

**DEPARTMENTAL PURPOSE**

The Department of Health and Social Services (H&SS) provides cost-effective services that promote self-reliance and safeguard the physical, emotional and social well-being of the people of Solano County. The Department administers health and social service programs that counties are required to provide under State law.

<b>Budget Summary:</b>	
FY2012/13 Third Quarter Projection:	256,405,022
FY2013/14 Recommended:	284,557,017
County General Fund Contribution:	20,998,973
Percent County General Fund Supported:	7.4%
Total Employees (FTEs):	1174.65

**FUNCTION AND RESPONSIBILITIES**

H&SS is functionally divided into five divisions: Administration, Social Services, Behavioral Health, Health Services, and Public Assistance Programs.

Administration Division (BU 7501) provides oversight and management of the Department’s day to day operations, including: employee services, budget development and monitoring, fiscal oversight reporting and control, contract management, data analysis, planning, and revenue forecasting, coordination with County central service departments, and internal training/compliance activities. The Division is also responsible for management of the Public Assistance Budget used for direct cash payments and other financial assistance to clients.

Behavioral Health Division (BU 7780) includes Mental Health Services, Substance Abuse Services and Mental Health Managed Care. The Division provides treatment, case management, rehabilitation and community support services to seriously emotionally disturbed or mentally ill children and adults. This includes emergency psychiatric services and involuntary hospitalizations. The Mental Health Services Act (Prop 63) provides funds for intensive case management for high-risk clients, and funds a variety of early intervention and prevention services, information technology projects, and supportive housing. The Substance Abuse program provides assessment and authorization for treatment services which are provided by a number of community-based organizations, and prevention, intervention, and recovery services to combat alcoholism and other drug addictions.

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Social Services Division (BU 7680) provides Employment and Eligibility Services (E&ES), Child and Adult Resources and Services (CARES) which includes Child Welfare Services (CWS), Older and Disabled Adult Services (ODAS) and Public Guardian.

- E&ES promotes self-sufficiency by assisting low-income families and individuals with obtaining employment, access to health care, food and cash assistance.
- CARES - CWS protects children from abuse, neglect, and provides programs to strengthen families. When this is not possible, CWS finds safe, permanent homes for children so they may grow into healthy, productive adults.
- CARES - ODAS focuses on comprehensive, integrated assistance for older and disabled adults, including domestic and personal in-home services, the investigation and prevention of elder abuse and neglect, and assistance accessing Medi-Cal, CalFresh and cash assistance programs. The Public Guardian's Office serves as the County's guardian/conservator and as the Public Administrator when the decedent has no next of kin.

Public Assistance Programs (BU 7900) budget includes Federal, State and County funding for all of the cash assistance programs administered by H&SS, including: CalWORKs, Adoptions Assistance, Foster Care, In-Home Support Services (IHSS) provider payments, and General Assistance (GA). The Seriously Emotionally Disturbed (SED) (AB3632) program is not included in the FY2011/12 budget because the mandate was suspended by the Governor in December 2010 and defended by a Court of Appeals in April 2011. In addition, H&SS also administers the CalFresh program; however, the costs of the CalFresh benefit is federally funded, and not included in the budget.

Health Services Division (BU 7880) includes Public Health, Family Health and the Medical Services Budget. The Public Health Division provides mandated community health services to promote a healthy environment for all County residents including emergency medical services (EMS); public health laboratory testing; public health nursing and home visiting; communicable disease surveillance; Maternal, Child and Adolescent Health programs including Baby First; Women, Infant and Children's (WIC) and general nutrition services; health education; and promotion activities. Family Health Services (FHS) provides primary care to low income, uninsured and underinsured patients in a clinic setting. Services are provided at the medical clinics in Vacaville, Vallejo and Fairfield. In addition to primary care for adults and children, FHS offers nutrition counseling, behavioral health, health education, dental and case management services. In 2012, the Family Health Services Dental Clinic expanded its operations by opening an Oral Health Education office inside the FHS medical clinic in Vallejo, started operating a Mobile Dental Van, and opened a dental clinic in Vacaville.

