

1991 Realignment

- “1991 Realignment” refers to the realigning of the funding and responsibility for mental health services, social services and public health services
 - It represented a major shift of authority from state to counties for mental health programs
- Three revenue sources funded 1991 Realignment
 - ½ Cent of State Sales Tax
 - State Vehicle License Fees
 - State Vehicle License Fee Collections

1991 Realignment:

Mental Health Programs Realigned from the State to Counties

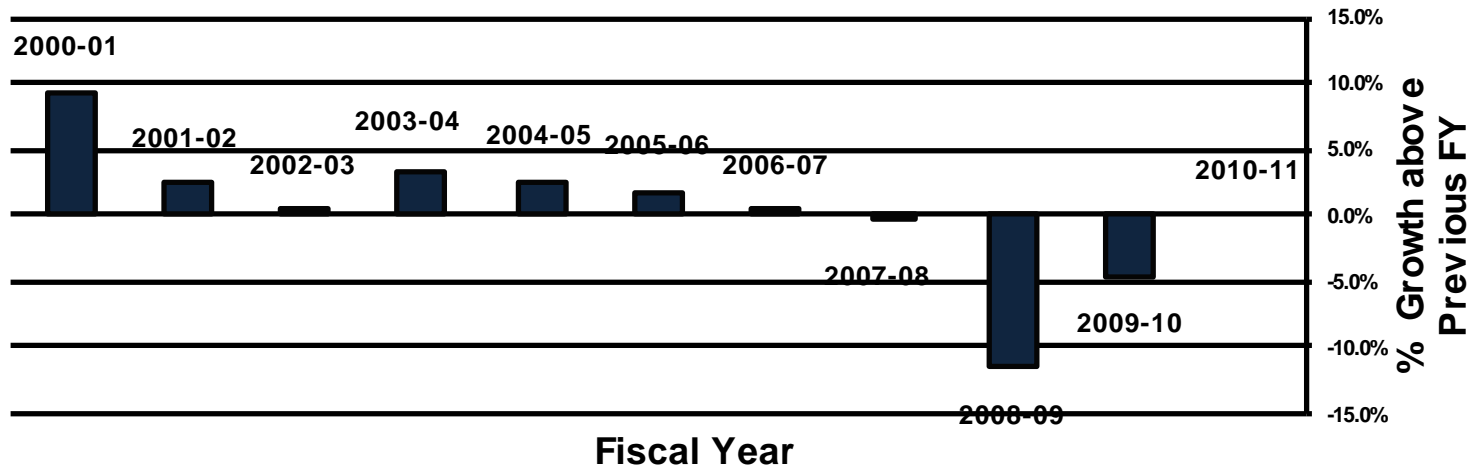
- All community-based mental health services
- State hospital services for civil commitments
- Mental health services for those in “Institutions for Mental Disease (IMDs),” which provide long-term psychiatric nursing facility care. By definition, services to Medi-Cal beneficiaries in IMDs **are not eligible** for federal reimbursement.

1991 Realignment

- Realignment Sales Tax Revenues
 - Increased from FY01/02 through FY06/07 but growth used to fund increased Social Services caseload costs
 - Declined almost 18% from FY06/07 through FY09/10
 - Increased about 16% through FY11/12
 - Forecast to grow about 5-8% for the next several years
- Vehicle License Fees
 - Increased 19% from FY01/02 through FY 06/07
 - Declined 22% from FY06/07 through FY11/12
 - Forecast to grow about 3-5% for the next several years
- Vehicle License Fee Collections
 - \$14 million per year

