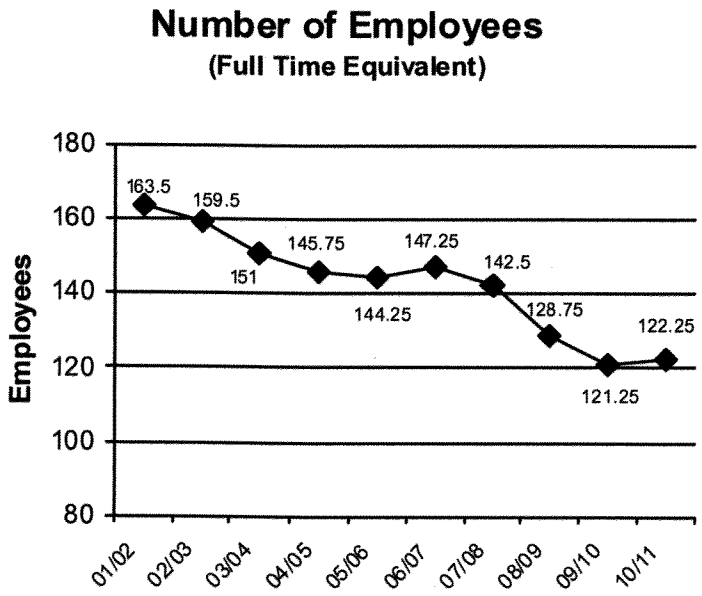
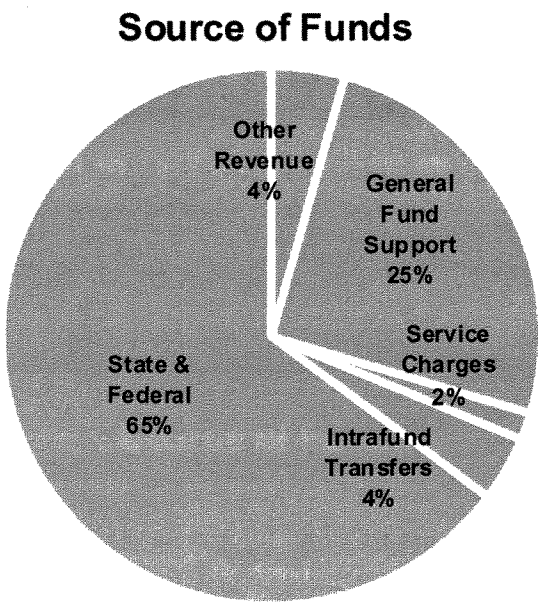
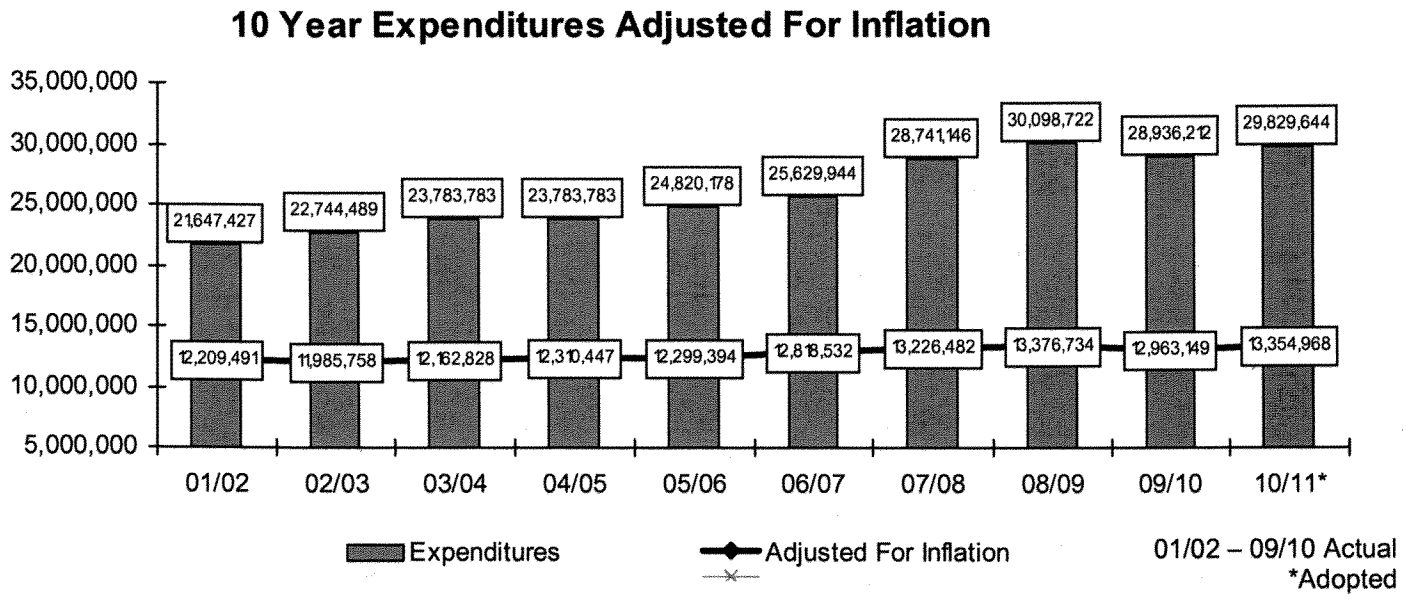
MISSION STATEMENT