**Functional Area Summary**

**7500 – Fund 902-H&SS-Department Summary  
Patrick Duterte, Director of Health & Social Services  
Health**

<b>DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA</b>	<b>2011/12 ACTUAL</b>	<b>2012/13 ADOPTED BUDGET</b>	<b>2013/14 RECOMMENDED</b>	<b>FROM ADOPTED TO RECOMMENDED</b>	<b>PERCENT CHANGE</b>
<b>REVENUES</b>					
ADMINISTRATION DIVISION	2,990,186	4,386,437	2,851,016	(1,535,421)	(35.0%)
BEHAVIORAL HEALTH DIVISION	56,973,033	55,651,489	62,801,067	7,149,578	12.8%
SOCIAL SERVICES DIVISION	69,753,056	78,029,516	85,302,164	7,272,648	9.3%
IHSS - PA ADMINISTRATION	560,111	552,685	697,834	145,149	26.3%
PUBLIC ASSISTANCE PROGRAMS	49,382,379	50,552,390	51,269,463	717,073	1.4%
HEALTH SERVICES DIVISION	45,641,974	59,169,707	60,636,500	1,466,793	2.5%
GENERAL FUND CONTRIBUTION	25,430,216	21,921,080	20,998,973	(922,107)	(4.2%)
<b>TOTAL REVENUES</b>	<b>250,730,955</b>	<b>270,263,304</b>	<b>284,557,017</b>	<b>14,293,713</b>	<b>5.3%</b>
<b>APPROPRIATIONS</b>					
ADMINISTRATION DIVISION	5,228,425	6,407,653	5,562,156	(845,497)	(13.2%)
BEHAVIORAL HEALTH DIVISION	60,670,994	58,476,728	65,621,232	7,144,504	12.2%
SOCIAL SERVICES DIVISION	76,543,918	83,734,364	90,470,721	6,736,357	8.0%
IHSS - PA ADMINISTRATION	566,011	551,661	697,834	146,173	26.5%
PUBLIC ASSISTANCE PROGRAMS	60,132,333	60,376,994	60,036,868	(340,126)	(0.6%)
HEALTH SERVICES DIVISION	47,614,691	60,715,904	62,168,206	1,452,302	2.4%
<b>TOTAL APPROPRIATIONS</b>	<b>250,756,372</b>	<b>270,263,304</b>	<b>284,557,017</b>	<b>14,293,713</b>	<b>5.3%</b>
<b>TOTAL NET CHANGE</b>	<b>(25,417)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

<b>STAFFING</b>					
ADMINISTRATION DIVISION	74.5	70.00	78.5	8.50	12.14 %
SOCIAL SERVICES DEPARTMENT	535.8	560.65	609.25	48.60	8.67 %
IN-HOME SUPPORTIVE SERVICES PA	3.75	3.75	5	1.25	33.33 %
BEHAVIORAL HEALTH	185.15	163	165.5	2.50	1.53 %
PUBLIC HEALTH DIVISION	0.00	0.00	0.00	0.00	0.00 %
HEALTH SERVICES	232.8	291.55	316.4	24.85	8.52 %
ASSISTANCE PROGRAMS	0.00	0.00	0.00	0.00	0.00 %
<b>TOTAL STAFFING</b>	<b>1032.00</b>	<b>1088.95</b>	<b>1174.65</b>	<b>85.70</b>	<b>7.87 %</b>

**DEPARTMENTAL BUDGET SUMMARY**

The Recommended Budget for the Department of Health and Social Services of \$284,557,017 reflects a \$14,293,713 or 5.3% increase in revenues and appropriations when compared to the FY2012/13 Adopted Budget. The General Fund Contribution of \$20,998,973 decreased by \$922,107 due to a \$487,418 reduction in Social Services programs, a \$1,057,199 reduction in Public Assistance programs and a \$613,999 increase in Administration for non-reimbursable cost along with a \$8,511 increase in Behavioral Health.

Primary Funding Sources

The primary funding sources for H&SS are Federal and State Program revenues of approximately \$157 million (55% of total); 1991 State-Local Realignment - \$39.4 million, 2011 Public Safety Realignment - \$38 million; and in charges for services estimated at \$29.7 million. The County General Fund contribution of \$20,998,973 represents slightly more than 7% H&SS funding and includes the required maintenance of effort for several program areas.

Program Revenue

Program revenues are earned primarily by two methods: (1) reimbursement for actual costs, based upon time studies in which staff document hours worked in each program/activity, cost reports, or other methods of documenting actual program costs; and, 2) fee for service revenue, as a result of billing various third party payers, primarily MediCal, on either a unit of service basis or a capitated payment.

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County overhead and Departmental administrative costs are distributed to all programs in H&SS and are included in each program's budget. These administrative costs include fixed operational expenses such as utilities, DoIT and County Administrative Overhead (A-87) charges, and is incorporated into the Department's Federal/State claims for cost reimbursement, and is also included in H&SS rates used in billing third parties. As a result, the majority of revenues received by H&SS include reimbursement for both the direct costs associated with the individual employee providing the specific service as well as Department administrative costs and direct charges from other County Departments providing support services to H&SS programs. In FY2013/14, direct charges from other County departments plus Countywide Administrative Overhead total \$14 million, of which 93% or approximately \$13.4 million, in Federal and State funds are used to offset the County General Fund costs for various County central service departments.

