital funding sources.
2. Why can't the BWD find cuts further away from acute client services?

Thank you for your consideration of our concerns. We cannot over-emphasize the serious and more costly problems that these cuts may well produce.

Sincerely,

  
 George Kaufmann, President  
 NAMI Southern Santa Barbara County

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DISTRICT OFFICE

cc: CEO Mona Miyasato, Behavioral Wellness Dept. Director Alice Gleghorn, Clerk of the Board

NAMI Southern Santa Barbara County  
 c/o Mental Wellness Center, 617 Garden Street, Santa Barbara, CA 93101 805 884 8440

**Initial DBW Comment regarding the letter:**

The attached letter incorrectly indicates that the department has proposed a reduction “over half (40 out of 63) beds”. The budget submitted by Behavioral Wellness instead proposes a service level reduction of 22 Long Term IMD beds (from 63 beds currently utilized, to 41 beds; a reduction of 35%) and a reduction of 2.5 Inpatient Hospital IMD beds (from 7 beds currently utilized to 4.5 beds; a reduction of 36%).

**Note from DBW providing context to the proposed budget, and funding sources restrictions:**

- Of the proposed budget of \$133.8M, all funding except for the \$4.9M of the \$5.5M County General Funds Contribution (GFC) is categorically restricted to specific activities and services.
- These funding restrictions are based in Federal and State statutes (including the Mental Health Services Act (Prop 63), regulations, California’s Medicaid State Plan, the 1915(b) Specialty Mental Health Services Waiver and the Mental Health Plan contract with the Department of Health Care Services.
- There is only a single non-County GFC source of funds received by the department that is identified by statute as an appropriate source of funding for IMD services; this funding source is 1991 Realignment. 1991 Realignment is a flat ongoing funding source formally imparted by State statute in Fiscal Year 2011-12. This funding source is also identified as the only dedicated source for all State Hospital Services, and must provide match to Federal Financial Participation (FFP) for all Inpatient services (the PHF), as well as the match to traditional Adult Medi-Cal programs, and associated Medi-Cal Administration and Quality Assurance.

**Response to question #1:**

The billing productivity in the departmental operated clinics does not have any impact on the amount of funding available to pay for IMD beds. This is due to the fact that the department’s clinics are all funded within the MHSA plan budget. MHSA rules specifically exclude the possibility of funding long term IMD services.

**Response to question #2:**

Due to the reasons mentioned above regarding the restrictions applied to all DBW funding sources, and the fact that the department lacks the necessary level of 1991 realignment to fully fund IMD services, the only possible source of funding to redirect to fund additional IMD beds would be the \$4.9M of County General Funds Contribution. This \$4.9M of County GFC is however already primarily being spent on IMD services.

- \$3.4M budgeted to IMD services,
- \$0.8M for homeless shelter/ board and care for severely mentally ill,
- \$0.6M for unfunded PHF costs due to IST and Non IST Admin Days, and
- \$0.2M for Conservatorship services.

Given these factors, and that DBW un-funding the PHF would result in having to close it, the only items currently funded with GFC that might possibly be eliminated and redirected to help cover additional IMD beds would be:

- \$0.8M for Board and Care for SMI clients, and
- \$0.2M for Conservatorship services

DBW has maintained these two items as fully funded in the FY 2018/19 proposed budget, due to prior board direction to DBW, to continue to fund the lowest cost beds (homeless shelter/Board and Care for SMI), and continue to fund the Public Guardian Conservatorship services.