Mental Health strives to assist individuals of all ages affected by mental illness in their recovery process to achieve the highest quality of life by providing culturally competent, strength based and client and family centered services based on best practices.

Financial Summary	2008-09 Actual	2009-10 Actual	2010-11 Requested	2010-11 Recommended	2010-11 Adopted
Intergovernmental Revenue	$ 20,383,481	$ 19,955,028	$ 19,368,627	$ 19,322,127	$ 19,322,127
Charges for Current Services	1,064,054	290,869	1,267,777	507,413	507,413
Other Revenues	150,359	795,536	129,000	1,139,364	1,139,364
Interfund	2,022	0	0	0	0
**Total Revenue	$ 21,599,916	$ 21,041,433	$ 20,765,404	$ 20,968,904	$ 20,968,904
Salary and Benefits	15,155,628	13,314,307	14,792,938	14,485,674	14,485,674
Services and Supplies	14,904,991	15,621,905	14,992,546	15,343,970	15,343,970
Fixed Assets	38,103	0	0	0	0
**Gross Expenditures	$ 30,098,722	$ 28,936,212	$ 29,785,484	$ 29,829,644	$ 29,829,644
Less Intrafund Transfers	840,631	861,295	1,266,984	1,313,484	1,313,484
**Net Expenditures	$ 29,258,091	$ 28,074,917	$ 28,518,500	$ 28,516,160	$ 28,516,160
General Fund Support (G.F.S.)	$ 7,658,175	$ 7,033,484	$ 7,753,096	$ 7,547,256	$ 7,547,256







SERVICE PROGRAMS

Outpatient Services

Outpatient programs provide a variety of services to people of all ages in the community in a variety of settings. Some of the services provided are as follows: crisis intervention; individual, group and family therapy; medication and medication management; case management; and social and vocational rehabilitation.

Total Expenditures: $20,061,802 Total Staffing (FTE): 93.65

Residential Services

Residential services are 24-hour programs providing treatment for more extended periods of time but at lower cost than acute hospitalization. They are usually provided in unlocked residential settings and range in care level from on-site supervised intensive treatment programs to independent living arrangements with periodic staff monitoring visits.

Total Expenditures: $3,840,504 Total Staffing (FTE): 3.45

Long-Term Care Facilities

These facilities provide long-term, 24-hour care for the severely mentally ill unable to function in a residential setting. Facilities include State hospitals and Institutions for Mental Disease (IMD). They are generally locked facilities and have the capability for medical care as well as intensive psychiatric treatment.