The majority of State General Fund allocations for human service programs have been included in 2011 Realignment, however, the County still receives State allocations for a few programs, which are matched 50% by Federal funds, which includes the administration of the CalFresh, MediCal and CalWORKS programs. Since 2011 a number of State sources of funding are fixed (either by an allocation or a percentage of Realignment funds collected). Federal revenues are often matching funds for programs where the State shares, however the federal portion is based upon the actual cost of providing the service. Federal revenues included in the budget are developed using a number of factors: caseload, number of filled positions each quarter, along with costs for each position and overhead and other costs associated with each filled position; productivity; interim, estimated or approved reimbursement rates.

#### 1991 Realignment

1991 Realignment, a dedicated percentage of State sales tax and Vehicle License Fees (VLF), is the second major funding source for H&SS. The distribution of the funds amongst counties is based upon formulas agreed to more than 20 years ago. Realignment funding is distributed to counties based on formulas established in 1991. Funds are designated for specified human services programs, mostly Federal, in which the State and the County have traditionally shared the "local" costs in order to draw down Federal matching funds. In addition, a portion of the funds, set in statute, is set aside for the County's obligation to pay for indigent health care (W & I Code Section 17000). In order to continue to receive the 1991 Realignment funds, the County is obligated to fund the state share of program costs, and/or has a fixed maintenance of effort amount. Regardless of actual Realignment revenues received, the County's share of costs for the Realigned programs is a fixed percentage.

Since Realignment funds are generated by sales taxes and VLF, the source can fluctuate with economic conditions; actual state collected and distributed revenues have substantially declined from \$41.7 million in FY2008/09. However, since FY2011-12, these revenues have been slowly trending upward; the FY2013-14 includes \$39.4 million in 1991 Realignment funds, an increase of approximately \$1 million.

1991 Realignment funds are allocated to three main areas:

- Health Services - a fixed portion of the Health Realignment funding (amounting to \$6.8 million) is set aside for the County Medical Services Program (CMSP), the balance is available to support uncompensated costs in the Family Health Services budget and to fund Realigned Public Health programs.
- Social Services – funds are dedicated for Child Welfare Services, Foster Care, and In Home Supportive Services (IHSS) program. By statute, any growth in overall 1991 Realignment is first used to fund caseload growth for Social Services and the FY2013/14 Recommended Budget includes an estimated increase for growth.
- Mental Health - Funds are used to pay the 50% local share for services for adult MediCal clients (the balance is reimbursed by Federal funds) and for the full costs of services provided to indigents and other low income clients. Under 2011 Realignment, the funds allocated to this account have been shifted to pay for the County's increased share of costs for the CalWORKs assistance programs (approximately \$10 million), however, the State is required to fully replace the 1991 Realignment funds shifted from Mental Health to CalWORKs and is fully responsible for any shortfall in funding. In FY2012/13 the initial year of 2011 Realignment, the State utilized unspent Proposition 63 funds for funding; however, subsequent funding will be with State sales tax revenue.

#### 2011 Realignment

The major portion of the 2011 Public Safety Realignment funding is dedicated to human service programs and substantially changed how those programs are funded in California. H&SS estimates receiving approximately \$36.6 million in FY2013/14,

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which is an increase of approximately \$2 million; funds are dedicated to Child Welfare Series, Foster Care, Mental Health and Substance Abuse. The 2011 Realignment legislation completed the transfer of responsibility for financing human services programs from the State to the Counties. Previously under the 1991 Realignment, the counties were required to fund a certain percentage of the program costs; starting in 2011, counties are fully responsible for funding the non-federal share of these programs. Unlike the previous experience with the State's 1991 realignment, the 2011 realignment transfer appears to have been adequately funded, and due to the statewide economic improvements in 2012, the County has received slightly more revenue under this arrangement.

Many of the operational details of 2011 Realignment were worked out after the legislation was approved. Due to the elimination of the State Department of Mental Health it has become difficult to obtain accurate estimates regarding Drug and Alcohol Programs. In FY2011/12 the first year of implementation, the State attempted to hold counties harmless; in the second year FY2012/13, the State is distributing sales tax revenue based upon fixed percentages included in the legislation. The fluctuation of sales tax creates a challenge in revenue forecasting and program planning, including a new requirement for FY2013/14 to accurately estimate demands for services and subsequent costs. The County now assumes 100% of the financial risk for these programs although the State remains as the primary contact for Federal negotiations regarding program requirements. The Department must revamp existing billing and claiming functions in order to ensure receipt of Federal matching funds and potentially reduce the County's share of program costs. H&SS anticipates that uncertainty regarding specific funding levels and financing mechanisms is likely to continue for several years.

#### County General Fund

The FY2013/14 Recommended Budget includes a County General Fund contribution to H&SS in the amount of \$20,998,973, a decrease of \$922,107 to the FY2012/13 Adopted Budget. This continues the trend of reducing the County contribution necessary to support State and Federal programs administered by H&SS. The \$0.9 million reduction to Health and Social Services is comprised of two distinct amounts listed below:

- H&SS Programs increased \$190,907 from \$12,041,661 to \$12,231,568, due to increases in fixed costs for debt service and countywide overhead costs.
- Assistance Programs, which include General Assistance, Foster Care, CalWORKs, Adoptions and IHSS wages, decreased by \$1,057,199, from \$9,824,604 to \$8,767,405, mainly due to projected decreases in the General Assistance caseload and the implementation of the In-Home Supportive Services Maintenance of Effort.