1991 MH Realignment Growth: Fiscal Years 2000/01 to 2010/11

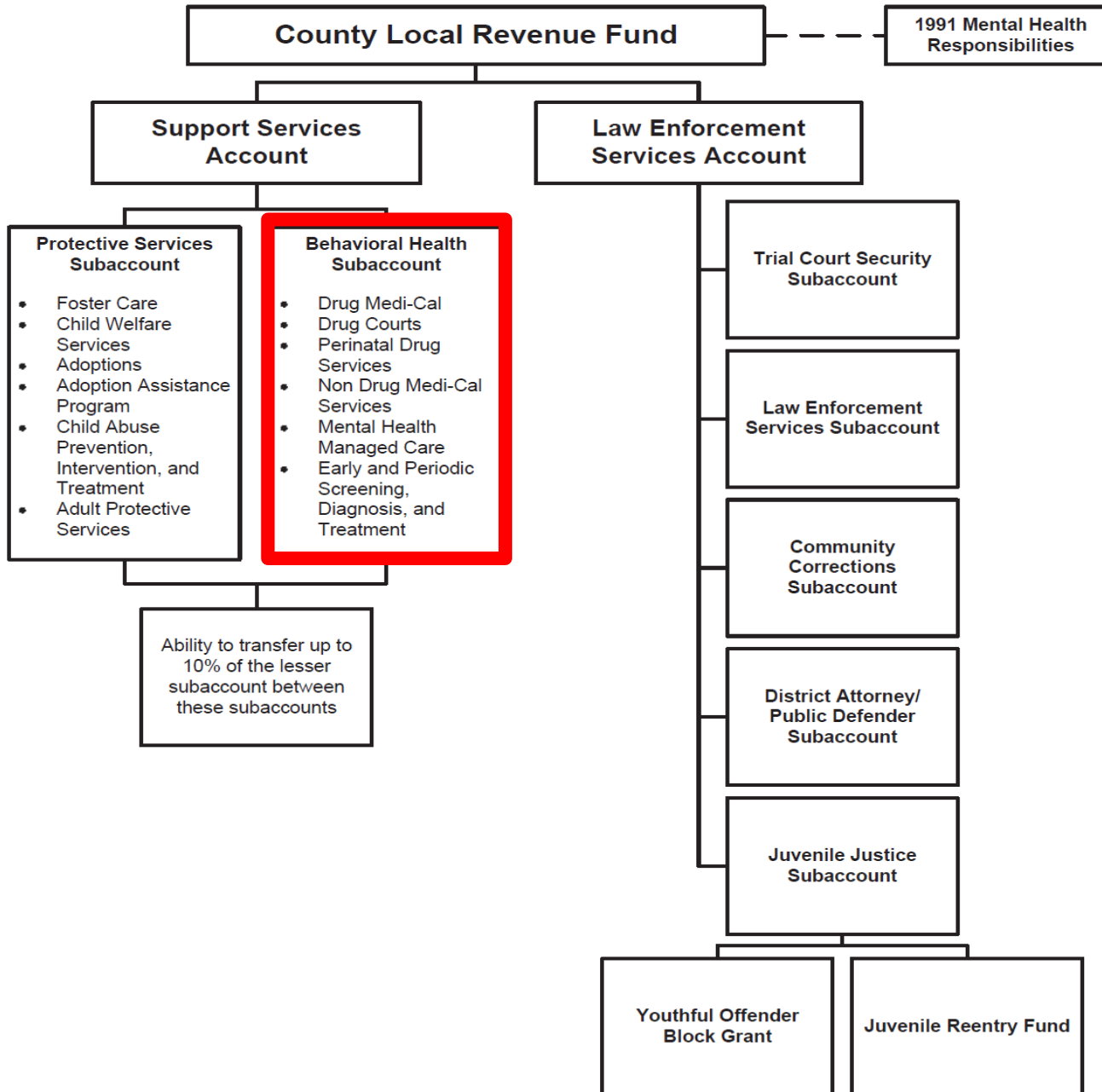
Realignment Funding for Mental Health



2011 Realignment

- Additional realignment occurred as part of FY11/12 State Budget
- Dedicated a specific revenue to fund realigned services
 - 1.0625% of Sales Tax
 - Realigned services previously funded with State General Fund monies
 - MHSA funds were used to fund realigned mental health services in FY11/12

2011 Realignment Funding Structure



Realignment 2011: Behavioral Health Subaccount

- Medi-Cal Specialty Mental Health Managed Care, including:
- MH Early and Periodic Screening, Diagnosis and Treatment (EPSDT) for children and youth
- Drug Medi-Cal, *including EPSDT*
- Drug Courts
- Perinatal Drug Services
- Non Drug Medi-Cal Services
- Medi-Cal Managed Care
- Substance Use Early and Periodic Screening, Diagnosis and Treatment

Behavioral Health Funding

- 1991 Realignment and 2011 Realignment are just two parts of the interrelated, ever-changing behavioral health fiscal “pie”
 - Non-Federal revenues driven by economic conditions
 - Federal revenues limited by ability to incur expenditures with non-federal revenues

FY13/14 Estimated Community Mental Health Funding
(Dollars in Millions)