Total Expenditures: $1,161,021 Total Staffing (FTE): 1.25

Psychiatric Health Facility Services

The Psychiatric Health Facility serves the 24-hour care needs of those in acute mental health crisis. It is a locked facility generally providing short-term, intensive psychiatric treatment.

Total Expenditures: $4,766,317 Total Staffing (FTE): 23.90

DEPARTMENT COMMENTS

Key Accomplishments of the Mental Health Department for FY 2009 - 2010

Customer Service

- The latest published survey from the State indicated that clients surveyed rated the services provided as "above satisfactory" with the overall approval rating of 85%.
- Illness Management and Recovery (IMR) groups were implemented in all of the outpatient clinics. This is an Evidence- Based practice developed by the Substance Abuse and Mental Health Services Administration (SAMHSA).
- We have expanded our intern program and currently have 14 interns deployed throughout the county in the outpatient clinics.

Improved Business Practice

- The Outpatient Clinics Policy and Procedure Manual was revised to incorporate regulation and audit updates, enhance business practices, streamline some processes, and provide guidance to all staff.
- Collaboration and communication with the community based providers improved through semi-monthly meetings with our performance and quality improvement staff. External auditors acknowledged and commented positively on this effective collaboration.
- The State Department of Mental Health (DMH) conducted the triennial audit of the Department. The audit findings were minimal and minor. DMH requested to post some of our forms on the DMH's website to use as an example of good practice and to share with other counties.
- The Managed Care unit implemented a referral procedure and brief therapy model for the network providers. The short-term treatment allows for more clients to receive individual treatment from the network providers but the treatment is goal specific.

Finances

- Auditing of the client record was changed to concurrent reviews to allow corrections before billing to reduce disallowances.
- Fiscal staff has improved the revenue collections from private insurance by enhancing collection efforts. The efforts have resulted in increasing insurance payments by 75%.

Learning & Growth

- Behavioral Health facilitated several training opportunities for staff and community partners, including a seminar on Co-Occurring Disorders conducted by Dr. Mee-Lee; an educational training on cultural competency with the Lesbian, Bisexual, Gay, Transgender, Questioning (LBGTQ) population; and seminars on Suicide Prevention, smoking cessation, sexual abuse, and law and ethics.
- The Change Committee with line staff membership only, continues to identify issues and present possible solutions to Administration.
- The Compliance/Performance and Quality Improvement (PQI)/Training bulletins were implemented and sent to each staff to answer questions and to clarify documentation requirements.
- Three culturally competent newsletters were developed and distributed to staff and community partners.

Major Focus for FY 2010 – 2011

Customer Service

- The operation and management of the Children's Assessment Center (aka Martha's Place) will be fully incorporated into the Department's operation with the goal of providing services and support to all involved in the most seamless manner.

- Staff will participate in the Statewide Treatment Plan Coalition in order to develop an audit proof, standardized treatment plan.
- Staff will work to implement the recommendations from the Co-occurring task force for the integration of services for clients who have both a mental illness and substance abuse.

Internal Business and Program Improvements

- Focus will be placed on increasing consumer and family member participation in established committees, as well as engaging their participation in the decision making process for any issues related to client access or services.

Finance

- Efforts will continue to improve cost recovery where possible from other available sources. Staff will continue to participate in State meetings in order to advocate for more funding and to keep apprised of the State Budget.

Learning and Growth

- Training in Cultural Competency, law and ethics, co-occurring for families and staff and other clinical trainings will be provided.

Key Challenges and Strategies for Fiscal Year 2010– 2011

- Funding Issues
  - The number of clients and days in Institutions for Mental Disease (IMD) and state hospital days will continue to be monitored through the Adult Placement Committee.
- Progressive Technology
  - The replacement of the information system in the Department is crucial to client care, billing, and the accurate reporting of data.
  - Behavioral Health will enhance the County's intranet to increase staff's usage to facilitate efficiencies for staff to access needed resources to perform job functions more effectively.
- Recruitment and Retention
  - Contract providers will be encouraged to hire consumers in the various programs.
  - Efforts to recruit and retain interns will continue whenever possible
  - The Department continues to be challenged with the ability to recruit and retain psychiatrists, nurses and other professional and technical staff, along with the staff time and efforts to perform such critical recruitments.

COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS

The level of General Fund support for Mental Health is recommended to increase $330,905 or 4% compared to the FY 2009-10 adopted level. Revenues are budgeted to decrease $598,722 or 2% compared to the FY 2009-10 adopted budget. Total expenditures for this fund center are budgeted to decrease $267,817 or less than 1%. As in past years, cost savings measures have been incorporated into the Health Agency budget to reduce the need for General Fund support. For FY 2010-11, the following measures are included in the FY 2010-11 recommended budget for Mental Health:

- A General Fund savings of $270,575 was created by not budgeting for a FY 2010-11 prevailing wage increase. In the past, divisions of the Health Agency typically budgeted to provide some funding should it be necessary to pay for a prevailing wage increase in a particular year. This was done mainly to ensure that where a program received State and Federal reimbursement revenue, the amount received would be as close to full cost as possible. Over the years reimbursement rates have not kept pace with actual costs and it is no longer necessary for Health Agency programs to budget for a prevailing wage increase. For FY 2010-11 the Health Agency has opted not to budget for this cost. If it is determined that an increase is

in order for FY 2010-11, the Health Agency will need to offset the increase in Salary and Benefits with expense savings or unanticipated revenue elsewhere.

- A General Fund savings of $55,469 is expected from the use of Voluntary Time Off (VTO) by Mental Health staff. This is the third year that VTO has been budgeted in order to reduce the need for General Fund support and help avoid potential layoffs. The use of VTO in FY 2010-11 will mean the loss of productive time across various Mental Health programs and may impact the ability to provide timely customer service in those programs.

Revenues decline by $598,722 or 2% compared to the FY 2009-10 adopted budget. State revenue, not including realignment, is expected to increase $108,496. State realignment funding, which is drawn from State sales tax and vehicle license fees, has declined dramatically over the last two fiscal years as a result of the downturn in the economy. Realignment is expected to decline again relative to the FY 2009-10 adopted amount, with total realignment funding for Mental Health budgeted to decrease $615,492 or 11%. The FY 2010-11 budgeted revenue includes approximately $262,000 in Federal funding based on the assumption that Congress will extend stimulus funding that increases the Federal Medical Assistance Percentage (FMAP) paid on MediCal reimbursement. As of April 2010, the FMAP increase was due to expire on December 31, 2010. If Congress does not pass an extension by mid-FY 2010-11, the Health Agency will be required to offset the shortfall through expenditure savings or unanticipated revenue.

Total expenditures for this fund center are budgeted to decrease $267,817 or less than 1% compared to the FY 2009-10 adopted budget. Salary and Benefits expenditures are budgeted to increase $195,211 or 1%. Service and supplies expenditures are budgeted to decrease $13,595 or less than 1% compared to the FY 2009-10 adopted budget. Significant variances include a net increase in expenditures for provider contracts totaling approximately $177,000; approximately $400,000 in additional expenditures resulting from adding Martha's Place to this fund center (see below), and a $548,823 reduction in interdepartmental charges, mainly due to a decrease in countywide overhead totaling $422,775. Transfers from other departments (expense offsets) increase $449,433 or 52%, mainly due to the addition of $514,300 of expense offset from FC 165 – Mental Health Services Act (MHSA) for the Behavioral Health Electronic Health Records (BHEHR) project.

Since 2006, the Children's Assessment Center or Martha's Place has provided trans-disciplinary assessment and treatment of at-risk children in San Luis Obispo County, primarily between the ages of 0 and 5 years old. Martha's Place was founded as a collaborative effort, with the County providing the clinical staff to perform the assessments and other critical mental health services; the Community Action Partnership of San Luis Obispo (CAPSLO) serving as the fiscal and administrative agent and providing all other operational staffing and services; and the Model of Care Partners Oversight Committee (MoCPOC), made up of various stakeholder organizations, providing direction and the guiding vision for the center.