The County General Fund support of \$12,231,568 is appropriated for programs within H&SS as follows:

- \$3,490,946 for required Maintenance of Effort for Public Health, CalWORKs Administration, Adult Protective Services, California Children's Services, and Mental Health.
- \$1,107,524 million in mandatory match payments for Federal/State programs for Child Welfare Services, Foster Care Administration, and Mental Health Administration.
- \$2,327,695 used to fund some programs at the minimal level necessary. These programs include the Public Health Laboratory, Public Guardian, General Assistance Eligibility determination and administration, and Public Health Nursing. In most cases, however, these programs are supplemented by outside sources of funding, including competitive grants, Medi-Cal Administrative claiming etc.
- \$2,298,665 for principal payments related to debt service (facilities) that is not claimable and for other countywide administrative costs.
- \$1,634,715 for mandated psychiatric inpatient services.
- \$809,548 for required CMSP Participation Fee; in addition to the County match, \$6.8 million of H&SS 1991 Realignment is also mandated for the County to participate in the CMSP program.
- \$412,475 in contributions to other agencies and non-profits which includes \$287,500 to the Family Resource Centers (FRC) Network, \$86,975 to the Community Action Partnership of Solano (CAP Solano) \$30,000 to the Solano/Contra Costa Food Bank and \$8,000 to the NorthBay Standdown.
- \$150,000 for matching funds for non-county agencies (Second Chance Grant).

Primary Operational Expenditures

Primary costs included in the Health and Social Services Department (Fund 902) allocated by Division:

- Administration (BU 7501) \$5,562,156 in appropriations which recovers most costs through administrative overhead intra fund transfers;
- Social Services (BU 7680) \$90,470,721 in appropriations which includes Employment and Eligibility Services and CARES serving Children and Adults;
- IHSS Public Authority Administration (BU 7690) \$697,834 in appropriations which is a function of the Social Services Division;
- Behavioral Health (BU 7780) \$65,621,232 in appropriations which includes Mental Health and Substance Abuse;
- Health Services (BU 7880) \$62,168,206 in appropriations which includes Public Health and Family Health Services;
- Assistance Programs(BU 7900) \$60,036,868 in appropriations which includes California Work Opportunity and Responsibility to Kids (CalWORKs), Refugee Resettlement Program, Adoptions Assistance Program, Foster Care Assistance, IHSS Individual Provider Program, and General Assistance (GA).

Other Administered Budgets not part of Fund 902 include a \$2,984,293 appropriation for the IHSS Public Authority (BU 1520), a \$217,368 appropriation for Tobacco Prevention and Education (BU 7690) and a transfer out of \$16,923,691 from the Mental Health Services Act (BU 9600) to the Behavioral Health Division (BU 7780). Additional details on the programs costs can be found in the H&SS Divisions and Other Administered Budget sections of the Recommended Budget for Health and Public Assistance.

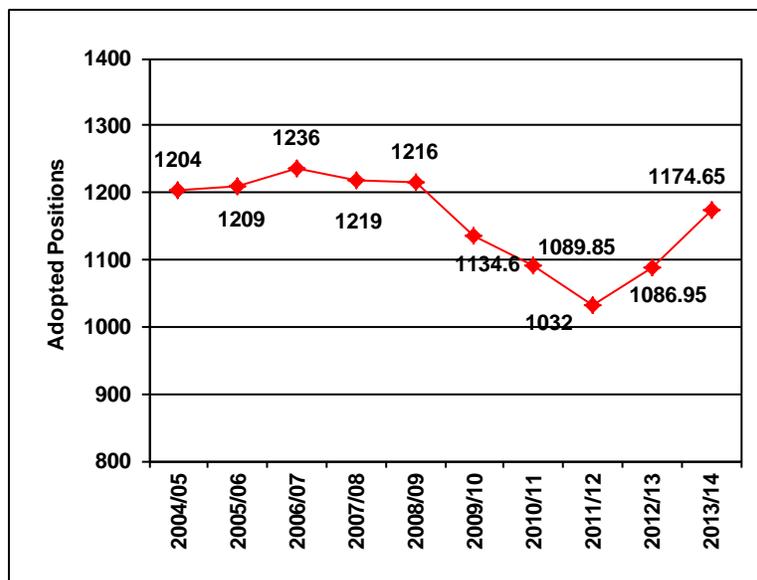
**DEPARTMENT COMMENTS**

None.

