

Mental Health Services Act Reversion Plan

[What is Assembly Bill 114?](#)

AB 114 became effective July 10, 2017. The bill amended certain Welfare and Institution Code (WIC) Sections related to the reversion of MHSA funds.

AB 114 implemented provisions concerning funds subject to reversion as of July 1, 2017. Funds subject to reversion as of July 1, 2017, are deemed to have been reverted and reallocated to the county of origin for the purposes for which they were originally allocated. Funds that could be subject to reversion as of July 1, 2017, were distributed to counties from Fiscal Year (FY) 2005/2006 through FY 2014-15. By July 1, 2018, counties are required to have a plan to spend those funds by July 1, 2020.

Every county must develop a plan to spend its reallocated funds and post it to the county's website. The county must submit a link to the plan to DHCS (Department of Health Care Services) by July 1, 2018. Each county's Board of Supervisors (BOS) must adopt a final plan within 90 days of the county posting the plan to the county's website. Each county must submit its final plan to DHCS and the MHSOAC (Mental Health Services Oversight and Accountability Commission) within 30 days of adoption by the county's BOS. A county may not spend funds that are deemed reverted and reallocated to the county until the county's BOS has adopted a plan to spend those funds.

In addition, each county must comply with the following:

- The expenditure plan must account for the total amount of reverted and reallocated funds for all impacted FYs, as indicated in the applicable notice of unspent funds subject to reversion or in the final determination on an appeal;
- The county must include the plan in the County's Three-Year program and Expenditure Plan or Annual Update, or as a separate update to the County's Three-Year Program and Expenditure Plan, and comply with WIC Section 5847 (a);
- Reallocated funds must be expended on the component for which they were originally allocated to the county;
- If reallocated funds were originally allocated to the INN component, the funds are subject to the requirements of California Code of Regulations, Article 9, sections 3900-3935;
- The county must follow the stakeholder process identified in WIC Section 5848 when determining the use of reallocated funds; and
- The county must report expenditures of reallocated funds, by component, on its Annual MHSA Revenue and Expenditure Report.

A county may expend reallocated funds for an already approved program/project or use the reallocated funds to expand an already approved program/project provided the program/project is the same component as the component for which the funds were originally allocated to the county, which must be in compliance with applicable MHSA statutes and regulations.

If a county fails to prepare a plan and submit a link to the plan by the required deadlines, the county will be substantially out of compliance with the MHSA. Per WIC Section 5899(e), DHCS will work with the SCO (State Controller's Office) to develop a process to withhold 25% of the county's monthly allocations from the MHF (Mental Health Fund) until the county submits a link to the plan.

Butte County

AB 114 MHSA Funds Subject to Reversion by Component:

Butte County	CSS	PEI	INN	Total
Total	\$0	\$0	\$772,693	\$772,693

*These estimated amounts are based on funds subject to AB114 per DHCS communication, including the amounts subject to AB114 from the submitted FY 16/17 Annual Mental Health Services Act Revenue and Expenditure Report, which are pending confirmation and reconciliation from DHCS.

**These amounts incorporate interest earned.

Plan to Spend Reallocated Funds

CSS (Community Services and Supports)

There are currently no CSS funds at-risk for reversion.

PEI (Prevention and Early Intervention)

There are currently no PEI funds at-risk for reversion.

INN (Innovation)

The reallocated funds from previous years will be utilized on our next Innovation Plan, Physician Committed, pending approval by the MHSOAC. The Physician Committed Plan will be presented to the MHSOAC on May 24th, 2018. The estimated three year budget for Physician Committed is \$767,900, approximately \$255,967 annually. This project would spend the majority of the funds reallocated under AB114. Congruently, there are two Innovation Plans actively in development:

- Trauma Informed System Mapping- build internal capacity for system review to streamline processes while integrating Trauma Informed practices and principles.
- Research and Wellness Center- a Butte County Office of Education collaboration for the age group of 0-5

Pending DHSC approval, Butte plans to spend all MHSA funding subject to reversion first. This may result in FY 2015-16 and FY 2016-17 funding being spent prior to funding identified as AB 114 funding.

This plan will be posted for public comment for 30 days beginning on May 15, 2018 and completed on June 14, 2018. Any public comment will be included in the final version of this plan, which will be presented to BOS approval on June 26th, 2018.