



Human Services

Section D

Cars lined up to take part in the Drive-Thru Flu Shot clinic conducted by the Sutter County Public Health Department at Riverbend Elementary School in October of 2011.

Human Services Administration (4-120)

Tom Sherry, Director of Human Services

| EXECUTIVE SUMMARY | | | | | | |
|--------------------------------|--|----------------------------------|------------------------------|-----------------------------|-----------------------------|--|
| DEPT HEAD: TOM SHERRY | UNIT: HUMAN SERVICES ADMINISTRATION FUND: HEALTH | | | 0012 4-120 | | |
| | ACTUAL EXPENDITURE 2010-11 | ACTUAL EXPENDITURE 3-31-12 | ADOPTED BUDGET 2011-12 | CAO RECOMMEND 2012-13 | % CHANGE OVER 2011-12 | |
| EXPENDITURES | | | | | | |
| SALARIES AND EMPLOYEE BENEFITS | 416,837 | 303,580 | 417,157 | 381,219 | 8.6- | |
| SERVICES AND SUPPLIES | 16,364 | 17,673 | 28,100 | 30,815 | 9.7 | |
| OTHER CHARGES | 15,346 | 10,097 | 13,971 | 14,126 | 1.1 | |
| * GROSS BUDGET | 448,547 | 331,350 | 459,228 | 426,160 | 7.2- | |
| INTRAFUND TRANSFERS | 0 | 0 | 0 | 0 | .0 | |
| * NET BUDGET | 448,547 | 331,350 | 459,228 | 426,160 | 7.2- | |
| OTHER REVENUES | | | | | | |
| USER PAY REVENUES | 388,277 | 105,259 | 365,345 | 356,272 | 2.5- | |
| GOVERNMENTAL REVENUES | 0 | 0 | 0 | 0 | .0 | |
| TOTAL OTHER REVENUES | 388,277 | 105,259 | 365,345 | 356,272 | 2.5- | |
| * UNREIMBURSED COSTS | 60,270 | 226,091 | 93,883 | 69,888 | 25.6- | |
| ALLOCATED POSITIONS | 5.00 | 4.00 | 4.00 | 4.00 | .0 | |

Purpose

The Human Services-Administration budget contains the salary, benefits, and related support costs of the Director of Human Services and support staff. The Director provides executive leadership for the Department of Human Services, Sutter County's largest department, which is comprised of three divisions: the Health Division, the Mental Health Division, and the Welfare and Social Services Division. The Department's total approved budget for FY 2011-2012 was a little more than \$75 million and approximately 380 FTEs.

of the Information Security and Compliance Manager position in FY 2011-12, offset by general salary and benefits adjustments

Services & Supplies

- \$2,715 Increase in Services & Supplies due to increase in building rental cost

Revenues

- (\$9,073) Decrease in transfers from the Mental Health and Welfare/Social Services Divisions for their respective shares of administrative support costs

Major Budget Changes

Salaries & Benefits

- (\$35,938) Decrease in Salaries & Benefits due to the elimination

Human Services Administration (4-120)

Tom Sherry, Director of Human Services

Program Discussion

This budget funds the Director and support staff that provides leadership and administrative support functions for the Department of Human Services, the County's largest department.

During FY 2011-12, the Information Security and Compliance Manager position was eliminated in order to reduce costs for the Human Services Department. Information Security duties have been transferred to and split between two current employees.

Major projects for this year include the continuing cash management for the Department's two largest divisions, Mental Health and Social Services. Continual changes at the State will again require the Department to monitor its cash needs and develop strategies to address this problem.

The planned construction of a new Human Services Building adjacent to the Mental Health Facility at 1965 Live Oak Boulevard, Yuba City, remains a long term goal when funding becomes available. Given the current economic environment the goal seems further away. Although funding for this project currently appears to be unavailable, it is important to maintain this goal should an opportunity become available. The continuing need to coordinate services and increase efficiencies would be a significant benefit from co-location of Department operations.

The cost of Human Services Administration has generally been apportioned among the Department's three divisions based on the number of employees allocated to each division. Because the Director of Human Services' office is located in the Health Building, this budget has been placed in the

Health Fund. Consequently, its Unreimbursed Cost represents the Health Fund's share of the Human Services-Administration budget.

Recommended Budget

This budget is recommended at \$426,160, which is a decrease of \$33,068 (7.2%) compared to FY 2011-12. It is recommended to continue to leave the Administrative Services Manager position vacant and unfunded. Extra Help funding is recommended at \$3,000, which is 50% of the amount budgeted in FY 2011-12, in the event additional administrative assistance is required.

The \$69,888 unreimbursed cost, which is decreased by \$23,995 (25.6%) over FY 2011-12, represents the Health Department's share of the Human Services-Administration budget. This Unreimbursed Cost is, in concept, partially funded by the General Fund through the General Fund's contribution to the Health Fund.

Use of Fund Balance

This budget unit is within the Health Fund. The budget does not include the use of any specific fund balance.

Human Services - Health Emergency Medical Services Fund (0-252)

Tom Sherry, Director of Human Services

| EXECUTIVE SUMMARY | | | | | | |
|-------------------------------|----------------------------------|----------------------------------|------------------------------|-----------------------------|-----------------------------|--|
| DEPT HEAD: TOM SHERRY | UNIT: EMERGENCY MEDICAL SERVICES | FUND: EMERGENCY MEDICAL SERVICES | | | 0252 0-252 | |
| | ACTUAL EXPENDITURE 2010-11 | ACTUAL EXPENDITURE 3-31-12 | ADOPTED BUDGET 2011-12 | CAO RECOMMEND 2012-13 | % CHANGE OVER 2011-12 | |
| EXPENDITURES | | | | | | |
| SERVICES AND SUPPLIES | 169,920 | 62,208 | 125,802 | 125,802 | .0 | |
| OTHER CHARGES | 36,346 | 0 | 33,718 | 33,718 | .0 | |
| * GROSS BUDGET | 206,266 | 62,208 | 159,520 | 159,520 | .0 | |
| INTRAFUND TRANSFERS | 0 | 0 | 0 | 0 | .0 | |
| * NET BUDGET | 206,266 | 62,208 | 159,520 | 159,520 | .0 | |
| APPROPRIATION FOR CONTINGENCY | 0 | 0 | 0 | 0 | .0 | |
| INCREASES IN RESERVES | 0 | 0 | 0 | 0 | .0 | |
| * TOTAL BUDGET | 206,266 | 62,208 | 159,520 | 159,520 | .0 | |
| OTHER REVENUES | | | | | | |
| USER PAY REVENUES | 0 | 0 | 0 | 0 | .0 | |
| GOVERNMENTAL REVENUES | 158,831 | 1,031 | 149,520 | 149,520 | .0 | |
| GENERAL REVENUES | 10,118- | 97,336 | 0 | 0 | .0 | |
| CANCELLATION OF OBLIGATED F/B | 0 | 0 | 10,000 | 10,000 | .0 | |
| GENERAL REVENUES | 0 | 0 | 0 | 0 | .0 | |
| AVAILABLE FUND BALANCE 7/1 | 0 | 0 | 0 | 0 | .0 | |
| TOTAL AVAILABLE FINANCING | 148,713 | 98,367 | 159,520 | 159,520 | .0 | |
| * UNREIMBURSED COSTS | 57,553 | 36,159- | 0 | 0 | .0 | |
| ALLOCATED POSITIONS | .00 | .00 | .00 | .00 | .0 | |

Purpose

Sutter County Health is responsible for the administration of the Emergency Medical Services (EMS) Fund.

In 1987, State Senator Ken Maddy authored legislation that allowed counties to establish an EMS Fund. The County Board of Supervisors established such a fund in 1990 (Resolution 90-22), and designated the Health Department (which is now a division of the Human Services Department) as the administrative agency for the fund.

Major Budget Changes

There are no major budget changes for FY 2012-13.

Program Discussion

The EMS Fund (hereafter referred to by its more common name 'Maddy Fund') is intended to reimburse physicians and medical facilities for emergency services provided to patients who do not pay for the cost of their medical care. Its revenues are derived from penalty assessments on various criminal offenses and motor vehicle violations, traffic violator school fees, and revenues from taxes on tobacco products

Human Services - Health

Emergency Medical Services Fund (0-252)

Tom Sherry, Director of Human Services

under Proposition 99 (the Tobacco Tax and Health Protection Act of 1988).

Counties must use Maddy revenues for purposes established in the statute. A County can use an amount equal to actual expenditures or up to 10% of total Maddy revenues for administration of the fund. Of the remaining funds, 58% is allocated to an account for physicians and surgeons who provide emergency medical services (and are not employed in County hospitals), 25% is allocated to an account for hospitals that provide emergency services as defined in State law, and 17% is allocated to an account for discretionary emergency medical related services as determined by the County.

For Maddy Funds established before July 1, 1991, such as Sutter County's, the law specifies a limit on the amount of revenues that counties can deposit in the funds. This limitation restricts the annual increase in revenues to no more than 10% and is tied to the annual growth, if any, in the County's total penalty assessments. The law allows Counties that had not established a Maddy Fund before July 1, 1991, to receive Maddy revenues from County penalty assessments without limitations on annual growth. Changes were made to the law in 2002 to establish limits on the amount of Maddy revenue that a County may retain in an Emergency Services Fund reserve from year to year.

It should be noted that the majority of the revenues in the Restricted Fund Balances were received prior to 2002, before the current reserve limits were established in law. The Restricted Fund Balances do not appear in the budget because they are theoretically not available for current budgeted expenses. With Board approval, these reserve funds will be used in the event

that the EMS Fund cannot make payments for all claims in a given year from current year revenues.

In FY 2010-11, the State legislature considered taking action to redirect \$55 million in local Maddy Funds to Medi-Cal. There was also a possibility the legislature would utilize the entire Maddy Fund to backfill a like amount of State General Fund dollars in Medi-Cal. After intense lobbying by the California Medical Association and California Chapter of the American College of Emergency Physicians, this change to the Maddy Fund did not occur in FY 2011-12.

Recommended Budget

This budget is recommended at \$159,520, which is the same as FY 2011-12.

Use of Fund Balance

The EMS fund contains Restricted Fund Balance accounts for each type of expenditure, as established by law. Allocated funds that are not spent within the fiscal year are placed in the respective Obligated Fund Balance account.

The fund also includes a Restricted Fund Balance account for EMS funds collected prior to 2002. Monies held within these accounts may be used in the future, with Board approval, in the event collections in the EMS fund decrease below current levels.

Projected Physician Revenue for FY 2012-13 is less than projected Physician Expenses; therefore the recommended budget includes a Cancellation of Obligated Fund Balance from the Restricted Fund Balance Physicians account (#31113) in the amount of \$10,000 to fund anticipated Physician Expense claims for FY 2012-13.

| EXECUTIVE SUMMARY | | | | | | |
|--------------------------------|----------------------------|----------------------------|------------------------|-----------------------|-----------------------|--|
| DEPT HEAD: TOM SHERRY | UNIT: COUNTY HEALTH | | FUND: HEALTH | | 0012 4-103 | |
| | ACTUAL EXPENDITURE 2010-11 | ACTUAL EXPENDITURE 3-31-12 | ADOPTED BUDGET 2011-12 | CAO RECOMMEND 2012-13 | % CHANGE OVER 2011-12 | |
| EXPENDITURES | | | | | | |
| SALARIES AND EMPLOYEE BENEFITS | 5,115,168 | 3,341,444 | 4,976,556 | 5,009,591 | .7 | |
| SERVICES AND SUPPLIES | 859,375 | 516,304 | 700,318 | 780,774 | 11.5 | |
| OTHER CHARGES | 414,000 | 238,878 | 350,885 | 357,090 | 1.8 | |
| CAPITAL ASSETS | 26,488 | 57,479 | 9,000 | 5,700 | 36.7- | |
| * GROSS BUDGET | 6,415,031 | 4,154,105 | 6,036,759 | 6,153,155 | 1.9 | |
| INTRAFUND TRANSFERS | 0 | 0 | 0 | 0 | .0 | |
| * NET BUDGET | 6,415,031 | 4,154,105 | 6,036,759 | 6,153,155 | 1.9 | |
| OTHER REVENUES | | | | | | |
| USER PAY REVENUES | 961,286 | 583,753 | 966,326 | 1,178,341 | 21.9 | |
| GOVERNMENTAL REVENUES | 1,932,579 | 1,272,990 | 1,886,264 | 2,078,439 | 10.2 | |
| GENERAL REVENUES | 1 | 0 | 0 | 0 | .0 | |
| AVAILABLE FUND BALANCE 7/1 | 0 | 0 | 170,710- | 0 | 100.0- | |
| TOTAL AVAILABLE FINANCING | 2,893,866 | 1,856,743 | 2,681,880 | 3,256,780 | 21.4 | |
| * UNREIMBURSED COSTS | 3,521,165 | 2,297,362 | 3,354,879 | 2,896,375 | 13.7- | |
| ALLOCATED POSITIONS | 59.03 | 58.73 | 56.23 | 57.23 | 1.8 | |

Purpose

Sutter County Health is responsible for the operation of three distinct medical service units within the County. Those units are: Public Health, Sutter County PeachTree Clinic contract services, and Jail Medical Services.

Public Health is responsible for providing basic preventive health services to the residents of Sutter County to improve the health and wellness of the individual in accordance with the mandates of the Health and Safety Code or the California Code of Regulations, Title 17 and Title 22.

The Clinical Services component is responsible for providing non-emergency medical care to Sutter County residents. The clinic fulfills the County Welfare and Institutions Code 17000 requirement to provide medical care to residents who are

indigent. Effective June 2011, this requirement is met through the County’s contract with PeachTree Healthcare for the management and provision of services through the Outpatient Clinic.