**SUMMARY OF POSITION CHANGES**

Details on position changes are described in each H&SS Division.

**STAFFING TREND**



**PENDING ISSUES AND POLICY CONSIDERATIONS**Affordable Care Act – MediCal Expansion

The Affordable Care Act (ACA) becomes effective in January 2014 and State's have the option to expand their program to Medicare to provide expanded health care coverage to eligible individuals. The Governor's May Revise budget proposes expanding the existing MediCal program, as administered by the State; however, the details of the funding are still being debated. The Governor is seeking to recover \$1.5 billion from counties for the counties' existing responsibility for indigent healthcare based on county-by-county experiences. Given California has one of the highest rates of uninsured individuals, the ACA has the potential to benefit a number of individuals by providing no or low cost healthcare access. The Federal Plan includes 100% reimbursement the first three years, followed by a permanent ten (10%) percent share of costs.

Employment and Eligibility

Covered California, the new health insurance exchange established by the State, will begin enrolling clients in October 2013. The State, as a result, has indicated an expectation that County Eligibility and Employment Services will need to support the State Exchange as well as develop sufficient capacity to serve anticipated clients. As a first step, the Board added 22.0 FTE in May 2013 in order to augment staffing levels to meet and prepare for the initial additional workload. Counties will continue to determine eligibility for clients; however, Employment and Eligibility be required to expand the hours of operations to accept calls from Covered California during evenings and weekends.

Health Services

The ACA may also impact clinical services provided by the County. As referenced in the ACA presentations to the Board this past spring, the expansion of MediCal under the ACA is expected to incrementally increase the demand for primary care services in the Family Health Services clinics throughout the County. As a Federally Qualified Health Center (FQHC), the clinics are required to serve everyone who request services, regardless of ability to pay, so it is possible that many are already being served by the County and/or community clinics. H&SS anticipates that through the ACA, the number of clients with a source of payment/insurance will increase.

Behavioral Health

The impact of the ACA on the Department's Substance Abuse and MH programs is two-fold: 1) an increase in demand for service due to the increase in MediCal enrollees, and 2) expansion of the service delivery system in order to meet Federal "parity" requirements to provide a level of service that is equal to the community standard of care.

As referenced above, under 2011 Realignment, the County became responsible for 100% of the non-Federal costs for both mental health and substance abuse (previously, the County had no funding requirements related to Drug MediCal). For the first three years of the ACA implementation, the costs for the "newly eligible clients", according to the current legislation it is the responsibility of the Federal government; eventually, the County will be required to cover 10% of the costs of these services. Costs for new clients who are currently eligible for MediCal, but not enrolled, will continue at the current 50/50 sharing ratio. The majority of patients served in the County's mental health system are already covered by MediCal; however, it is anticipated that most of the "private pay/indigent adults" currently served will become eligible for MediCal allowing the County to bill for these services (currently only limited acute hospital costs and Psychiatric care is covered through CMSP. In the Substance Abuse programs, the majority of clients are not currently eligible for MediCal, primarily because they are single, able-bodied adults, many of whom are referred via the County criminal justice system. Under the pending ACA, many of the current substance abuse clients will be eligible for the expanded MediCal program.

While the expansion of the MediCal program is anticipated to increase the number of clients served, it should also provide payment for many of the current clients. The Department may experience a significant impact on the behavioral health system depending on how the Federal parity rules are implemented or applied to the ACA. Regulations are still pending regarding the community standard of care benchmarks, and the issue of whether or not the parity rules will cover only the "newly eligible" for MediCal, or, both the newly eligible and those who are currently eligible but not enrolled in MediCal. The Department anticipates that it will need to make changes in the existing behavioral health service delivery system in order to provide a continuum of care and an integrated system of behavioral and physical health services and may need to expand service delivery system to provide sufficient capacity to serve the anticipated increase in the number and types of clients seeking services.

The County substance abuse program is relatively small, and following the implementation of ACA may be inadequate to meet

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parity standards. Substance abuse relies on contracts with community based organization for most of the treatment services, and is geared primarily to serving clients referred from the criminal justice system, or those who are homeless and/or those with long term chronic abuse. The Mental Health Director, who is now responsible for oversight of the Substance Abuse Division's treatment programs, has undertaken a complete assessment of the current substance abuse delivery system, utilizing technical assistance support from the State. Once the gaps in services and funding are identified, a plan will be developed for a substance abuse service delivery system, similar in concept to the existing Mental Health system, which offers a continuum of services, including primary care based assessment and brief intensive therapy, crisis intervention and stabilization, acute inpatient service through contracted hospitals, outpatient/case management services offered in-house and through community based partners, residential/supportive housing facilities, and a private individual provider network which serves those client with less severe mental illness. Access to mental health services is authorized through a central intake 800 number and clients are referred directly to a service provider or to the County's Integrated Care Clinic for an assessment; it is likely that this process will incorporate the substance abuse authorization process in the future.