CAPSLO has announced that as of July 1, 2010 they will no longer serve as the administrative and fiscal agent for Martha's Place. As a result, the MoCPOC has requested that the County assume this role. The revenue and expenditures previously held by CAPSLO on behalf of Martha's Place have therefore been added to this fund center for FY 2010-11. The addition includes $458,595 in expenditures, including a 1.00 FTE Administrative Assistant, and $250,000 in revenue that will be provided by First 5. The addition of Martha's Place to the Mental Health fund center also adds $208,595 of General Fund support to this budget, which is $31,405 or 13% less than the amount awarded to Martha's Place in FY 2009-10 as a grant through FC 106 – Contributions to other Agencies.

The following changes are recommended for the Mental Health Position Allocation List (PAL) in FY 2010-11, with no net change in the number of FTE:

- -1.00 Accounting Technician moved to the Health Agency's accounts payable unit in FC 160 – Public Health.
- +1.00 Administrative Assistant due to the addition of the Children's Assessment Center or "Martha's Place" to this fund center.
- -1.00 Senior Medical Records Technician (SMRT) reclassified to an Administrative Services Officer.
- +1.00 Administrative Services Officer (ASO) reclassified from an SMRT.

BOARD ADOPTED CHANGES

None

GOALS AND PERFORMANCE MEASURES

Department Goal: To help mentally ill individuals be as functional and productive as possible in the least restrictive and least costly environments.

Community-wide Result Link: Healthy Community

1. Performance Measure: Rate of Client Satisfaction with County Mental Health Services.

05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
84%	84%	84%	92%	85%	89%	89%

What: A State provided survey is given to all clients receiving mental health services during one-week periods historically in November and May of each fiscal year. Populations surveyed are Adult, Older Adult, Youth and Youth Families. Surveyed customer service indicators are Access to Service, Cultural Sensitivity, Participation in Treatment Planning, Outcomes and General Satisfaction. The rate is an average for all indicators and populations, with the maximum possible score of 100%. The following rate ranges are indicative of the following responses: 70-79% "satisfactory", 80-89% "above satisfactory" and 90-100% "excellent".

Why: Client satisfaction is one indicator of the quality of services provided by County Mental Health.

How are we doing? Due to State budget constraints, the State canceled the November 2009 and the May 2010 surveys. The last formal State survey was conducted in May 2009, and the results indicate a client satisfaction rating of 89%. A rating in the range of 80% - 89% is considered "above satisfactory". Other comparable county results are not published by the State and thus unavailable for comparison purposes.

2. Performance Measure: Total number of Patient Days in State Hospitals.

05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
522	447	603	365	730	364	365

What: The County is financially responsible for county residents who are placed in a State Hospital. This measure reflects the number of State Hospital patient days paid. State Hospitals represent the most restrictive and costly treatment environment available.

Why: State Hospital days require a more intensive level of care and are more expensive. Mental health outpatient services are designed to minimize placement in State Hospitals.

How are we doing? County staff has done very well in working with the Institution of Mental Disease (IMD) facilities and clients to provide the necessary services in order to minimize State Hospital placements. We started the year with one individual admitted to Atascadero State Hospital under a Murphy Conservatorship, however on June 29, 2010 that client was successfully moved to an Institution for Mental Disease (IMD) facility, where he will continue to receive services, but at a lower level of care than the State Hospital. The second client budgeted in FY 2009-10 has not been admitted to date, but is receiving services from an out-of-county IMD. The FY 2010-11 Target reflected our previous projection of one State Hospital placement. The State Hospital daily rate is $457, which is $166,805 annually for 365 days. San Luis Obispo's population is around 269,337. Data from comparable counties shows FY 2008-09 projections as follows: Napa County (population 136,704) 2,985 patient days; Monterey County (population 428,549) 1,825 patient days; Marin County (population 257,406) 913 patient days; and Placer County (population 333,401) 730 patient days.