Jail Medical Services are provided to inmates in conformance with an Amended Settlement Agreement the County entered into in 1994 with the United States District Court for the Eastern District of California. The Jail Medical Services budget is discussed in a separate budget unit (4-134).

Major Budget Changes

Salaries & Benefits

- (\$109,751) Elimination of one (1.0 FTE) vacant Public Health Nurse III position in the Nursing Administration program

- (\$38,083) Elimination of one-half (0.5 FTE) vacant Public Health Specialist position in the Wellness Program
- \$228,495 Addition of three (3.0 FTE) new Health Program Specialist positions in FY 2011-12, for the new grant funded SNAP-Ed program
- \$47,626 General salary and benefit adjustments

Services & Supplies

- \$14,942 Increase in Office Expense primarily related to the new grant funded SNAP-Ed grant program
- \$100,000 Increase in Professional & Specialized Services for Hospitalist services added mid-year FY 2011-12
- (\$16,000) Decrease in Special Departmental Expense due to recommended elimination of the Wellness Program
- \$17,802 Increase in Employment Training and related Transportation & Travel for grant funded programs

Capital Assets

- \$5,700 Replacement of one defective Carbon Dioxide Incubator in the Public Health Laboratory

Revenues

- \$75,970 Increase in Rent Land and Buildings pursuant to contract

- with Peach Tree Health Clinic for use of County clinic space
- (\$43,704) Reduction in Children & Families Commission grant revenue
- (\$58,874) Decrease due to discontinuation of the H1N1 Flu Public Health Emergency Response program (shown in the Interfund Transfer-in Special Revenue line item)
- \$150,000 Increase in County Medical Services Program grant revenue (shown in the Contribution from Non-Gov. Agency line item)
- \$300,000 Increase for new Supplemental Nutrition Assistance Program Education (SNAP-Ed) grant (shown in the Interfund Misc. Transfer and State Supplemental Nutrition Education line items)

Program Discussion

This budget funds the Health Division that staffs and operates the County’s Public Health unit and oversees the provision of services to medically indigent Sutter County residents. The Health Division also operates Jail Medical Services, which is discussed this year in a separate budget unit (4-134).

The public health services are dedicated to promotion, protection, and improvement of the health of Sutter County’s population. Historically, the top priorities have included communicable disease control, environmental health services and child health programs. Recently the priorities have been expanded to include the provision of a number of special

programs for community and individual wellness and improvement of lifestyle, with the goal of reducing chronic disease incidence. Preparing for and responding to public health emergencies, including natural disasters, acts of terrorism, and pandemic diseases is another added role.

Health Reorganization

On June 6, 2011 the management of the Outpatient Medical Clinic was transferred to Peach Tree Healthcare. However, the County remains obligated in providing on-call and inpatient hospital service. The County has provided this type of coverage since 1984, the year of the closure of the Sutter County Hospital.

Sutter County indigent patients who require inpatient hospital care receive that service at either Fremont Medical Center or Rideout Hospital, both private nonprofit hospitals, under an agreement for medical services with Sutter County. The cost for physician on-call services is contained in this budget unit.

On May 17, 2011, the Board had authorized the reorganization of Public Health. The reorganized programs take into account emerging Public Health concerns such as obesity, heart disease, diabetes, stroke, and high blood pressure, which have become pertinent to Public Health in the recent decade.

To provide operational realignment to meet the needs of the community, the following programs were authorized by the Board under the Health Education and Promotion Unit: Targeted Chronic Disease Management; Community Chronic Disease Prevention; and, Injury Prevention. The aforementioned programs offer a significant opportunity to improve health, improve health equity, save money, and reduce the demands on our health care systems in our community. Funding for portions of these programs has been secured

for FY 12-13 through governmental and non-governmental grant sources to address the longstanding chronic disease issues in our community.

Funding for the aforementioned programs is contained in the recommended budget.

Public Health Laboratory Services

There has been a continuous decline in workload in Public Health Lab Services over the past six years. One reason for this decline may be due to an increase in use of private clinical lab services in the local area. Limited Public Health Lab tests are currently provided, resulting in reduced use of staff time. The FY 2011-12 adopted budget included 0.50 FTE Director of Public Health Lab are requested to be left vacant and unfunded this year due to the reduction in lab services. The department currently maintains a stand-by/on-call Public Health Microbiologist and has retained the Lab Director on a contract basis.

Jail Medical Services (JMS)

The Health Division also operates Jail Medical Services at the Sutter County Jail. The Jail medical costs and program description are reflected in the newly created Jail Medical Services Budget Unit 4-134. Prior to FY 12-13, this program has been combined in the Health 4-103 Budget Unit. It should be noted that administrative oversight of this program, including staff time from the Health Officer and Assistant Director of Human Services, is not directly reflected in the new budget unit. These costs are contained within the administration program of Budget Unit 4-103 and are not reflected as direct jail medical costs. The provision of medical care to the Sutter County Jail continues to be the single largest cost item within the overall Health Services Division. In general, there has been an on-going shift of resources from traditional public health programs to the jail medical program to meet the requirements of inmate health.

Specialized Health Programs

The Health Division budget also funds various specialized health programs. These include administration of the California Children's Services Program; Emergency Medical Care Committee; administration of the Proposition 99 Tobacco Tax Fund and 1991 Realigned Health Fund components; administration of the Emergency Medical Services Maddy Act Funds; representation of Sutter County to the County Medical Services Program (CMSP); and the Women, Infants, and Children's Supplemental Nutrition program.

Future Considerations

As part of the federal American Recovery and Reinvestment Act (ARRA) of 2009, the Health Information Technology for Economic and Clinical Health (HITECH) Act authorized the development of health information technology. In 2010, California developed an Operational Plan for the development and implementation of Health Information Exchange (HIE) services. The Health Division is working with the California Department of Public Health on an electronic disease reporting and surveillance system integrated with electronic laboratory reporting (ELR). The California Reportable Disease Information Exchange (CalREDIE) is a computer application that the California Department of Public Health (CDPH) is implementing for web-based disease reporting and surveillance. The Health Division's patient care management and billing software dates from 1992 and is in need of updating in order to meet reorganized and future needs. The update is expected to increase efficiency of data collection and records management, and to facilitate electronic health information exchange in Public Health.

Funding of the Health Division

Overall, the FY 2012-13 Health Division budget reflects an attempt to maintain programs at a consistent level to protect the

public health of the community, with consideration given to current funding and actual needs of the community.

Health Division services are financed through a combination of County General Fund dollars, State grants and 1991 Realignment funds. There is some uncertainty regarding the future level of State support for certain Public Health programs.

The Women Infant and Children's (WIC) program has received an increase in the base allocation in previous fiscal years; however, due to declining statewide caseload, a decrease in State WIC program funding is likely in FY 2012-13. Should State funding for this program be reduced during FY 2012-13, the Department will return to the Board of Supervisors with a recommendation to incorporate funding changes in the FY 2012-13 Adopted Budget.

The County has participated in the SB 910 Program for Targeted Case Management (TCM) and Medi-Cal Administrative Activities (MAA) since the inception of the program in 1992. Federal rules governing the program have been suspended without issuance of replacement rules. Because of the continued revision of State and Federal program rules, the Health Division may bring a recommendation to the Board of Supervisors in FY 2012-13 recommending that the County no longer participate in the program. The Department will closely monitor program development.

The Health Division oversees six special revenue funds, where certain grant revenues are designated for specific program uses. These funds are: Bioterrorism Trust (fund 0-124), Pandemic Influenza Preparedness (fund 0-139), Bicycle Helmet Safety (fund 0-178), Tobacco Education Trust (fund 0-246), Vital Statistics Trust (fund 0-287), and Child Passenger Restraint (fund 0-298). Revenue from these special revenue funds is transferred into the Health Division budget as needed to

support the designated programs and related services, as dictated by the individual fund requirements.

Recommended Budget

This budget is recommended at \$6,153,155 with a net unreimbursed cost of \$2,896,375, which is a decrease of \$458,504 (13.7%) compared to FY 2011-12.

The Wellness Program within the Health budget unit is recommended for elimination. This results in an unreimbursed cost savings of \$57,883. The program provides benefits to County employees such as entry fees for 5K runs and various other healthful activities. However, the County's current health insurance provider, Tri-County Schools Insurance Group (TCSIG), now offers many wellness activities free of charge. Employees wishing to continue to participate in wellness activities will be encouraged to take advantage of programs offered by TCSIG.

The County has a Maintenance of Effort (MOE), or minimum funding requirement, as a condition of receiving 1991 Realignment funding from the State. Sutter County's MOE is \$674,240. The recommended budget over-matches the MOE by approximately \$189,299, which is a reduction of \$233,599 (55.2%) compared to the FY 2011-12 Adopted Budget.

Of the 58.73 FTE positions contained in the Health Department budget, 1.5 FTE positions are contracted to PeachTree Clinic, while 29.68 FTE positions are grant funded. The positions that are contracted to PeachTree Clinic and positions that are grant funded have no General Fund cost.

Use of Fund Balance

This budget unit is within the Health Fund. The budget does not include the use of any specific fund balance.

Human Services - Health Non County Providers (4-201)

Tom Sherry, Director of Human Services

| EXECUTIVE SUMMARY | | | | | | |
|-----------------------|----------------------------------|----------------------------------|------------------------------|-----------------------------|-----------------------------|--|
| DEPT HEAD: TOM SHERRY | UNIT: NON-COUNTY PROVIDERS | FUND: HEALTH | | | 0012 4-201 | |
| | ACTUAL EXPENDITURE 2010-11 | ACTUAL EXPENDITURE 3-31-12 | ADOPTED BUDGET 2011-12 | CAO RECOMMEND 2012-13 | % CHANGE OVER 2011-12 | |
| EXPENDITURES | | | | | | |
| SERVICES AND SUPPLIES | 26,400 | 19,800 | 26,400 | 26,400 | .0 | |
| OTHER CHARGES | 767,929 | 515,876 | 838,025 | 774,565 | 7.6- | |
| * GROSS BUDGET | 794,329 | 535,676 | 864,425 | 800,965 | 7.3- | |
| INTRAFUND TRANSFERS | 0 | 0 | 0 | 0 | .0 | |
| * NET BUDGET | 794,329 | 535,676 | 864,425 | 800,965 | 7.3- | |
| OTHER REVENUES | | | | | | |
| USER PAY REVENUES | 22,887 | 0 | 23,718 | 23,718 | .0 | |
| GOVERNMENTAL REVENUES | 0 | 0 | 0 | 0 | .0 | |
| TOTAL OTHER REVENUES | 22,887 | 0 | 23,718 | 23,718 | .0 | |
| * UNREIMBURSED COSTS | 771,442 | 535,676 | 840,707 | 777,247 | 7.5- | |
| ALLOCATED POSITIONS | .00 | .00 | .00 | .00 | .0 | |

Purpose

Sutter County Health administers this budget unit which includes the County's share of the cost of health programs which are provided to County residents by County Departments outside of the Health Fund or by health related non-County agencies.

Major Budget Changes

Other Charges

- (\$52,775) Decrease in Interfund transfer to Environmental Health reflecting recommended net reductions in the Environmental Health budget unit (2-725)

Program Discussion

Emergency Medical Services

This budget unit appropriates Sutter County's cost for participation in the Joint Powers Agreement for the Sierra Sacramento Valley Emergency Medical Services (S-SV EMS) Agency. S-SV EMS is designated as the local EMS agency for each of the member counties (which include Placer, Yolo, Yuba, Sutter, Nevada, Colusa, Butte, Shasta, Tehama, and Siskiyou) under the authority of the Government Code, State of California (Section 6500, et seq.). The County Share in the EMS Agency is based on the per capita population rate of forty-one cents (\$0.41), plus a \$10,000 base, for a total of \$52,750. The anticipated cost for participation in this joint powers agreement is based on California State Department of Finance projections for the population of Sutter County. It is anticipated that additional funds will be required for this item should the Department of Finance

Human Services - Health

Non County Providers (4-201)

Tom Sherry, Director of Human Services

population projections for Sutter County differ from those used by the Health Division. A portion of this fee is offset by the use of Emergency Medical Services Fund (Maddy Act) undesignated funds (Fund 0-252), reflected as an Interfund revenue in this budget unit.

The S-SV EMS Agency performs the duties of qualification, accreditation, and authorization of all pre-hospital care personnel, EMS system design, and compliance with related local and state regulations. The Department anticipates bringing a revision to the agreement with S-SV EMS to the Board in the near future. The revised agreement will delegate additional local Emergency Medical Services (EMS) Agency responsibilities, contained in the Sutter County Ambulance Services Ordinance.

This budget unit also appropriates \$26,400 for a contract with Bi-County Ambulance Services for indigent medical transportation. The County is currently in a multi-year contract with Bi-County Ambulance Services for indigent medical transportation. The annual cost for these services is \$26,400.

County Medical Services Program

Sutter County participates in the County Medical Services Program (CMSP) through an agreement between the County and Governing Board of the CMSP. CMSP and its authority are established in California Welfare and Institutions Code Section 16809 et seq. This budget contains the participation fee (\$188,781) set by legislation for the County to participate in the CMSP. Under the agreement with the CMSP Governing Board, the County agrees to share in a risk limitation amount should the CMSP require more funds to operate the program. In prior years, the CMSP Governing Board has invoked the risk limitation requirements, which resulted in an increased cost to Sutter County of \$165,809. The CMSP Governing Board has yet to

determine whether or not it will require additional funds to operate the program in FY 2012-13. However, the Governing Board did report a fund balance of all CMSP accounts of \$78,636,861 as of January 30, 2012, which is \$93, 363,139 less than the prior year's fund balance. Should the CMSP Governing Board vote to enforce a risk limitation, additional funds would need to be allocated to this budget unit. Although technically not part of the participation fee, the risk limitation payment and the participation fee are budgeted as one item under the CMSP Participation fee account.