#### Affordable Care Act – Performance Expectations

Current discussion on the ACA has revolved around the individual insurance mandate and the expansion of the MediCal program. Once access to care is improved, the efforts under the ACA will focus on improving the quality of care to ensure that clients receive the appropriate level of care when and where they need it and to *improve health outcomes and reduce the overall costs of medical care*. *Program regulations and financial incentives will be overhauled to align with the goals of the ACA*. The Federal Center for Medicaid and Medicare Services (CMS) has initiated several of the new payment provisions, including incentive payments for provision of preventative services and lack of payment for readmissions to a hospital within 30 days. The fiscal realignment has already impacted H&SS in relation to implementation of an electronic health record (EHR) system in FHS; the EHR is required under the ACA, and is an essential tool in improving health outcomes. Federal funds were made available via the traditional mechanism, but the Department was able to earn a "bonus" for each provider actively engaged in using the system as of December 2012. H&SS anticipates that both the FQHC financing system for primary care services as well as the existing State "Short Doyle" system for mental health services will be overhauled. H&SS will also need to develop a plan to integrate substance abuse outpatient services within Family Health Services as part of the overall redesign of the substance abuse program and establishment of a "medical home". H&SS will update the Board on these emerging issues and their impact on department operations as information becomes available.

#### Program Compliance Plan

H&SS receives approximately 75% of the County's federal funding, and is responsible for monitoring and reporting on the use of the funds. The Department is also involved in some of the most complex types of Federal financing structures, including integrated behavioral healthcare, Intergovernmental Transfers (IGT), managed care and Federally Qualified Health Centers (FQHC). Federal funding has always required a high level of accountability. The Deficit Reduction Act of 2005, as well as the American Recovery and Reinvestment Act of 2009 (ARRA), significantly increased Federal reporting requirements. H&SS established a small compliance program in the late 1990s, however, portions were assumed into the countywide compliance program and over the past few years, budget cuts have eliminated most of the program.

The Department has been challenged to develop the infrastructure necessary to support the service delivery systems to ensure compliance with regulations and maintain adequate fiscal controls. As an example, in order to implement the behavioral health integrated care clinics to achieve anticipated revenues and ensure compliance with the complex regulations associated with these services, H&SS engaged outside consultants to assist in developing the necessary compliance and fiscal oversight structure. Due to lack of internal staff resources, H&SS will also engage the consultants to be on site for a number of months and assist the department in implementing the compliance program for the 9 FQHC sites. H&SS has requested internal staff resources necessary for the development of a department-wide compliance plan. As the Department develops new systems that are more efficient and offer comprehensive services to improve client outcomes, the Department intends to use outside experts in concert with development of an in-house compliance team. At Third Quarter the Board approved the allocation of an H&SS Compliance Officer, which is currently in the recruitment process. The FY2013/14 Recommended Budget also includes four new positions for compliance and oversight to work with each of the major operating Divisions within the Department. To begin the process, the Department, County Counsel and the CAO concur that it is necessary to engage outside consultants to conduct a department-wide risk assessment. While this is in progress, Human Resources will develop the job specifications for the proposed new positions, with the intent that these staff would be in place early in January 2014. The new H&SS

Compliance Officer will use the findings of the risk assessment and work with Risk Management and other County Departments to develop a comprehensive compliance plan. H&SS will keep the Board informed as the major compliance components are developed.

Contributions to Non-County Agencies

Health and Social Services facilitates contributions to non-county agencies in the amount of \$1,789,557 of which \$1,377,082 is reflected as a transfer in described in the General Expenditures (BU1903) section of the Recommended Budget. Included in the Health and Social Services County General Fund Contribution is \$412,475 to facilitate contributions of \$86,975 to the Community Action Partnership of Solano (CAP Solano) \$30,000 to the Solano/Contra Costa Food Bank, \$8,000 to the NorthBay Standdown and \$287,500 to the Family Resource Centers (FRC) Network. The \$287,500 for the FRC Network is comprised of an initial contribution of \$127,500 and bridge funding in the amount of \$160,000 approved the Board of Supervisors on December 11, 2012 to bridge a portion of the Office of Child Abuse Prevention funding which was redirected pursuant to the State mandated and Board approved Child Welfare Services System Improvement Plan. The \$160,000 for FY2013/14 is included in the Recommended Budget. At this time the Health and Social Services budget does not include additional contributions to replace the annualized loss of State funding which will require an additional \$90,137. Further, a policy direction from the Board will be asked, regarding the backfilling of the loss of State or Federal funding.

Other non-county agencies that have expressed to Health and Social Services an interest in receiving additional funding from Health and Social Services or the County but have not yet provided a written proposal including the Children's Network, Community Clinics, Baby Coach, National Association for the Advancement of Colored People (NAACP) in conjunction with Planned Parenthood, Volunteer Center of Solano County and Senior Coalition. The County Administrator's Office will be working with Health and Social Services and the non-profit community to secure more information and supporting details for Board consideration as part of the supplemental budget information for board consideration during budget deliberations.