3. Performance Measure: Annual Days Spent by Adult Individuals Placed in Out-of-County Residential Facilities, Both Institutions for Mental Disease (IMD) and Board and Care

05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
11,441	10,326	10,874	13,132	13,291	13,624	12,669

What: The County is responsible for providing residential care facilities for those residents who are severely mentally ill and cannot provide for themselves. This measures the adult utilization of out-of-county residential facilities. The adult residential care facilities provide clients with a level of care that is not available in San Luis Obispo County. A large number of these placements are the result of court ordered conservatorships.

Why: Out-of-county residential facilities provide clients with a level of care that is currently not available in San Luis Obispo County and are generally more expensive. When appropriate, all efforts are made to place clients within the county and close to family and friends which is considered more beneficial to the client's overall recovery. Outpatient services are designed to reduce or prevent placement in out-of-county facilities but there are clients that require residential care due to the severity of their mental illness.

How are we doing? Actual Results for FY 2009-10 came in above targeted levels due to an increase of several new clients. The increased trend in adult out-of-county residential placements continues in FY 2009-10. There has been a positive shift in the percentage of residential IMD placements to less restrictive and less costly Board and Care homes. In FY 2007-08, 63% of the residential placements were in IMDs and 37% were in Board and Care homes. In FY 2008-09, a pronounced shift toward Board and Care homes occurred, as 28% of total days were in IMDs and 72% in Board and Care homes. The actual placement percentages for FY 2009-10 are 19% of total days in IMDs and 81% in Board and Care homes. The Mental Health Adult Placement Committee continues to review all placements for appropriateness and medical necessity and to assess each client's readiness for return to their community. Mental Health also supports contractor efforts to implement new augmented Board and Care programs in our county.

4. Performance Measure: Day Treatment Days Provided to Youth in Out-of-County Group Home Facilities

05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
1,887	1,779	2,067	2,692	2,750	2,212	2,700

What: The County is responsible for placing youth in residential environments that are safe and effective when their home is not an option. This measures Day Treatment days received by youth residing in an out-of-county Rate Classification Level (RCL) 14 group home. RCL 14 is the highest service level classification for State residential treatment facilities and group homes. Youths are placed in RCL 14 group homes by the Department of Social Services, Probation and School Districts.

Why: Youth placed in out-of-county group homes receive the most expensive form of treatment and is reserved for youths who are severely emotionally disturbed. Youth mental health outpatient services are designed to minimize placements in RCL 14 group homes, whenever possible.

How are we doing? Actual Day Treatment Days for FY 2009-10 were lower than forecast due to a net reduction in the number of placements. Although there were five new placements through the year, there were also several clients who were either able to return home or transfer to a less restrictive facility without formal Day Treatment programs. There were 14 clients in Day Treatment programs for FY 2009-10 with varying lengths of stay from days to months at a time, but only 4 clients were in the program for the entire year. Approximately the same level of placements is expected for FY 2010-11. Mental Health remains below the average number of day treatment days for comparable counties and statewide. A recent report by APS Healthcare, California's External Quality Review Organization (EQRO), found that for calendar year 2008, San Luis Obispo County sent relatively fewer youth to group homes compared to other counties. The report indicates that during 2008, San Luis Obispo County provided day treatment services to 0.08% of its Medi-Cal eligible youth population compared to 0.09% for all medium sized counties and 0.11% for all counties statewide.

Department Goal: To provide cost effective mental health services to community residents.

Communitywide Result Link: Well-Governed Community

5. Performance Measure: Inpatient Psychiatric Health Facility (PHF) Direct Patient Cost per Day

05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
$845	$1,080	$1,122	$1,227	$1,163	$1,109	$1,163

What: The County provides a full functioning 24-hour, 16 bed Psychiatric Health Facility (PHF). Approximately 20% of the PHF direct costs are reimbursed from Federal, State and third party insurance payments. Measuring average daily cost per patient provides an indication of cost efficiency.