The original CMSP legislation set up a program comprised of State funds and County funds to provide care to indigent adults in small Counties. In FY 2000-01, the State withdrew its contribution of \$20.5 million to the program. In addition, beginning that year, the State charged CMSP an additional \$3 million for administrative costs. A combination of factors, including program cost increases for pharmaceutical supplies and medical care coupled with the State reduction of funds and imposition of an administrative cost has resulted in the CMSP requiring additional funds to operate. Those additional funds have come from the participating Counties. CMSP has attempted to mitigate these additional costs by reducing benefits to providers, reducing the number of those eligible for the program by eliminating program eligibility to those with an income over 200% of the Federal poverty level, reducing benefits to eligible participants and entering into a pharmacy benefits contract. CMSP has terminated the agreement with the State for management services and now contracts with Anthem Blue Cross for this service.

Sutter County has participated in the CMSP since 1983. The County has the option of continuing participation in this program or

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Tom Sherry, Director of Human Services

operating its own medical services program for indigent adults. CMSP is a fee-for-services program with the scope of services identical to the Medi-Cal program. Should Sutter County operate its own program, the County would determine the scope of services and a provider group eligible for payment.

It is estimated that CMSP expends approximately \$5.2 million dollars for medical care to Sutter County indigent adults and receives approximately \$4.5 million of 1991 Realignment money for that care. Sutter County directly contributes \$2,996,118 of realignment funds (shown in the Health Care-General budget unit 4-110) plus the cost of the participation fee and, when required, a risk assessment fee. The participation and risk payments are made in concept with general fund monies. The additional 1991 Realignment funds that CMSP receives are from “growth monies,” which are appropriated directly to CMSP by the original 1991 Realignment legislation. CMSP receives approximately \$1.5 million dollars, which represents the Sutter County share of Realignment growth funds based on a calculation of the total growth fund available.

Should Sutter County withdraw from the CMSP, the only 1991 Realignment funds available to Sutter County would be the \$2,996,118 contained in the original legislation. The Realignment growth funds would be retained by CMSP and would not be available to Sutter County.

On November 2, 2010, the Federal government approved California’s five year, “Bridge to Reform” Section 1115 waiver proposal through which California will advance program changes related in particular to Medi-Cal expansion. This will help the State transition to the federal reforms which are proposed to take effect in January, 2014. In addition, a program known as the Low Income

Health Program (LIHP) is a new optional program that has been established at the local level in California. It is authorized by Chapter 723, Statutes of 2010 (Assembly Bill 342), Welfare and Institutions Code Sections 15909-15915 and is approved under California’s section 1115 (a) Medicaid Demonstration, “Bridge to Reform.” On October 27, 2011, the Governing Board approved implementation and operation of Path2Health as an LIHP pilot project from January 1, 2012 to December 31, 2013. The LIHP provides California with the opportunity to begin an early implementation of key coverage expansion components of the Patient Protection and Affordable Care Act and is authorized to use a combination of uncapped and restricted levels of Federal funds for the LIHP. The LIHP will expand health care coverage to eligible low-income adults, who are aged 19-64 and with family incomes at or below 200% of the Federal Poverty Level.

An analysis commissioned by the Governing Board indicates that the CMSP program could realize savings by implementing the LIHP, depending on how far the eligibility level is extended and when the expansion is implemented.

Environmental Health

In FY 1993-94, the Board of Supervisors transferred environmental health services from Public Health to the newly created Community Services Department. The unreimbursed cost of the Environmental Health program is now reflected in the Non-County Providers budget unit (4-201). A memorandum of understanding between the Health Officer and the Director of Environmental Health specifies the relationship of the Environmental Health service to the Public Health Division.

This budget unit includes \$533,034 to be transferred to the Environmental Health budget

Human Services - Health

Non County Providers (4-201)

Tom Sherry, Director of Human Services

unit (2-725), a division of the Community Services Department. The amount budgeted in the interfund account for Environmental Health is based on the Environmental Health division's budgeted Unreimbursed Cost for FY 2012-13.

Recommended Budget

This budget is recommended at \$800,965, with a net unreimbursed cost of \$777,247, which is a decrease of \$63,460 (7.5%) compared to FY 2011-12.

The County is currently in a multi-year contract with Bi-County Ambulance Services for indigent medical transportation. The annual cost for these services is \$26,400.

The County Share in the EMS Agency is recommended at \$52,750. The anticipated cost for participation in this joint powers agreement is based on California State Department of Finance projections for the population of Sutter County.

This budget contains the participation fee (\$188,781) set by legislation for the County to participate in the CMSP.

The budget also includes \$533,034 to be transferred to the Environmental Health budget unit, as Environmental Health service is part of the County's required health care Maintenance of Effort. The recommended amount represents a reduction of \$52,775 compared to the FY 2011-12 Adopted Budget.

Use of Fund Balance

This budget unit is within the Health Fund. The budget does not include the use of any specific fund balance.

Human Services - Health California Children's Services (CCS) (4-301)

Tom Sherry, Director of Human Services

| EXECUTIVE SUMMARY | | | | | |
|-----------------------|---|----------------------------------|------------------------------|-----------------------------|-----------------------------|
| DEPT HEAD: TOM SHERRY | UNIT: CALIFORNIA CHILDREN SERVICES FUND: HEALTH | | | 0012 4-301 | |
| | ACTUAL EXPENDITURE 2010-11 | ACTUAL EXPENDITURE 3-31-12 | ADOPTED BUDGET 2011-12 | CAO RECOMMEND 2012-13 | % CHANGE OVER 2011-12 |
| EXPENDITURES | | | | | |
| SERVICES AND SUPPLIES | 47,662 | 48,514 | 63,000 | 64,500 | 2.4 |
| OTHER CHARGES | 225,629 | 0 | 210,368 | 210,368 | .0 |
| * GROSS BUDGET | 273,291 | 48,514 | 273,368 | 274,868 | .5 |
| INTRAFUND TRANSFERS | 0 | 0 | 0 | 0 | .0 |
| * NET BUDGET | 273,291 | 48,514 | 273,368 | 274,868 | .5 |
| OTHER REVENUES | | | | | |
| USER PAY REVENUES | 141,150 | 0 | 141,150 | 141,150 | .0 |
| GOVERNMENTAL REVENUES | 7,073 | 0 | 0 | 0 | .0 |
| TOTAL OTHER REVENUES | 148,223 | 0 | 141,150 | 141,150 | .0 |
| * UNREIMBURSED COSTS | 125,068 | 48,514 | 132,218 | 133,718 | 1.1 |
| ALLOCATED POSITIONS | .00 | .00 | .00 | .00 | .0 |

Purpose

The California Children's Services (CCS) Program is a State mandated program to the County under Article 2, Section 248 of the Health and Safety Code.

Major Budget Changes

Services & Supplies

- \$1,500 Increase for therapy services

Program Discussion

California Children's Services

The California Children's Services (CCS) program has been in continuous operation since it was established in 1927 by the State

Legislature. CCS is a statewide tax-supported program of specialized medical care and rehabilitation for eligible children. It is a program that is administered as a partnership between the county health departments and the California Department of Health Care Services (DHCS). The program provides diagnostic and treatment services, medical case management, and physical and occupational therapy services to children under age 21 with a CCS-eligible medical condition, which may include catastrophic illness or major injury, for which families cannot afford wholly or in part to pay. Therapy services are provided at the County level while diagnostic and treatment services are provided by private medical providers. Therapy services for Sutter County are provided at the Virginia School in Wheatland, with Yuba County providing therapy staff. Sutter County reimburses Yuba County for a portion of the cost based on claims submitted by Yuba County.

Human Services - Health California Children's Services (CCS) (4-301)

Tom Sherry, Director of Human Services

Prior to FY 1991-92, the cost of services provided under the CCS program was shared between the State and the County on a 75/25 percent basis, respectively. The State's "realignment" of health, mental health, and social services programs, which was enacted in 1991, shifted a higher percentage of the costs to counties. The cost sharing ratio is now 50/50. The additional 25% of cost shift to the County is offset from the 1991 Realignment funds shifted to the County from the State. CCS Realignment funds are by law placed in the Social Services Trust Account. The assumption made in placing CCS funds in the Social Services Trust Account was that it would assure funding of caseload growth every year. The 25% realigned amount transferred from the Social Services Trust Account is the only amount within the Health Division that is subject to growth allocation.

State statute requires a minimum County contribution, or "Maintenance of Effort" (MOE), to the CCS program equal to at least 50 percent of the total actual expenditures for the CCS program in FY 1990-91, unless the State certifies that a smaller amount is required. Sutter County's MOE is established at \$154,465, with the State then matching that amount on a dollar-for-dollar basis. Historically, Sutter County policy had been to budget an "overmatch" to the state's contribution of \$154,465, with the understanding that the State would contribute additional matching funds as needed.

In FY 2010-11 the California Department of Health Care Services (DHCS) implemented a radically different methodology for funding both CCS County Administration and the Medical Therapy Program (MTP). This action was taken because DHCS had been overspending its State budget appropriations for both CCS County Administration and

MTP for a number of years. In the past, the State made a commitment to match one dollar for each dollar a County appropriates for CCS service expenditures above its MOE level, and provided additional State matching funds if a County appropriated additional funds to meet the demands of their local program. DHCS implemented a policy of capped allocations in FY 2008-09. This allocation policy in effect reduced funding for CCS programs by an average of 17% when compared to FY 2007-08.

The growth in CCS caseloads and program costs has steadily increased over time. This increase places demands both on the service delivery side (particularly due to a decreasing pool of specialists and/or therapists and because county staff must review each case in order to authorize services) and on the financing of the program.

In FY 2011-12 the County CCS program expenses for the Basic CCS cases (non-Medi-Cal or non-Healthy Families cases) exceeded the State allocation and Emergency Relief Funding was granted by the State which covers 100% of most costs, with the exception of Vendored Therapy. The relief funds are available on a first come first served basis and are not guaranteed. If funds were to not be available to pay claims, the County would be required to pay for rendered services or services to Sutter County children would be suspended by the State.

Healthy Families Program

The Healthy Families Program (HFP) provides health, dental, and vision benefits through participating managed care health plans for children who are not eligible for Medi-Cal. The program is currently administered by the State of California

Human Services - Health California Children's Services (CCS) (4-301)

Tom Sherry, Director of Human Services

through the Managed Risk Medical Insurance Board (MRMIB). In recent years, State budget proposals have included either the elimination of or reductions to the Healthy Families program. Should changes occur in the Healthy Families program in the future, there may be impacts to the CCS program in that counties may see cost increases due to children moving from Healthy Families (in which counties have a 17% share) to Basic CCS (in which counties have a 50% share) for those children who do not qualify for Medi-Cal. Approximately 25% of the total CCS caseload has Healthy Families insurance. In addition, the CCS County administration allocation could be reduced by as much as 33% (\$95,000) if the Healthy Families program is eliminated.

The Governor's budget proposes to achieve \$64 million in net General Fund savings in 2012-13 by taking a number of actions related to the Healthy Families program. This estimate reflects the savings generated by the proposal to reduce the rates paid to HFP managed care providers by 25.7%, on average, effective October 1, 2012—bringing these rates to Medi-Cal levels. In addition, the Governor proposes to gradually transition Healthy Families program enrollees—approximately 878,000 children in California—to the Medi-Cal Program administered by the DHCS by June 30, 2013. The transition of program enrollees would happen in three phases over a nine month period. The Governor's budget also proposes to eliminate MRMIB by July 1, 2013.

It is unknown at this time what the impact will be on the Sutter County CCS program and if there will be a transfer of some Healthy Families children, who do not qualify for Medi-Cal, to Basic CCS. The Human Services – Health Division is making preparations for

the changes of potential increases in Medi-Cal enrollment with a site overview by the Medi-Cal Administrative Activities (MAA) LGA Consortium consultant to determine where administrative operations can be strengthened to serve the population as it moves from Healthy Families to Medi-Cal or another source of health coverage. MAA administration includes outreach to the Medi-Cal eligible community and is anticipated to increase with the changes in the CCS and Healthy Families programs. MAA administration is a reimbursable cost per SB910 and is an offset to General Fund employee expenses. The Human Services – Health Division currently participates in claiming MAA reimbursements.

Recommended Budget

This budget is recommended at \$274,868, which is an increase of \$1,500 (0.5%) compared to FY 2011-12. This budget unit does not receive any financing from the General Fund. The County's share of cost is met by a transfer of Welfare/Social Services 1991 Realignment funding.

At this time, the State has not determined the amount of its contribution to the Sutter County CCS Program in FY 2012-13. As mentioned above, in the past, as a policy item, the County has budgeted an amount in excess of the MOE in order to meet the potential demand for service, which can be very volatile. This budget request for \$210,368 is consistent with the Board of Supervisors' past policy in this area and is the same as the prior year's Adopted Budget. However, the Board could opt to reduce this budget request to the minimum MOE of \$154,465, to match a potential reduced State contribution. At this time it is unknown whether the State

Human Services - Health California Children's Services (CCS) (4-301)

Tom Sherry, Director of Human Services

contribution will match the amount appropriated over the MOE.

Use of Fund Balance

This budget unit is within the Health Fund. The budget does not include the use of any specific fund balance.