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## **DEPARTMENTAL PURPOSE**

The Administration Division provides executive management and oversight of the Department's day to day support functions needed for the Department to realize a high level of quality service to Solano County's communities and clients.

## **FUNCTION AND RESPONSIBILITIES**

The Administration Unit includes the Executive Administration directing the overall management of the Department. The Research, Planning and Compliance Unit provide strategic analysis and program development. The Budget and Financial Management Unit includes financial reporting, audits, internal control, interpretation of new fiscal requirements, grant management, budget development and monitoring, claiming for Federal and State revenues, fiscal administration, general accounting, and patient accounting and claiming. The Contracts Management Unit supports managers with processing and fiscal monitoring of contracts for services. The Business Services Unit provides payroll processing and coordinates recruiting and hiring.

## **SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS**

Increased Federal funds through innovative program and organizational restructuring, including: three Intergovernmental Transfer (IGT) agreements which allowed the Department to use unmatched local funding to draw down approximately \$15 million in new Federal revenue for Behavioral Healthcare Services to Medi-Cal clients;

Consolidating the Public Guardian with the Older and Disabled Adult Services Unit and claiming Federal reimbursement for certain Public Guardian health-related activities helped reduced the County General Fund Contribution.

Increased responsibility in processing Federal reimbursement, ensuring that claims are based on accurate program costs and billing. The Medicaid and other funding sources based on a fee-for-service have increased the complexity of the claims. The Federal Government has also become more diligent in its monitoring and auditing of local public agencies.

Implemented new automated patient care management/Electronic Health Records systems in both the FQHC clinics and the Mental Health system, in compliance with new requirements and received bonus payments for actual use by providers.

Recruitment for provider and other health related staff continues to be challenging; H&SS is working with Human Resources to develop new and innovative strategies.

The Division's special pilot project "Women's Reentry Achievement Program" (WRAP) was chosen by the U.S. Department of Justice to be evaluated for a national model.

## **WORKLOAD INDICATORS**

During the period January 2012 to January 2013 the Department processed 500 new contracts and 100 contract amendments within required time constraints.

## **DEPARTMENTAL BUDGET SUMMARY**

The Recommended Budget for Administration of \$5,562,156 reflects decreases of \$921,422 or 14.2% in revenues and \$845,497, or 13.2% in appropriations when compared to the FY2012/13 Adopted Budget. The General Fund Contribution of \$2,711,140 increased by \$613,999 due to an increase in non-reimbursable costs.

### Primary Funding Sources

The primary sources of funding for Administration include Intra-Fund Transfers representing reimbursement of allowable administrative costs from various H&SS program divisions, contract services revenue for administrative fees related to the oversight and coordination of the Medi-Cal Administrative Activates (MAA) and Targeted Case management (TCM) programs on behalf of participating H&SS divisions, other county departments and community based organizations; operating transfers-in to fund board-approved contributions to non-county agencies and General Fund Contribution primarily used to fund non-reimbursable costs.

### Primary Cost

Primary costs for Administration are: \$8,163,993 for salaries and employee benefits; \$4,825,645 for services and supplies which include MAA/TCM pass thru costs; \$2,848,454 for other charges which include A-87 charges, contributions to non-county

**Summary of Division Budget**

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agencies, and contracted direct services for HUD grants directly administered by H&SS; \$2,178,529 for other financing uses which include debt service costs; and offsetting intrafund transfers of (\$12,454,465) which represents the projected share of administration costs charged to H&SS Divisions.

<b>DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY</b>	<b>2011/12 ACTUALS</b>	<b>2012/13 ADOPTED BUDGET</b>	<b>2013/14 RECOMMENDED</b>	<b>FROM ADOPTED TO RECOMMENDED</b>	<b>PERCENT CHANGE</b>
<b>REVENUES</b>					
Fines, Forfeitures, & Penalty	26,078	0	0	0	0.0%
Revenue From Use of Money/Prop	230,457	176,601	207,436	30,835	17.5%
Intergovernmental Rev State	0	73,447	0	(73,447)	(100.0%)
Intergovernmental Rev Federal	1,900,565	2,260,591	2,061,942	(198,649)	(8.8%)
Charges For Services	394,926	1,440,716	146,203	(1,294,513)	(89.9%)
Misc Revenue	23,409	0	353	353	0.0%
Other Financing Sources	414,750	435,082	435,082	0	0.0%
General Fund Contribution	2,239,034	2,097,141	2,711,140	613,999	29.3%
<b>TOTAL REVENUES</b>	<b>5,229,220</b>	<b>6,483,578</b>	<b>5,562,156</b>	<b>(921,422)</b>	<b>(14.2%)</b>
<b>APPROPRIATIONS</b>					
Salaries and Employee Benefits	6,904,499	7,331,459	8,163,993	832,534	11.4%
Services and Supplies	3,656,166	4,336,778	4,825,645	488,867	11.3%
Other Charges	1,662,674	1,738,915	2,848,454	1,109,539	63.8%
Other Financing Uses	2,143,203	2,085,155	2,178,529	93,374	4.5%
Intra-Fund Transfers	(9,138,116)	(9,084,654)	(12,454,465)	(3,369,811)	37.1%
<b>TOTAL APPROPRIATIONS</b>	<b>5,228,425</b>	<b>6,407,653</b>	<b>5,562,156</b>	<b>(845,497)</b>	<b>(13.2%)</b>
<b>NET CHANGE</b>	<b>(794)</b>	<b>(75,925)</b>	<b>0</b>	<b>75,925</b>	<b>(100.0%)</b>