Why: This measure is one component of measuring how efficiently our Inpatient Psychiatric Health Facility operates.

How are we doing? The patient cost per day is influenced by costs and the average daily census. Reductions in PHF drug costs in FY 2009-10, the result of switching costlier brand name drugs to generic versions and an overall lower consumption of drugs, contributed to reduce costs associated with PHF activities. For FY 2009-10, our average daily census decreased slightly from 9.3 to 9.0. There are 10 other county-operated PHFs in the State. Of those, the average daily census for those ranged from 8.9 to 15.4 in 2007-08. San Luis Obispo County and El Dorado County have the lowest average daily census. The average daily census for Placer was 12, for Humboldt it was 11, and for Santa Barbara it was 14.6. The State did not have more recent data available. For FY 2009, our patient cost per day averaged $1,109. Three other comparable counties that operate a PHF, Placer, Humboldt and Santa Barbara, have patient cost per day rates of $681, $983 and $1,190 respectively.

6. Performance Measure: Average Annual Cost of Services per Unduplicated Medi-Cal Client

05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
$4,360	$4,768	$4,767	$5,969	$4,900	$5,073	$5,000

What: The measure calculates the annual cost of Medi-Cal services divided by annual Medi-Cal clients served.

Why: Since the majority of our clients are Medi-Cal, comparing the cost per client with other comparable counties provides an indicator regarding cost efficiency based on the number of clients served and the relative cost to serve those clients.

How are we doing? For FY 2008-09, San Luis Obispo County's cost per Medi-Cal client served was $5,969. The FY 2008-09 average cost per youth client was $7,972, while the average cost per adult client was $4,246. For FY 2009-10, the cost per Medi-Cal client served was $5,073, and the average cost per youth client was $7,169, while the average cost per adult client was $3,104. The higher cost per client in youth versus adult services reflects SLO County's efforts to maintain children in their homes and foster homes by providing more intensive services (i.e. Therapeutic Behavioral Services and Wraparound), thereby avoiding placement in out-of-county group homes. San Luis Obispo County serves more Medi-Cal clients compared to averages for other medium size counties and all counties in the State.

1) The percent of Medi-Cal eligible persons in the county who actually receive services is referred to as the penetration rate. For calendar year 2008, the latest available California External Quality Review Organization (EQRO) report shows San Luis Obispo County's penetration rate was 8.7%, versus 6.1% for other medium size counties and 6.2% for all counties statewide.

2) San Luis Obispo County sees more age 6-17 clients than other counties. For 2008, EQRO reports San Luis Obispo County's penetration rate for children ages 6-17 was 11.5%, 53% higher than the average for other medium size counties at 7.5% and 62% more than the statewide county average of 7.1%.

7. Performance Measure: Percentage of Readmission to the Psychiatric Health Facility (PHF) Within 30 Days of Discharge.

05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
15.9%	10.5%	9%	9%	7%	11%	9%

What: The percentage of clients who are readmitted to the PHF within 30 days from their prior discharge. The 30-day readmission rate is a standard performance measure used in both private and public hospitals.

Why: Low readmission rates indicate that clients are being adequately stabilized prior to discharge.

How are we doing? For FY 2008-09, the actual rate of readmission remained flat at 9%. For FY 2009-10, the readmission rate increased to 11%. With any mental health service, the overall goal is to partner with the client and help them live a functional and productive life. Sacramento County is currently experiencing a readmission rate of 10% to 18%, and reports indicate that their rate is increasing due to the poor economy and decreases in outpatient services. Santa Barbara reported an increase in the readmission rate for their PHF from 9.6% in FY 2008-09 to 12.5% in FY 2009-10. In San Luis Obispo County, we are seeing similar issues, including more homeless clients and clients with increased drug and alcohol problems, which has resulted in increased, upward pressure on our readmission rate.