Human Services - Jail Medical Services (4-134) *Tom Sherry, Director of Human Services*

| EXECUTIVE SUMMARY | | | | | | |
|--------------------------------|----------------------------------|----------------------------------|------------------------------|-----------------------------|-----------------------------|--|
| DEPT HEAD: TOM SHERRY | UNIT: JAIL MEDICAL | FUND: HEALTH | | | 0012 4-134 | |
| | ACTUAL EXPENDITURE 2010-11 | ACTUAL EXPENDITURE 3-31-12 | ADOPTED BUDGET 2011-12 | CAO RECOMMEND 2012-13 | % CHANGE OVER 2011-12 | |
| EXPENDITURES | | | | | | |
| SALARIES AND EMPLOYEE BENEFITS | 989,720 | 802,631 | 1,036,042 | 1,254,976 | 21.1 | |
| SERVICES AND SUPPLIES | 245,174 | 201,109 | 263,705 | 298,825 | 13.3 | |
| OTHER CHARGES | 376,612 | 372,645 | 321,912 | 531,912 | 65.2 | |
| * GROSS BUDGET | 1,611,506 | 1,376,385 | 1,621,659 | 2,085,713 | 28.6 | |
| INTRAFUND TRANSFERS | 0 | 0 | 0 | 0 | .0 | |
| * NET BUDGET | 1,611,506 | 1,376,385 | 1,621,659 | 2,085,713 | 28.6 | |
| OTHER REVENUES | | | | | | |
| USER PAY REVENUES | 20,980 | 0 | 0 | 2,085,713 | *** | |
| GOVERNMENTAL REVENUES | 0 | 0 | 0 | 0 | .0 | |
| TOTAL OTHER REVENUES | 20,980 | 0 | 0 | 2,085,713 | *** | |
| * UNREIMBURSED COSTS | 1,590,526 | 1,376,385 | 1,621,659 | 0 | 100.0- | |
| ALLOCATED POSITIONS | 8.57 | 8.57 | 8.57 | 10.57 | 23.3 | |

Purpose

The operation of the Jail Medical Services program is the responsibility of the Sutter County Department of Human Services. The Director of Sutter County Human Services or his/her designee is the Health Authority responsible for the arrangement of all levels of healthcare, including medical and nursing coverage.

Jail Medical Services are provided to inmates in conformance with an Amended Settlement Agreement the County entered into in 1994 with the United States District Court for the Eastern District of California, and in accordance with the minimum standards of the California Board of Corrections and Title 15 of the California Code of Regulations.

Major Budget Changes

Salaries & Benefits

- \$235,598 Addition of two (2.0 FTE) Supervising Nurse positions
- (\$16,130) Decrease in Extra Help related to the addition of two Supervising Nurse positions

Services & Supplies

- \$30,000 Increase in Medical Dental Lab Supplies based on expenditure trend

Other Charges

- \$210,000 Increase in Support & Care of Persons based on expenditure trend

Revenue

- \$2,083,823 Interfund Jail Medical payment from the Sheriff – Jail budget unit now reflected in the Jail Medical Services budget unit

Program Discussion

The Jail Medical Services budget represents the costs of providing nursing coverage in the jail seven days per week, 19.5 hours per day; sick-call coverage by Physicians and/or Nurse Practitioners; medical supplies including pharmaceuticals; emergency room care; inpatient hospital care; referrals to medical specialty providers; and dental care.

It should be noted that administrative oversight of this program, including staff time from the Health Officer and Assistant Director of Human Services, is not directly reflected in the new budget unit. These costs are contained within the administration program of the Public Health budget unit (4-103) and are not reflected as direct jail medical costs.

The provision of medical care to the Sutter County Jail continues to be the single largest item in the Health Services Division budget.

Jail Staffing

The Department is recommending that two additional Supervising Registered Nurse positions be added to the program budget effective July 1, 2012.

The Jail Medical Services program is required to maintain staffing requirements that were agreed to by the court and the County. The staffing requirements specific to Nursing coverage includes one Registered Nurse (RN) on site during either the day shift or the evening shift seven days per week, and either one RN or one Licensed Vocational Nurse (LVN) on site during the other day shift or

evening shift as appropriate, seven days per week. In order to cover the staffing requirements for anticipated and unanticipated leaves of absence, the Jail Medical Services program has historically hired Extra Help nursing staff to create a “pool” of nurses to draw upon. Since November 2011, the Department has also relied on the use of a supplemental staffing agency, which employs licensed health care personnel to provide healthcare services, in situations where Extra Help staff is not available to cover the Jail Medical Services nursing shifts. This has been an additional cost for the program and increases the risk of staff not being familiar with current policies and procedures due to the intermittent schedule these staff may be asked to work.

The addition of two permanent Registered Nurse positions will reduce overtime required by regular staff, will reduce the use of Extra Help staffing, and will reduce the need to rely on outside contract staff.

2011 Realignment - Anticipated Impacts

With the passage of AB 109 and the State’s implementation of 2011 Realignment, which became effective October 1, 2011, counties have assumed new corrections, reentry and community supervision responsibilities for people convicted of certain non-serious, non-violent felonies. This realignment refers to changes in the assignment of program and fiscal responsibilities between the state and local governments.

With this change, it is estimated there will be an increase in demand on jail medical services based on the current number of healthcare services provided, the number of state prisoners transferred to the local jail and the rate of recidivism in Sutter County applied to state prisoners paroled. In addition, it is anticipated that courts will be sentencing

offenders to the local jail rather than state prison. A Rand Corporation ongoing study on the public health implications of prisoner reentry has concluded from survey data that California prison inmates bear a high burden of chronic diseases that require regular use of health care for effective management.

The provision of emergency medical or dental care results in a substantial cost to the County. In general, costs increase proportionate to increases in the overall jail inmate population, and likely at a greater rate when combined with longer lengths of incarceration.

Severity of Inmate Health and Mental Health Conditions

The Jail inmate population mimics and sometimes exceeds the general population of California communities in the rate of chronic disease incidence. One in three California adults have a chronic disease such as diabetes, asthma, high blood pressure, stroke, or cancer, and about 75% of health care costs are due to chronic conditions. The severity of inmate health & mental health conditions and the problems presented upon booking continue to result in utilization of more inpatient hospital days and emergency room visits, and more pharmaceutical costs. Additional specialty medical services such as kidney dialysis and cardiac catheterization have jointly contributed to an increase in medical supplies costs and expenses related to the support and care of inmates.

Recommended Budget

This budget is recommended at \$2,085,713, which is an increase of \$464,054 (28.6%) compared to FY 2011-12. Jail Medical Services are 100% funded by the General Fund.

It is recommended that two (2.0 FTE) Supervising Registered Nurse positions be added to the budget. Therefore, Salaries and

related benefits are recommended to increase by \$235,598. As stated above, the addition of two permanent Registered Nurse positions will reduce overtime required by regular staff, will reduce the use of Extra Help staffing, and will reduce the need to rely on outside contract staff. Extra Help is recommended to decrease by \$16,130, and additional funding for contract staffing has been removed from the budget.

Support & Care of Persons expense reflects direct expenditures related to the hospitalizations and other outside care of inmates. This line item has increased significantly during FY 2011-12, and is recommended at \$530,000. This reflects an increase of \$210,000, or 65%, over the FY 2011-12 Adopted Budget. These expenditures will be monitored closely over the coming year.

Medical Dental Lab Supplies costs are also recommended to increase \$30,000, or 18%, over the prior year, based on expenditure trend.

The cost of providing medical services to the Sutter County Jail is, in effect, transferred to the Jail budget unit (2-301), within the Public Safety fund (0015), through the recording of an Interfund Jail Medical transfer. This transfer essentially transfers the unreimbursed cost of the Jail Medical Services program from the Health Fund to the Public Safety fund. The General Fund covers all unreimbursed costs in the Public Safety fund.

Use of Fund Balance

This budget unit is within the Health Fund. The budget does not include the use of any specific fund balance.

| EXECUTIVE SUMMARY | | | | | | |
|--------------------------------|-----------------------------|-------------------------------|------------------------|-----------------------|-----------------------|--|
| DEPT HEAD: TOM SHERRY | UNIT: MENTAL HEALTH SERVICE | FUND: BI-COUNTY MENTAL HEALTH | | | 0007 4-102 | |
| | ACTUAL EXPENDITURE 2010-11 | ACTUAL EXPENDITURE 3-31-12 | ADOPTED BUDGET 2011-12 | CAO RECOMMEND 2012-13 | % CHANGE OVER 2011-12 | |
| EXPENDITURES | | | | | | |
| SALARIES AND EMPLOYEE BENEFITS | 10,731,068 | 8,247,583 | 11,998,777 | 12,532,482 | 4.4 | |
| SERVICES AND SUPPLIES | 5,631,169 | 3,952,527 | 4,543,841 | 6,861,532 | 51.0 | |
| OTHER CHARGES | 4,238,862 | 2,757,272 | 4,100,265 | 4,130,674 | .7 | |
| * GROSS BUDGET | 20,601,099 | 14,957,382 | 20,642,883 | 23,524,688 | 14.0 | |
| INTRAFUND TRANSFERS | 0 | 0 | 0 | 0 | .0 | |
| * NET BUDGET | 20,601,099 | 14,957,382 | 20,642,883 | 23,524,688 | 14.0 | |
| OTHER REVENUES | | | | | | |
| USER PAY REVENUES | 7,010,306 | 4,287,772 | 7,859,828 | 9,300,984 | 18.3 | |
| GOVERNMENTAL REVENUES | 13,038,492 | 11,676,797 | 12,676,609 | 13,391,257 | 5.6 | |
| GENERAL REVENUES | 30,213 | 53,028 | 16,000 | 100,120 | 525.8 | |
| OTHER FINANCING SOURCES | 728 | 0 | 0 | 0 | .0 | |
| CANCELLATION OF OBLIGATED F/B | 0 | 0 | 90,446 | 732,327 | 709.7 | |
| AVAILABLE FUND BALANCE 7/1 | 0 | 0 | 0 | 0 | .0 | |
| TOTAL AVAILABLE FINANCING | 20,079,739 | 16,017,597 | 20,642,883 | 23,524,688 | 14.0 | |
| * UNREIMBURSED COSTS | 521,360 | 1,060,215- | 0 | 0 | .0 | |
| ALLOCATED POSITIONS | 107.23 | 108.64 | 106.13 | 110.14 | 3.8 | |

Purpose

Bi-County Mental Health, also referred to as Sutter-Yuba Mental Health Services (SYMHS), is a division of the Sutter County Human Services Department. Under a Joint Powers Agreement entered into between the counties of Sutter and Yuba in 1969, SYMHS provides mental health services to residents of both counties. Subsequently, in the mid-1970s, by resolution of both Boards of Supervisors, it was determined that bi-county drug and alcohol services would be provided under the auspices of SYMHS. SYMHS provides the full range of clinical operations for specialty mental health 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 payor status; administers managed-care contracts for mental health services with private for profit and nonprofit agencies; and provides a comprehensive system of care for the mentally ill, to the extent resources are available.

Major Budget Changes

Salaries & Benefits

- \$364,864 Increase in Permanent Salaries, 56% of which is for three Intervention Counselor positions funded by non-departmental sources

Services & Supplies

- \$2,262,691 Increase in Professional/Specialized Services account primarily due to Realignment of Drug Medi-Cal from the State to counties

- (\$319,551) Decrease in State Drug and Alcohol Aid due to 2011 Realignment
- (\$197,382) Decrease in State Drug Court grants due to 2011 Realignment

Other Charges

- \$541,463 Increase in Support and Care of Persons due to increased hospitalizations and other residential placements
- (\$264,913) Decrease in Interfund Overhead (A-87) Cost Plan charges as provided by the Auditor-Controller's office

- \$800,000 Increase in Federal Drug Medi-Cal based on maximum values of contracts currently between the State of California and community providers of Drug Medi-Cal services
- (\$163,709) Decrease in Federal Mental Health Medi-Cal due to estimates based on current reimbursements

Revenues

- \$1,204,323 Increase in Interfund Transfer In – Realignment due to realignment of the following programs from the state to counties:
 - Drug Courts: \$168,226
 - Non-Drug Medi-Cal Substance Abuse Treatment Services: \$236,097
 - Drug Medi-Cal: \$800,000
- (\$1,646,000) Decrease in Interfund MVIL Transfer Mental Health due to elimination of vehicle license fees as a source of Realignment revenue for Mental Health
- \$1,573,706 Increase in Interfund Transfer In – Sales Tax due to a change in 1991 Realignment funding that eliminated vehicle license fees as a source of Realignment revenue for Mental Health

Program Discussion

SYMHS serves on average over 5,000 unique mental health clients each year. Over the years there has been a significant increase in demand for mental health services due in part to expanded children's services supported by Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) funds which became available in 1995. This together with the Medi-Cal consolidation that became effective in 1998 and the growth in local population has resulted in more than a doubling of clients being served.

Under Medi-Cal consolidation, SYMHS has been the Mental Health Plan for the 40,000 Medi-Cal beneficiaries in Sutter and Yuba Counties. Mental health treatment is an entitlement under Medi-Cal. SYMHS is responsible for assessing and treating, or referring for treatment, all Medi-Cal eligible individuals who meet medical necessity criteria and seek Specialty Mental Health Services on either an inpatient or outpatient basis. In addition to providing direct services, SYMHS has established contracts

with licensed therapists in the local community and statewide to serve area children who have been placed out-of-home.

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 Alcohol and Other Drug (AOD) 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

All of these were previously funded by State General Fund monies.

SYMHS has a long-term contract relationship with Victor Community Support Services, Inc. (VCSS). VCSS provides assessment and treatment services to youth on school campuses. These services are funded primarily through a combination of Medi-Cal and EPSDT. In addition, VCSS provided services to children with individualized educational programs (IEPs) which authorized mental-health services under Chapter 26.5 of the California Government Code. The state mandate for these services, also known as the AB 3632 mandate, was suspended in 2010 and has now been eliminated. Responsibility for providing these services has now shifted to the schools.

SYMHS provides drug and alcohol services to local residents under Net Negotiated Amount (NNA) contracts with the State Department of Drug and Alcohol Programs, which include significant funding from

federal Substance Abuse Prevention and Treatment (SAPT) block grants; under the California Work Opportunity and Responsibility to Kids (CalWORKs) program for Sutter County; and under drug court grant funding. SYMHS provides a number of judicially-linked programs. These include PC 1000 Drug Diversion services authorized under section 1000 of the California Penal Code (commonly referred to as PC 1000); services to individuals referred by the courts in both counties for mental health treatment and substance abuse counseling; psychiatric services to youth in juvenile hall and youth in the Maxine Singer Youth Guidance Center; services to inmates in both counties' jails; and services to individuals involved in drug courts in both counties.

Federal JAG/Byrne grants funded a program operated jointly with the Sutter County Probation Department that provided substance abuse treatment to persons convicted of certain types of crimes. These grants have ended. During FY 2011-12, as a result of realignment of responsibility for certain offenders from the state to counties, funding has become available to continue and expand services in collaboration with the Probation Department. To this end, the Probation Department has defunded a vacant Deputy Probation Officer I/II/III position and is shifting that funding to Mental Health to pay for an Intervention Counselor I/II position. This position will work with the Probation Department in providing services related to Public Safety Realignment.

SYMHS 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 abuse treatment program with many successful graduates in our communities.

In FY 2012-13, SYMHS will become responsible for Drug Medi-Cal services. There are currently three agencies in the community that have provided these services under contracts directly with the California Department of Alcohol and Drug Programs. The value of these three contracts in FY 2011-12 totaled \$1.6 million. SYMHS will assume responsibility for oversight of these contractor-provided services.

SYMHS, under funding agreements with Sutter and Yuba Counties' Social Services agencies, provides additional treatment services to Child Protective Services involved families in Sutter County and to the CalWORKs programs of both counties.

The State Department of Mental Health and the State Department of Alcohol and Drug Programs are being eliminated effective July 1, 2012. Programs in these departments that impact SYMHS are being primarily realigned into the State Department of Health Care Services, but also to a lesser degree into the State Department of Social Services, the Office of Statewide Health Planning and Development, and the State Department of Public Health.

Recommended Budget

This budget is recommended at \$23,524,688, which is an increase of \$2,881,805 (14.0%) compared to FY 2011-12. Most of this increase is due to 2011 Realignment. This budget unit receives no financing from the General Fund.

SYMHS' rates are required by federal law to be based on actual costs. Medi-Cal is billed using estimated rates 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 cost report process. Reimbursements to counties have been based on

statewide maximum allowable (SMA) rates set by the California Department of Mental Health (DMH). DMH has held the SMA rates constant for several years for state budgeting purposes, guaranteeing that counties' mental health programs operate at a loss when treating Medi-Cal beneficiaries. To address this problem, the California Department of Health Care Services has negotiated a State Plan Amendment (SPA) with the federal Centers for Medicare and Medicaid Services (CMS) under which counties will be reimbursed by the federal government at the federal matching rate for the difference between the SMA rates and their published rates based on actual cost. The SPA was approved for FY 2009-10 and has been tentatively approved for FY 2010-11. This new funding will be available upon cost report settlement, typically two years or more after expenses are incurred. The process for claiming this reimbursement is still under negotiation between the state and federal governments.

For FY 2012-13, SYMHS will charge \$960.42 per day on the Inpatient Unit. Other services are charged by the minute: \$7.29 per minute for Medication Support, \$3.06 per minute for Case Management/Brokerage, \$3.95 per minute for Mental Health Services, and \$5.87 per minute for Crisis Intervention. These rates will be adjusted upon completion of the FY 2010-11 Cost Report.

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

From a financial perspective, several factors are affecting the FY 2012-13 Mental Health budget.

- Since FY 2003-04, both locally and statewide, Mental Health Realignment allocations have remained flat or declined. Mental Health Realignment (1991) revenue was originally based on portions of sales taxes and motor vehicle license fees but, with changes from 2011 Realignment, beginning in FY 2011-12 is based only on an increased portion of sales tax revenue. For FY 2012-13 SYMHS' budget assumes that this 1991 Realignment funding will remain flat. The cost of doing business has continued to increase. Even in more robust economic times, statewide growth in Realignment funding has gone to pay for increasing caseloads in Child Welfare Services, Foster Care, and/or In Home Supportive Services, programs which, by statute, have first draw on Realignment growth dollars. The Mental Health Division uses Realignment funding as match to draw down the federal contributions to Medi-Cal.
- For FY 2011-12, the state enacted legislation (AB 100) that "redirected" a state-wide total of \$861 million in Mental Health Services Act (MHSA) funds to fund three traditional mental health programs previously funded by the State General Fund (SGF): Early and Periodic Screening, Diagnosis, and Treatment (EPSDT), mental health managed care, and mental health services for special education students (formerly the AB 3632 mandate). For FY 2012-13, SGF monies that previously funded EPSDT and mental health managed care will be replaced by 2011 Realignment sales tax revenue. The services previously mandated by AB 3632 are now the responsibility of the schools.
- AOD funding has also remained flat or declined slightly for the last several years. Thus, as costs of doing business

have increased, staff costs in Drug and Alcohol were reduced by leaving vacancies unfilled. Some AOD programs and funding will now be funded by sales taxes under 2011 Realignment. New funding under Criminal Justice Realignment will add AOD programs at Probation.

Due to these fiscal challenges, for FY 2012-13, the Division will continue to fill only essential vacancies. Most vacant positions were eliminated from this budget unit in the final FY 2009-10 budget and additional positions were unfunded in the FY 2011-12 budget. The complexity of mental health and AOD funding and programs has increased for a variety of reasons, including 2011 Realignment and major changes to MHSA's payment methodology. This added complexity will require some added administrative staff. As a start toward addressing this serious problem, the CAO is recommending that a vacant Account Clerk III position be converted to an Accountant II position, effective July 1, 2012. The addition of accounting expertise will help the Division cope with the many changes required by the state. For FY 2012-13, no Mental Health staff layoffs are being recommended at this time.

It remains SYMHS' objective to keep the Mental Health budget and the Mental Health Services Act budget in balance and to fully utilize all available funding in a fashion most advantageous to our counties.

The State's practice of deferring payments to counties as a means of addressing its fiscal shortcomings continues to cause cash flow problems for SYMHS. The Board of Supervisors has assisted SYMHS in meeting this difficult challenge by authorizing borrowing from internal funds of the Human Services Department. SYMHS pays interest on these cash flow loans, but the State does not pay interest on the payments it defers, so

an added cost is imposed on SYMHS as a result.

An additional area of concern is the effect of prior year audits. The State Department of Mental Health Audit division is becoming much more aggressive in their audit reviews. Generally these audits occur between four and five years after the year the services were provided, which means that any error that is discovered may have continued to be made in the subsequent years. In effect, a relatively minor error made in one year could have a significant impact over time if that error continued to be made in subsequent years.

Use of Fund Balance

The Mental Health fund contains a Restricted Fund Balance in the amount of \$90,446 as of July 1, 2011. It is estimated that the Restricted Fund Balance will equal \$822,773 at July 1, 2012. It is recommended that \$732,327 of the Restricted Fund Balance account (#31170) be cancelled in FY 2012-13 for use in the Mental Health budget.

The Mental Health fund also contains a Restricted Fund Balance for Sutter County Use in the amount of \$51,419. There are no planned uses for this fund balance.

| E X E C U T I V E S U M M A R Y | | | | | |
|-----------------------------------|----------------------------------|----------------------------------|----------------------------------|-----------------------------|-----------------------------|
| DEPT HEAD: TOM SHERRY | UNIT: MENTAL HEALTH SERVICES ACT | | FUND: MENTAL HEALTH SERVICES ACT | | 0008 4-104 |
| | ACTUAL EXPENDITURE 2010-11 | ACTUAL EXPENDITURE 3-31-12 | ADOPTED BUDGET 2011-12 | CAO RECOMMEND 2012-13 | % CHANGE OVER 2011-12 |
| EXPENDITURES | | | | | |
| SALARIES AND EMPLOYEE BENEFITS | 4,126,492 | 3,087,926 | 4,532,416 | 4,917,728 | 8.5 |
| SERVICES AND SUPPLIES | 430,891 | 1,077,376 | 586,204 | 1,629,987 | 178.1 |
| OTHER CHARGES | 2,061,502 | 303,508 | 2,116,153 | 1,994,820 | 5.7- |
| * GROSS BUDGET | 6,618,885 | 4,468,810 | 7,234,773 | 8,542,535 | 18.1 |
| INTRAFUND TRANSFERS | 0 | 0 | 0 | 0 | .0 |
| * NET BUDGET | 6,618,885 | 4,468,810 | 7,234,773 | 8,542,535 | 18.1 |
| APPROPRIATION FOR CONTINGENCY | 0 | 0 | 0 | 0 | .0 |
| INCREASES IN RESERVES | 0 | 0 | 0 | 0 | .0 |
| * TOTAL BUDGET | 6,618,885 | 4,468,810 | 7,234,773 | 8,542,535 | 18.1 |
| OTHER REVENUES | | | | | |
| USER PAY REVENUES | 47,699 | 21,792 | 145,828 | 326,320 | 123.8 |
| GOVERNMENTAL REVENUES | 8,467,643 | 2,433,761 | 6,641,829 | 6,755,829 | 1.7 |
| GENERAL REVENUES | 117,655 | 96,116 | 55,000 | 192,000 | 249.1 |
| CANCELLATION OF OBLIGATED F/B | 0 | 0 | 392,116 | 1,268,386 | 223.5 |
| AVAILABLE FUND BALANCE 7/1 | 0 | 0 | 0 | 0 | .0 |
| TOTAL AVAILABLE FINANCING | 8,632,997 | 2,551,669 | 7,234,773 | 8,542,535 | 18.1 |
| * UNREIMBURSED COSTS | 2,014,112- | 1,917,141 | 0 | 0 | .0 |
| ALLOCATED POSITIONS | 58.14 | 53.19 | 52.94 | 53.19 | .5 |

Purpose

The passage of Proposition 63, known as the Mental Health Services Act (MHSA), in November 2004, provided the first opportunity in many years for Sutter-Yuba Mental Health Services (SYMHS) 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. The MHSA addresses a broad continuum of prevention, early intervention and service needs and the necessary infrastructure, technology and training elements that will effectively support this system. The MHSA budget unit (4-104) was created in FY 2005-

06, beginning with the Community Services and Supports component. The Mental Health Services Act requires counties to place MHSA 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 MHSA prohibits using MHSA funds to supplant funding that was previously provided for Mental Health Services by other sources.

Major Budget Changes

Salaries & Benefits

- \$385,312 General salary and benefits adjustments, approximately \$260,000 of which is funding

for 2.2 FTE's, added mid-year 2011-12, for the Workforce Education and Training and Wrap-Around programs

- \$250,000 Increase in Federal Mental Health Medi-Cal revenue due to estimates based on current reimbursements
- \$95,000 Increase in Interest Apportioned based on estimated interest earned on MHSA funds

Services & Supplies

- \$67,000 Increase in Computer Hardware due to the second year of SYMHS' electronic health record (EHR) implementation
- \$900,587 Increase in Professional and Specialized Services due to vendor costs in the second year of SYMHS' (EHR) implementation

Other Charges

- (\$139,145) Decrease in Interfund Overhead (A-87) Cost Plan charges as provided by the Auditor-Controller's Office

Revenues

- \$192,492 Increase in Interfund Transfer In – Wrap Around due to anticipated increased use of this program to decrease the need for high level out-of-home placements for children
- \$146,000 Increase in funding under 2011 realignment for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) based on projected services
- (\$462,000) Decrease in State Mental Health Medi-Cal Admin revenue due to a change in rules for claiming this reimbursement

Program Discussion

The Mental Health Services Act (MHSA), also known as Proposition 63, was passed by the voters in November 2004. MHSA funds for counties are used to expand and transform mental health services.

SYMHS has approved programs in five of six MHSA components. These components and programs are listed below. It should be recognized that the capacity to accept clients into these programs is directly related to available staffing.

Community Services and Supports (CSS) Component

- The Urgent Services Program has been developed to serve all ages with distinct, age-appropriate services for youth and for adults who have acute mental health issues and are at greatest risk of harming themselves or others, are at risk of hospitalization, or are at risk of incarceration in jails or juvenile justice institutions. SYMHS also works with school-based counselors and other school personnel to identify children at greatest risk.
- The Older Adult Services Program has been developed to serve older adults aged 60 and over who are physically or geographically isolated and who have psychiatric disabilities. Further priority is given to those whose cultural identity places them in underserved populations

within our community. The program enables participants to obtain and maintain positive social connections; experience respect from their providers of mental health services; feel empowered and listened to in the process of planning and obtaining their services; and have continuity in their providers. The program incorporates peer-delivered services; uses a family-friendly approach to service planning and delivery; and provides housing services and treatment, leading to recovery, to promote the program's goals of reducing disparities in services and decreasing homelessness.

- The Ethnic Outreach Program targets our major underserved populations: Latino, Hmong, and Punjabi-speaking Asian Indians. Each program is inter-generational, serving children, youth, transition-aged youth, adults and older adults within each cultural group. Within these broader categories, females are specifically targeted as they are more likely to be underserved in our system, and specifically within these cultures. The program enables participants to obtain and maintain positive social connections; live in safety and in a setting which is of their choosing; and have access to integrated mental health and drug and alcohol treatment for those with co-occurring disorders. Participants can also obtain assistance to engage in meaningful activity such as employment or education/training; receive services which recognize their developmental process as "normal" and do not marginalize issues of wellness; and experience respect from their providers of mental health services. As a result, clients feel empowered and listened to in the process of planning and obtaining their services; have continuity in their providers; and have individualized service plans which recognize the uniqueness of each person

within the context of their ethnic/racial/cultural identity.

- The Integrated Full Service Partnership Program serves individuals from all age groups with serious mental illnesses or serious emotional disturbances. This population is significantly more at risk for victimization, addiction disorders, overuse of emergency rooms, psychiatric hospitalizations, and incarceration in jails/juvenile justice institutions. Transition age youth are especially at risk to enter into the cycle of homelessness, unemployment, and substance abuse.

Within the Integrated Full Service Partnership, specific services are available to serve children ages 0-5 and youth aged 6-15 who have severe emotional disturbances or severe mental illnesses that result in significant social, emotional, or educational impairments and/or who are at risk of homelessness or going into out-of-home care. Children ages 0-5 are the most underserved population and have the most potential to need extensive resources over the longest time should they go untreated. SYMHS works with the Ethnic Outreach programs to find children whose cultural identity places them in underserved populations within our community (Hispanic, Asian Indian or Hmong).

Services are available for Transition Age Youth (TAY) aged 16-25 who have severe emotional disturbances or mental illnesses that result in significant social, emotional, educational and/or occupational impairments or who are at risk of homelessness. TAY within our community who are unserved, underserved, or inappropriately served include young women with self-harming, high-risk behaviors; youth aging out of foster care, and youth transitioning from children's

mental health/probation systems to adult systems. Priority for services is given to those with co-occurring substance abuse and mental health disorders, those at significant risk of gang involvement, the uninsured, and those whose cultural identity places them in underserved populations within our community.

Services are available for adults and older adults who have co-occurring mental health and substance abuse disorders and who are homeless, or at risk of homelessness. Priority will be given to those whose cultural identity places them in underserved populations within our community (Latino, Asian Indian or Hmong).

The Wellness Recovery Centers serve adults and older adults with serious and persistent mental illness who meet the target population criteria established by Sutter-Yuba Mental Health Services.

Prevention and Early Intervention (PEI) Component

The PEI component of MHSA was approved by the state and implemented by SYMHS during FY 2009-10. PEI approaches are intended to be transformational by restructuring the mental health system to a “help-first” approach. Prevention programs bring mental health awareness into the lives of all members of the community through public education initiatives and dialogue. PEI builds capacity for providing mental health early intervention services at sites where people go for other routine activities (e.g., health providers, education facilities, community organizations). A goal of PEI is to help mental health become part of wellness for individuals and the community, reducing the potential for stigma and discrimination against individuals with mental illness.

The SYMHS implementation of PEI has two major components:

- The Community Prevention Team is intended to serve individuals experiencing onset of serious psychiatric illness; children and youth in stressed families; children and youth at risk for school failure; children and youth at risk of or experiencing juvenile justice involvement; and underserved cultural populations. It will work with agencies in the community to enhance overall community capacity for prevention and early intervention. They will expand mentoring programs for youth, expand use of the Strengthening Families model throughout the community, and support recreational opportunities for youth that fight stigma and build self esteem.
- The First Onset component is directed toward individuals experiencing the first onset of serious psychiatric illness. It includes mental health consultation with pediatricians or other primary care providers to improve individuals’ access to quality mental health interventions by increasing providers’ capacity to offer effective mental health guidance and early intervention service; implementation of Teen Screen, a program of voluntary school screening to identify youth at risk for suicide and potentially suffering from mental illness; provide Aggression Replacement Training® to aid in early identification of mental illness and address stigma issues with the goal of improving social skill competence, anger control, and moral reasoning; and provide education and training at sites in the local community.

In addition to the above PEI programs, MHSA includes within PEI funding for the following statewide projects: Suicide Prevention, Student Mental Health Initiative,

and Stigma and Discrimination Reduction. Funding for these projects is allocated to each county, but the projects will be executed on a regional or statewide basis. SYMHS has joined with mental health agencies in 46 other counties to form the California Mental Health Services Authority CalMHSA under a Joint Exercise of Powers Agreement (JPA) to implement these projects. SYMHS has reassigned its FY 2008-09 and FY 2009-10 allocations totaling \$300,400 to CalMHSA. Allocations for two additional years have not yet been assigned. Counties formed CalMHSA to ensure that the priorities of counties were truly reflected in the execution of these important projects. The alternative was to assign this funding to the Department of Mental Health.

Capital Facilities and Technology Needs Component

During FY 2010-11, SYMHS received approval for its Wellness & Recovery Center (WeRC) Project. This provides \$197,550 to remodel the former nurses' quarters of the old county hospital, also known as the "little white house," to serve as the main activity space and offices for the Wellness and Recovery Program. SYMHS and Public Works are working to complete this project in FY 2011-12. The WeRC will also have "smart classrooms" that will incorporate computer equipment funded in the technology needs portion of this component.

In late FY 2010-11, SYMHS received approval of its Electronic Health Record (EHR) System Project. This provided \$1,567,750 to implement EHR infrastructure, practice management, clinical data management, and computerized provider order entry. This will replace SYMHS's 1980s-vintage, COBOL-based information system with a modern EHR and billing system. This is a critical step toward compliance with upcoming federal mandates for implementation of EHRs and Health Information Exchange. EHR imple-

mentation began in FY 2011-12 and is proceeding in phases that will continue into FY 2012-13.

Workforce Education and Training Component

During FY 2011-12, SYMHS received approval for its Workforce Education and Training Component. This provides \$180,000 annually for five years to provide training and higher education scholarships. This program will be staffed with a coordinator who will develop and implement the trainings and scholarship programs. The trainings will focus on cultural competencies, service delivery, and workforce preparedness.

Recommended Budget

This budget is recommended at \$8,542,535, which is an increase of \$1,307,762 (18.1%) compared to FY 2011-12. This increase is due primarily to the ongoing EHR project expenses, which were initially approved during FY 2011-12. These expenses are funded by revenue from the State. This budget unit receives no financing from the General Fund.

MHSA is a volatile and economically sensitive funding source. This funding has decreased during the current economic downturn. For FY 2012-13, hiring to fill vacant positions will be limited. In this budget, the CAO recommends restoring funding to one vacant Resource Specialist position that was unfunded in the FY 2011-12 budget. Experience has shown this position is necessary to provide job placement and coaching to mental health clients. Restoration of funding to this position should be effective as of July 1, 2012.

The state has enacted legislation (AB 100) that "redirected" a state-wide total of \$861 million in Mental Health Services Act

(MHSA) funds in FY 2011-12 to fund three traditional mental health programs previously funded by the State General Fund: EPSDT, mental health managed care, and mental health services for special education students (formerly the AB 3632 mandate). The process by which counties receive their MHSA funding has also changed. Counties previously received funds 18 to 24 months after the state received the related tax revenue. This method allowed counties to plan ahead for changes in anticipated revenue. However, funds will now be transferred to counties monthly based on their allocations and approved MHSA plans as tax revenue is received. The process will now be managed by the State Department of Finance instead of the State Department of Mental Health.

For FY 2012-13, no Mental Health staff layoffs are being recommended at this time. However, the state has not completed its efforts to resolve its structural budget deficit and additional changes for mental health are still possible for the budget year. As more becomes known, it may become necessary to make adjustments to the MHSA budget.

The State's practice of deferring payments to counties as a means of addressing its fiscal shortcomings continues to cause cash flow problems for SYMHS. The Board of Supervisors has assisted SYMHS in meeting this difficult challenge by authorizing borrowing from internal funds of the Human Services Department. SYMHS pays interest on these cash flow loans, but the State does not pay interest on the payments it defers, so an added cost is imposed on SYMHS as a result.

Use of Fund Balance

The MHSA fund contains a Restricted Fund Balance in the amount of \$2,262,862 as of July 1, 2011. It is estimated that the Restricted Fund Balance will equal \$3,531,248

at July 1, 2012. It is recommended that \$1,268,386 of the Restricted Fund Balance account (#31170) be cancelled in FY 2012-13 for use in the MHSA budget.

| EXECUTIVE SUMMARY | | | | | | |
|--------------------------------|---|----------------------------------|------------------------------|-----------------------------|-----------------------------|--|
| DEPT HEAD: TOM SHERRY | UNIT: PUBLIC GUARDIAN & CONSERVATOR FUND: GENERAL | | | 0001 2-709 | | |
| | ACTUAL EXPENDITURE 2010-11 | ACTUAL EXPENDITURE 3-31-12 | ADOPTED BUDGET 2011-12 | CAO RECOMMEND 2012-13 | % CHANGE OVER 2011-12 | |
| EXPENDITURES | | | | | | |
| SALARIES AND EMPLOYEE BENEFITS | 201,229 | 151,410 | 206,073 | 206,389 | .2 | |
| SERVICES AND SUPPLIES | 8,515 | 5,590 | 13,490 | 13,610 | .9 | |
| OTHER CHARGES | 12,908 | 4,992 | 8,009 | 9,567 | 19.5 | |
| * GROSS BUDGET | 222,652 | 161,992 | 227,572 | 229,566 | .9 | |
| INTRAFUND TRANSFERS | 749 | 399 | 822 | 723 | 12.0- | |
| * NET BUDGET | 223,401 | 162,391 | 228,394 | 230,289 | .8 | |
| OTHER REVENUES | | | | | | |
| USER PAY REVENUES | 91,022 | 61,297 | 91,894 | 89,894 | 2.2- | |
| GOVERNMENTAL REVENUES | 0 | 0 | 0 | 0 | .0 | |
| TOTAL OTHER REVENUES | 91,022 | 61,297 | 91,894 | 89,894 | 2.2- | |
| * UNREIMBURSED COSTS | 132,379 | 101,094 | 136,500 | 140,395 | 2.9 | |
| ALLOCATED POSITIONS | 2.00 | 2.00 | 2.00 | 2.00 | .0 | |

Purpose

The Public Guardian-Conservator is appointed by the Sutter County Superior Court as the personal representative (Conservator) for physically and/or mentally disabled individuals who cannot provide for their own food, clothing and shelter. The Conservator may be appointed to manage both the person and the estate of the conservatee, may give informed consent for medical and psychiatric treatment for those who may be deemed to be incompetent, and will be responsible to protect the rights and estates from those who may take advantage of, or project undue influence on, the conservatees.

Major Budget Changes

Other Charges

- \$1,815 Increase in Interfund information Technology charges.

Revenues

- (\$2,000) Decrease in Public Guardian Conservator Fees revenue

Program Discussion

The Public Guardian-Conservator provides two types of conservatorships: Mental Health Conservatorships and Probate Conservatorships.

Lanterman-Petris-Short (LPS) Act (Cal. Welfare & Institutions Code, sec. 5000 et seq.), Mental Health Conservatorships are

reserved for persons requiring mental health treatment that often requires placement in locked psychiatric facilities.

Probate Conservatorships are for individuals that have a prominent medical condition that renders the person unable to make daily decisions about his/her care and/or finances.

Individual persons are referred to the Public Guardian-Conservator through a multitude of local service providers based on a specific disorder or medical condition.

Since a conservatorship is an action of the “last resort,” the Public Guardian program is administered with the highest ethical regard for the conservatee’s best interests.

The Public Guardian’s office has two full-time staff, one Public Guardian and one Deputy Public Guardian, and two extra hire positions, an Account Clerk II and an Office Assistant II.

Currently, the Public Guardian’s office has sixty-six (66) Conservatees, twenty-eight (28) of which are probate cases and thirty eight (38) of which are LPS (mental health).

Recommended Budget

This budget is recommended at \$230,289 which is an increase of \$1,895 (0.8%) compared to FY 2011-12. The General Fund provides 60.9% of the funding for this budget unit. A portion of the costs for this budget unit are recouped through fees charged for services provided to Conservatees and through a contract with Sutter-Yuba Mental Health Services.

As in FY 2011-12, no reductions are recommended for this budget unit. Any

reductions to staffing would necessitate a reduction in service to conservatees and may cause frequent closing of the office while staff are attending court hearings and providing mandated services for conservatees.

Use of Fund Balance

This budget unit is within the General Fund. The budget does not include the use of any specific fund balance.

Human Services - Welfare Welfare Administration (5-101)

Tom Sherry, Director of Human Services

| E X E C U T I V E S U M M A R Y | | | | | | |
|---------------------------------|----------------------------------|----------------------------------|------------------------------|-----------------------------|-----------------------------|--|
| DEPT HEAD: TOM SHERRY | UNIT: WELFARE ADMINISTRATION | FUND: WELFARE/SOCIAL SERVICES | | | 0013 5-101 | |
| | ACTUAL EXPENDITURE 2010-11 | ACTUAL EXPENDITURE 3-31-12 | ADOPTED BUDGET 2011-12 | CAO RECOMMEND 2012-13 | % CHANGE OVER 2011-12 | |
| EXPENDITURES | | | | | | |
| SALARIES AND EMPLOYEE BENEFITS | 11,159,934 | 8,016,766 | 12,097,851 | 12,275,460 | 1.5 | |
| SERVICES AND SUPPLIES | 934,736 | 688,679 | 1,719,047 | 1,594,108 | 7.3- | |
| OTHER CHARGES | 2,944,959 | 1,434,723 | 3,569,977 | 3,290,405 | 7.8- | |
| CAPITAL ASSETS | 74,469 | 39,486 | 149,500 | 27,000 | 81.9- | |
| * GROSS BUDGET | 15,114,098 | 10,179,654 | 17,536,375 | 17,186,973 | 2.0- | |
| INTRAFUND TRANSFERS | 0 | 0 | 0 | 0 | .0 | |
| * NET BUDGET | 15,114,098 | 10,179,654 | 17,536,375 | 17,186,973 | 2.0- | |
| OTHER REVENUES | | | | | | |
| USER PAY REVENUES | 640,441 | 453,470 | 612,143 | 2,967,853 | 384.8 | |
| GOVERNMENTAL REVENUES | 13,919,180 | 7,509,751 | 15,990,834 | 13,604,452 | 14.9- | |
| TOTAL OTHER REVENUES | 14,559,621 | 7,963,221 | 16,602,977 | 16,572,305 | .2- | |
| * UNREIMBURSED COSTS | 554,477 | 2,216,433 | 933,398 | 614,668 | 34.1- | |
| ALLOCATED POSITIONS | 146.00 | 155.00 | 150.00 | 155.00 | 3.3 | |

Purpose

The Welfare and Social Services Division of the Human Services Department is responsible for the administration and management of multiple programs. This budget unit finances all personnel and operational costs for the Division.

Major Budget Changes

Salaries & Benefits

- \$203,876 Increase in Permanent Salaries due to primarily to the addition of four Public Assistance Specialist I/II positions and a Supervising Public Assistance Specialist position during FY 2011-12

- (\$45,000) Decrease in Extra Help requirements due in part to the additional positions added during FY 2011-12
- (\$177,509) Decrease in Retirement Allowance due to change in negotiated employee benefits
- \$188,656 Increase in Health Insurance expenses primarily due to positions added during FY 2011-12

Services & Supplies

- \$88,000 Increase in Professional/Specialized Services to reflect change in state funding which realigns the adoptions function to counties

Human Services - Welfare Welfare Administration (5-101)

Tom Sherry, Director of Human Services

- (\$200,000) Decrease in CalWORKs Employment Services Transportation due to a reduction in the amount of transportation used by recipients

Other Charges

- (\$28,168) Decrease in Support & Care of Persons primarily due to the consistent use of an in-house therapist to provide mental health counseling
- (\$500,000) Decrease in CalWORKs (TANF) Child Care expenses related to temporary exemption of adult participants in the Welfare to Work program
- \$150,000 Increase in Interfund Misc. Transfer due to the implementation of the grant funded SNAP-Ed Nutritional Education program being provided in conjunction with the Health Division of the Human Services Department
- \$92,184 Increase in Interfund Mental Health Services due to an increase in the allocations received for CalWORKs Mental Health and Substance Abuse services which are provided by Sutter Yuba Mental Health Services

Capital Assets

- \$27,000 Replacement of one vehicle for the Social Services Branch

Revenues

- \$2,274,912 Increase in Interfund Transfer-In Realignment due to legislative changes which shift the responsibility and funding of several administrative functions from the state to the county and backfilling with Realignment funding
- (\$2,820,493) Decrease in State revenue due to legislative changes which shift the responsibility and funding of some administrative functions from the state to the County and backfilling with Realignment funding
- \$307,680 Increase in Federal revenue due to the expansion of programs which provide enhanced federal funding

Program Discussion

The responsibilities of the Welfare & Social Services Division of the Human Services Department include eligibility determinations for assistance programs, CalWORKs Employment Services, Child and Adult Protective Services, and other related activities as mandated by Federal and State law.

The Welfare Administration budget unit does not include the direct cost of aid payments (for example, TANF, Adoptions Assistance Program payments) to recipients. These costs are reflected in other budget

units within the Welfare & Social Services Division.

The FY 2011-12 state budget permanently shifted 1.06% of existing state sales taxes from the State General Fund to a special local revenue fund for counties to fund the “public safety” programs which include Child Welfare Services, Foster Care, Adoptions (administration of services and assistance payments), and Adult Protective Services. It also included the shift of Adoption services to the County, with the option for the County to contract back with the state for those services. The Department has chosen to contract with the state to provide adoption services for the county, and use the designated Realignment funding to pay for the service.

A continuing endeavor of the Employment Services Branch is facilitating the employment and self-sufficiency of all TANF/CalWORKs recipients. Employment Services will continue to work with these clients in collaboration with private employers and private non-profit agencies.

The Child and Adult Protective Services branch continues to work collaboratively with Mental Health, Health, Probation, the Courts and other public service agencies by using a multidisciplinary team approach to address the problems of families and adults.

Regulatory changes to the Medi-Cal and Cal-Fresh (Food Stamps) programs continue to expand eligibility to an increasing number of households. Additional outreach via media and other publications as well as easier access to benefits such as on line applications and telephone interviews are now in place in California.

Recommended Budget

This budget is recommended at \$17,186,973 which is a decrease of \$349,402 (2.0%) compared to FY 2011-12. The Welfare/Social Services fund as a whole receives \$449,000 in financing from the General Fund in order to meet the County’s Maintenance of Effort (MOE) for receipt of CalWORKs and related Realignment funding.

No further budget reduction is recommended as the Division has been forced to increase staffing during FY 2011-12 to perform accurate and timely eligibility determinations for citizens who apply for Medi-Cal and other programs. Counties may be penalized for failing to process applications in a timely manner.

Capital Assets recommendations include the purchase of one sedan to replace an aging vehicle within the Division’s fleet.

During FY 2011-12, Public Safety Realignment was implemented, which realigned the responsibility for many programs from the State to counties. Because of this shift in funding, Sutter County was mandated to establish the County Local Revenue Fund 2011 (0-140). For the Welfare and Social Services Division, the shift in funding simply changed the flow of funding from the State to the County without affecting the overall amount of funding for programs. The County Local Revenue Fund 2011 is discussed in greater detail in its own budget narrative.

Human Services - Welfare Welfare Administration (5-101)

Tom Sherry, Director of Human Services

Use of Fund Balance

This budget unit is within the Welfare/Social Services Fund. The budget does not include the use of any specific fund balance.

Human Services - Welfare IHSS (5-201)

Tom Sherry, Director of Human Services

| EXECUTIVE SUMMARY | | | | | |
|-----------------------|--|----------------------------------|------------------------------|-----------------------------|-----------------------------|
| DEPT HEAD: TOM SHERRY | UNIT: IN-HOME SUPPORTIVE SRVS (IHSS) FUND: WELFARE/SOCIAL SERVICES | | | 0013 5-201 | |
| | ACTUAL EXPENDITURE 2010-11 | ACTUAL EXPENDITURE 3-31-12 | ADOPTED BUDGET 2011-12 | CAO RECOMMEND 2012-13 | % CHANGE OVER 2011-12 |
| EXPENDITURES | | | | | |
| OTHER CHARGES | 1,653,173 | 1,420,301 | 1,723,189 | 2,124,938 | 23.3 |
| * GROSS BUDGET | 1,653,173 | 1,420,301 | 1,723,189 | 2,124,938 | 23.3 |
| INTRAFUND TRANSFERS | 0 | 0 | 0 | 0 | .0 |
| * NET BUDGET | 1,653,173 | 1,420,301 | 1,723,189 | 2,124,938 | 23.3 |
| OTHER REVENUES | | | | | |
| USER PAY REVENUES | 1,229,906 | 894,787 | 1,229,906 | 1,924,938 | 56.5 |
| GOVERNMENTAL REVENUES | 329,333 | 166,963 | 200,000 | 200,000 | .0 |
| TOTAL OTHER REVENUES | 1,559,239 | 1,061,750 | 1,429,906 | 2,124,938 | 48.6 |
| * UNREIMBURSED COSTS | 93,934 | 358,551 | 293,283 | 0 | 100.0- |
| ALLOCATED POSITIONS | .00 | .00 | .00 | .00 | .0 |

Purpose

In-Home Supportive Services (IHSS) is a statewide program under the direction of the California Department of Social Services (CDSS).

The Sutter County IHSS Public Authority Governing Board was established in 2002 in response to Assembly Bill 1682 (Chapter 90, Statutes of 1999), to act as the employer of record for Sutter County IHSS providers for the purposes of negotiating salary, benefits and work related issues.

The IHSS program pays providers to care for qualified aged, blind or disabled individuals who require personal care and/or homemaking assistance in order to continue living in their homes. CDSS makes the payments to the providers, and then invoices the County for its share of the costs. This budget unit funds the County share of both

the provider payments and the IHSS Public Authority.

Major Budget Changes

Other Charges

- \$355,510 Increase in the County Share for IHSS provider wage and benefit costs primarily due to caseload growth
- \$46,239 Increase in Contribution to Other Agencies related to increased costs in the IHSS Public Authority budget

Revenues

- \$659,032 Increase in Interfund Transfer In Sales Tax revenue to reflect the entire amount of Welfare/Social Services Realignment funding for this budget

Program Discussion

Appropriations in this budget provide for payment of the County's share of provider wages, which are paid to the State, as well as for the transfer of operating funds to the IHSS Public Authority. Funding for this budget unit has historically come from a combination of State Social Services Realignment sales tax revenue, State IHSS Waiver Program reimbursement revenue, and Realignment funds which are transferred into this budget unit from the Welfare/Social Services Realignment Trust fund (0-248).

As per an agreement between the Sutter County PA Governing Board and the IHSS Providers, the hourly wage for Providers is currently \$9.25 per hour.

Recommended Budget

This budget is recommended at \$2,124,938, which is an increase of \$401,749 (23.3%) compared to FY 2011-12. This increase is due to the decision to reflect 100% of the amount of Welfare/Social Services Realignment funding used by this budget unit. In years past, this amount was reflected in the budget's unreimbursed cost. The General Fund is not providing any financing to this budget unit for FY 2012-13.

Use of Fund Balance

This budget unit is within the Welfare/Social Services Fund. The budget does not include the use of any specific fund balance.

Human Services - Welfare Temporary Aid for Needy Families (5-204)

Tom Sherry, Director of Human Services

| EXECUTIVE SUMMARY | | | | | | |
|-----------------------|----------------------------------|----------------------------------|------------------------------|-----------------------------|-----------------------------|--|
| DEPT HEAD: TOM SHERRY | UNIT: TANF-FAMILY GROUP | FUND: WELFARE/SOCIAL SERVICES | | | 0013 5-204 | |
| | ACTUAL EXPENDITURE 2010-11 | ACTUAL EXPENDITURE 3-31-12 | ADOPTED BUDGET 2011-12 | CAO RECOMMEND 2012-13 | % CHANGE OVER 2011-12 | |
| EXPENDITURES | | | | | | |
| OTHER CHARGES | 10,181,731 | 6,639,105 | 10,564,168 | 9,507,753 | 10.0- | |
| * GROSS BUDGET | 10,181,731 | 6,639,105 | 10,564,168 | 9,507,753 | 10.0- | |
| INTRAFUND TRANSFERS | 0 | 0 | 0 | 0 | .0 | |
| * NET BUDGET | 10,181,731 | 6,639,105 | 10,564,168 | 9,507,753 | 10.0- | |
| OTHER REVENUES | | | | | | |
| USER PAY REVENUES | 0 | 920,730 | 0 | 4,820,426 | *** | |
| GOVERNMENTAL REVENUES | 9,961,092 | 5,018,098 | 10,350,064 | 4,449,624 | 57.0- | |
| TOTAL OTHER REVENUES | 9,961,092 | 5,938,828 | 10,350,064 | 9,270,050 | 10.4- | |
| * UNREIMBURSED COSTS | 220,639 | 700,277 | 214,104 | 237,703 | 11.0 | |
| ALLOCATED POSITIONS | .00 | .00 | .00 | .00 | .0 | |

Purpose

This budget unit finances the Temporary Assistance to Needy Families (TANF) cash assistance program. The TANF program assists eligible families and/or children who meet specific income, property and other regulatory requirements. This budget unit is primarily financed with Federal and State funding.

Major Budget Changes

Other Charges

- (\$1,056,415) Decrease in TANF expenditures based on projected cost per case

Revenues

- (\$1,080,014) Decrease in TANF revenue related to projected cost per case

Program Discussion

TANF is a public assistance program which provides for children who are deprived of the care and support of one or both of their parents. In most cases it also provides for the child's caretaker(s).

A child is considered to be deprived of care and support if one of the following situations exists:

1. Either parent is physically or mentally incapacitated;
2. Either parent is deceased;
3. The parent who is the primary wage earner is unemployed;
4. Either parent is continually absent from the home in which the child resides.

Human Services - Welfare Temporary Aid for Needy Families (5-204)

Tom Sherry, Director of Human Services

If any of the above circumstances exists, and the child plus his/her caretaker meets the property and income tests, a TANF case including the child, his/her caretaker and other related children living in the home, if eligible, may be established. Most qualified persons also receive a Medi-Cal card and CalFresh Supplemental Nutrition Assistance.

All able-bodied adults receiving TANF are required to participate in the CalWORKs Employment Services program. The program requires recipients to participate in a work, training or job search activity for a minimum number of hours each week in order to remain eligible for assistance. In addition to participation requirements, there is a time limit for adults on cash assistance.

Recommended Budget

This budget is recommended at \$9,507,753, which is a decrease of \$1,056,415 (10.0%) compared to FY 2011-12. The General Fund does not provide any financing to this budget unit. The County's share of cost is met with Welfare/Social Services Realignment (1991) funds.

The State's share of TANF costs, that are realized as revenue by the County, now flows through the County Local Revenue Fund 2011 (0-140) as opposed to being directly received by the Division through the Welfare/Social Services Fund as has occurred in the past. This is simply a technical budget adjustment and has no net effect on the budget. The County Local Revenue Fund 2011 is discussed in greater detail in its own budget narrative.

Use of Fund Balance

This budget unit is within the Welfare/Social Services Fund. The budget does not include the use of any specific fund balance.

Human Services - Welfare Foster Care (5-206)

Tom Sherry, Director of Human Services

| EXECUTIVE SUMMARY | | | | | | |
|-----------------------|----------------------------------|----------------------------------|------------------------------|-----------------------------|-----------------------------|--|
| DEPT HEAD: TOM SHERRY | UNIT: FOSTER CARE | FUND: WELFARE/SOCIAL SERVICES | | | 0013 5-206 | |
| | ACTUAL EXPENDITURE 2010-11 | ACTUAL EXPENDITURE 3-31-12 | ADOPTED BUDGET 2011-12 | CAO RECOMMEND 2012-13 | % CHANGE OVER 2011-12 | |
| EXPENDITURES | | | | | | |
| OTHER CHARGES | 3,971,774 | 2,823,855 | 4,291,214 | 3,749,099 | 12.6- | |
| * GROSS BUDGET | 3,971,774 | 2,823,855 | 4,291,214 | 3,749,099 | 12.6- | |
| INTRAFUND TRANSFERS | 0 | 0 | 0 | 0 | .0 | |
| * NET BUDGET | 3,971,774 | 2,823,855 | 4,291,214 | 3,749,099 | 12.6- | |
| OTHER REVENUES | | | | | | |
| USER PAY REVENUES | 0 | 403,843 | 0 | 1,103,398 | *** | |
| GOVERNMENTAL REVENUES | 2,473,633 | 619,230 | 2,840,434 | 1,459,969 | 48.6- | |
| TOTAL OTHER REVENUES | 2,473,633 | 1,023,073 | 2,840,434 | 2,563,367 | 9.8- | |
| * UNREIMBURSED COSTS | 1,498,141 | 1,800,782 | 1,450,780 | 1,185,732 | 18.3- | |
| ALLOCATED POSITIONS | .00 | .00 | .00 | .00 | .0 | |

Purpose

The Foster Care budget unit contains six programs which provide financial aid on behalf of children who are living in out-of-home placements or are at risk of being removed from their home. These funds are provided on behalf of children whose families are unable or unwilling to care for them and who are in need of temporary or long-term substitute parenting or assisted parenting.

Major Budget Changes

Other Charges

- (\$542,115) Decrease in Foster Care expenditures due to the transfer of responsibility of the Severely Emotionally Disturbed caseload to the Department of Education

Revenues

- \$1,103,398 Increase in Interfund Transfer-In Realignment due to legislative changes which shift the responsibility and funding of some administrative functions from the State to the County and backfilling with Realignment funding

Program Discussion

This budget unit provides Foster Care financing for seven programs as follows:

1. Welfare Department Institutional Placements funds payments for the placement costs of Sutter County Dependents who are placed in a group home.

Human Services - Welfare Foster Care (5-206)

Tom Sherry, Director of Human Services

2. Welfare Department Foster Home Placements funds payments for the placement costs of children who require out of home care due to removal from their parents' care.
3. Probation Department Institutional Placements funds payments for the placement costs of Juvenile Court Wards who are placed in a group home.
4. Kinship Guardianship Assistance Payment Program funds the costs of children that are living with relatives other than their parents.
5. Transitional Housing Program-PLUS is a comprehensive housing and support program for youth ages 18-24 that have emancipated from foster care.
6. Wrap-Around is a family-centered, strength-based process that is designed to promote re-establishment of youth and families into community support systems.

The FY 2011-12 state budget permanently shifted 1.06% of existing state sales taxes from the State General Fund to a special local revenue fund for counties to fund the "public safety" programs which include Child Welfare Services, Foster Care, Adoptions (administration of services and assistance payments), and Adult Protective Services.

Caseloads within each of the six programs fluctuate from year to year.

Recommended Budget

This budget is recommended at \$3,749,099, which is a decrease of \$542,115 (12.6%)

compared to FY 2011-12. The General Fund does not provide any financing to this budget unit. The County's share of cost is met with Welfare/Social Services Realignment (1991) funds.

The State's share of Foster Care costs, that are realized as revenue by the County, now flows through the County Local Revenue Fund 2011 (0-140) as opposed to being directly received by the Division through the Welfare/Social Services Fund as has occurred in the past. This is simply a technical budget adjustment and has no net effect on the budget. The County Local Revenue Fund 2011 is discussed in greater detail in its own budget narrative.

Use of Fund Balance

This budget unit is within the Welfare/Social Services Fund. The budget does not include the use of any specific fund balance.

Human Services - Welfare Refugee Cash Assistance (5-207)

Tom Sherry, Director of Human Services

| EXECUTIVE SUMMARY | | | | | | |
|-----------------------|----------------------------------|----------------------------------|------------------------------|-----------------------------|-----------------------------|--|
| DEPT HEAD: TOM SHERRY | UNIT: REFUGEE CASH ASSISTANCE | FUND: WELFARE/SOCIAL SERVICES | | | 0013 5-207 | |
| | ACTUAL EXPENDITURE 2010-11 | ACTUAL EXPENDITURE 3-31-12 | ADOPTED BUDGET 2011-12 | CAO RECOMMEND 2012-13 | % CHANGE OVER 2011-12 | |
| EXPENDITURES | | | | | | |
| OTHER CHARGES | 0 | 0 | 14,800 | 14,800 | .0 | |
| * GROSS BUDGET | 0 | 0 | 14,800 | 14,800 | .0 | |
| INTRAFUND TRANSFERS | 0 | 0 | 0 | 0 | .0 | |
| * NET BUDGET | 0 | 0 | 14,800 | 14,800 | .0 | |
| OTHER REVENUES | | | | | | |
| USER PAY REVENUES | 0 | 0 | 0 | 0 | .0 | |
| GOVERNMENTAL REVENUES | 0 | 0 | 14,800 | 14,800 | .0 | |
| TOTAL OTHER REVENUES | 0 | 0 | 14,800 | 14,800 | .0 | |
| * UNREIMBURSED COSTS | 0 | 0 | 0 | 0 | .0 | |
| ALLOCATED POSITIONS | .00 | .00 | .00 | .00 | .0 | |

Purpose

The Refugee Cash Assistance Program (RCA) is a federally mandated and funded program established to assist refugees with resettlement.

Major Budget Changes

There are no major budget changes for FY 2012-13.

Program Discussion

The RCA program assists refugees with resettlement and services towards self-support by providing cash assistance, medical assistance and social services. RCA is provided to refugees who have been determined to be ineligible for CalWORKs or SSI/SSP. RCA eligibility is for an eight month period, beginning with the month of entry into the United States.

Recommended Budget

This budget is recommended at \$14,800. There is no change from the amount budgeted in FY 2011-12. The General Fund does not provide any financing to this budget unit. This budget unit is 100% federally funded.

Use of Fund Balance

This budget unit is within the Welfare/Social Services Fund. The budget does not include the use of any specific fund balance.

Human Services - Welfare Aid for Adoption (5-209)

Tom Sherry, Director of Human Services

| EXECUTIVE SUMMARY | | | | | | |
|-----------------------|----------------------------------|----------------------------------|-------------------------------|-----------------------------|-----------------------------|--|
| DEPT HEAD: TOM SHERRY | UNIT: AID FOR ADOPTION | | FUND: WELFARE/SOCIAL SERVICES | | 0013 5-209 | |
| | ACTUAL EXPENDITURE 2010-11 | ACTUAL EXPENDITURE 3-31-12 | ADOPTED BUDGET 2011-12 | CAO RECOMMEND 2012-13 | % CHANGE OVER 2011-12 | |
| EXPENDITURES | | | | | | |
| OTHER CHARGES | 3,503,367 | 2,829,021 | 3,849,700 | 4,154,209 | 7.9 | |
| * GROSS BUDGET | 3,503,367 | 2,829,021 | 3,849,700 | 4,154,209 | 7.9 | |
| INTRAFUND TRANSFERS | 0 | 0 | 0 | 0 | .0 | |
| * NET BUDGET | 3,503,367 | 2,829,021 | 3,849,700 | 4,154,209 | 7.9 | |
| OTHER REVENUES | | | | | | |
| USER PAY REVENUES | 0 | 768,539 | 0 | 1,889,407 | *** | |
| GOVERNMENTAL REVENUES | 3,010,609 | 870,912 | 3,287,795 | 1,635,000 | 50.3- | |
| TOTAL OTHER REVENUES | 3,010,609 | 1,639,451 | 3,287,795 | 3,524,407 | 7.2 | |
| * UNREIMBURSED COSTS | 492,758 | 1,189,570 | 561,905 | 629,802 | 12.1 | |
| ALLOCATED POSITIONS | .00 | .00 | .00 | .00 | .0 | |

Purpose

The Adoptions Assistance program provides cash payments to parents who have adopted children out of the Child Welfare System, in order to provide for the special needs of the child they are adopting.

of some administrative functions from the State to the County

- (\$1,685,717) Decrease in State Aid for Adoptions due to legislative changes which shift the responsibility and funding of some administrative functions from the State to the County. Offset by Interfund Transfer-In Miscellaneous

Major Budget Changes

Other Charges

- \$304,509 Increase in Support & Care of Persons based on projected caseload

Revenues

- \$236,612 Overall increase in revenues related to projected caseload
- \$1,889,407 Increase in Interfund Transfer-In Miscellaneous due to legislative changes which shift the responsibility and funding

Program Discussion

The Adoptions Assistance program provides financial assistance to adoptive parents in cases where children have been relinquished for adoption or parental rights have been terminated. Children eligible for this program are special needs children who were previously dependents of the Juvenile Court. These children often have other

Human Services - Welfare Aid for Adoption (5-209)

Tom Sherry, Director of Human Services

barriers such as mental, physical, emotional or medical disabilities.

Eligibility and determination of grant amounts are established and administered by the California Department of Social Services, which then provides payment instructions to the County for payment to the adoptive parents.

The FY 2011-12 state budget permanently shifted 1.06% of existing state sales taxes from the State General Fund to a special local revenue fund for counties to fund the “public safety” programs which include Child Welfare Services, Foster Care, Adoptions (administration of services and assistance payments), and Adult Protective Services.

Recommended Budget

This budget is recommended at \$4,154,209, which is an increase of \$304,509 (7.9%) compared to FY 2011-12. The General Fund does not provide any financing to this budget unit. The County’s share of cost is met with Welfare/Social Services Realignment (1991) funds.

The State’s share of Adoption costs, that are realized as revenue by the County, now flows through the County Local Revenue Fund 2011 (0-140) as opposed to being directly received by the Division through the Welfare/Social Services Fund as has occurred in the past. This is simply a technical budget adjustment and has no net effect on the budget. The County Local Revenue Fund 2011 is discussed in greater detail in its own budget narrative.

Use of Fund Balance

This budget unit is within the Welfare/Social Services Fund. The budget does not include the use of any specific fund balance.

Human Services - Welfare General Relief (5-302)

Tom Sherry, Director of Human Services

| EXECUTIVE SUMMARY | | | | | | |
|-----------------------|----------------------------------|----------------------------------|------------------------------|-----------------------------|-----------------------------|--|
| DEPT HEAD: TOM SHERRY | UNIT: GENERAL RELIEF | FUND: GENERAL | | | 0001 5-302 | |
| | ACTUAL EXPENDITURE 2010-11 | ACTUAL EXPENDITURE 3-31-12 | ADOPTED BUDGET 2011-12 | CAO RECOMMEND 2012-13 | % CHANGE OVER 2011-12 | |
| EXPENDITURES | | | | | | |
| SERVICES AND SUPPLIES | 24,341 | 17,250 | 23,000 | 20,700 | 10.0- | |
| OTHER CHARGES | 40,470 | 23,771 | 60,550 | 54,500 | 10.0- | |
| * GROSS BUDGET | 64,811 | 41,021 | 83,550 | 75,200 | 10.0- | |
| INTRAFUND TRANSFERS | 0 | 0 | 0 | 0 | .0 | |
| * NET BUDGET | 64,811 | 41,021 | 83,550 | 75,200 | 10.0- | |
| OTHER REVENUES | | | | | | |
| USER PAY REVENUES | 16,422 | 5,509 | 16,208 | 14,588 | 10.0- | |
| GOVERNMENTAL REVENUES | 0 | 0 | 0 | 0 | .0 | |
| TOTAL OTHER REVENUES | 16,422 | 5,509 | 16,208 | 14,588 | 10.0- | |
| * UNREIMBURSED COSTS | 48,389 | 35,512 | 67,342 | 60,612 | 10.0- | |
| ALLOCATED POSITIONS | .00 | .00 | .00 | .00 | .0 | |

Purpose

This budget provides funding for the General Relief Cash Assistance, Interim Assistance and Indigent Burial programs. The General Relief Cash Assistance program is for indigent persons who do not qualify for any other cash assistance program and who are temporarily unable to finance their own needs. The Interim Assistance program is a loan program for indigent persons while they are pending SSI/SSP. The Indigent Burial program is for the burial of individuals who had no burial coverage and whose families, if known, are financially unable to provide for the burial.

Major Budget Changes

Services & Supplies

- (\$2,300) Decrease in projected Indigent Burial costs

Other Charges

- (\$6,050) Decrease in projected Support & Care costs

Program Discussion

The Welfare and Institutions Code requires that each county provide relief and support for all incompetent, poor, indigent persons, and those incapacitated by age, disease, or accident, who are lawfully residents in the County, when they are not supported by their friends, relatives, or by their own means. In order to comply with this mandate, Sutter County administers the General Relief,

Interim Assistance, and Indigent Burial programs. These programs are financed by County funds except for funds received from County burial permits and reimbursement from Interim Assistance payments. All able-bodied persons receiving General Relief must participate in a job search and work project.

As stated in the Sutter County Indigent Burial Policy, approved by the Sutter County Board of Supervisors on August 16, 2005, the amount of money authorized to be paid for each individual service or product shall be adjusted every year beginning July 1, 2006 and on July 1 of each year thereafter. The amount will be adjusted to reflect the percentage change in the California Consumer Price Index, (CPI) All Urban Consumers, San Francisco-Oakland-San Jose subset published by the California Department of Industrial Relations, for the period beginning July 1 of the previous year and ending June 30 of the year in which the calculation is to be made. Based on the 7/1/10 – 6/30/11 CPI, the rate increase for FY 2012-13 is 2.4%.

Recommended Budget

This budget is recommended at \$75,200, which is a decrease of \$8,350 (10.0%) compared to FY 2011-12.

During FY 2011-12, this budget unit was moved from the Welfare/Social Services Fund to the General Fund to reflect that 100% of the financing for this budget unit is provided by the General Fund.

Use of Fund Balance

This budget unit is within the General Fund. The budget does not include the use of any specific fund balance.