<b>STAFFING</b>					
ADMINISTRATION DIVISION	74.5	70.0	78.5	8.50	12.14 %
<b>TOTAL STAFFING</b>	<b>74.5</b>	<b>70.0</b>	<b>78.5</b>	<b>8.50</b>	<b>12.14 %</b>

**SUMMARY OF SIGNIFICANT ADJUSTMENTS**

The FY2013/14 Recommended Budget projects a net decrease of (\$921,422) in revenues primarily due to the following:

- Increase of \$30,835 in interest income due to higher overall cash balance in fund 902.
- Decrease of (\$272,096) in intergovernmental revenues is primarily due to a decrease in one-time State and Federal revenues and a decrease in MAA pass thru revenues based on reduced MAA reimbursable claims.
- Decrease of (\$1,294,513) in charges for services mainly due to a decrease of (\$1,235,757) in administration overhead (A87) revenue.
- Increase of \$613,999 in General Fund Contribution to cover non State or Federal reimbursable expenses of \$75,000 for legislative support, an increase of \$245,913 in countywide administrative charges, a \$160,000 additional contribution to the Family Resource Center Network approved by the Board on December 11, 2012, and \$139,922 of Housing and Urban Development (HUD) related expenses for staff time, and technical assistance managing HUD contracts formerly administered by CAP Solano.

The net decrease of (\$845,497) in appropriations is a combination of the following factors:

- An \$832,534 increase in Salaries and Benefits primarily due to the addition of 7.5 FTE in Administration. These positions are being requested to plan, develop, and implement an annual compliance plan for HSS, perform contract and compliance monitoring to ensure appropriate use and reporting of approx. \$126M in Federal and State dollars, address the financial reporting and forecasting complexities resulting from 2011 Realignment and healthcare reform, and provide clerical support to the Policy Fiscal Analyst (PFA) Teams, and Hiring/Training Unit.

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- An \$488,867 increase in Services and Supplies due to decreases of (\$42,787) in telephone services resulting from a one-time FY2012/13 cost related to the new VOIP system, (\$33,475) in liability insurance, (\$52,255) in computer components in anticipation of fewer computers to be refreshed in FY2013/14, (\$35,403) in Other Professional Services due mainly to the reclassification of HUD pass-thru costs in the Other Charges category to comply with accounting requirements, and (\$100,000) in utilities based on 2-year average actual usage. These decreases are offset by increases of \$148,999 in insurance-risk management, \$554,817 in consulting services for technical assistance in addressing compliance, healthcare reform, behavioral health integration, and FQHC fiscal reporting issues, \$11,250 in software maintenance for the contracts database system, and \$29,856 in DOIT charges.
- An \$1,109,539 increase in Other Charges is primarily due to a \$909,361 increase in A-87 charges due to the reallocation of A87 charges, \$160,000 in contributions to non-county agencies resulting from the board-approved increase in contribution to family resource centers (FRCs), \$513,000 in contracted direct services for the HUD projected payments to sub recipients, \$16,000 increase in small projects, and offset by decreases of (\$197,932) in interfund services – personnel resulting from the discontinuance of direct billing from Human Resources and (\$355,812) in interfund services – professional resulting from the projected costs of General Services direct charges for custodial, building trades mechanic, and grounds keeping being directly budgeted in program divisions instead of Admin.
- A \$93,374 increase Other Financing Uses resulting from the increase in POB costs for the 7.5 FTE requested positions and the increase in debt service principal payments.
- A (\$3,369,811) increase Intra Fund Transfers primarily due to the increase of claimable salaries costs for the 7.5 FTE requested positions and the \$2,145,118 gross increase in A-87 charges to the Admin budget. Administration costs that are claimable to federal and state programs are transferred to program division budgets via the intra fund transfer account.

### **SUMMARY OF POSITION CHANGES**

The following positions are being requested to plan, develop, and maintain compliance. The Office Assistants will provide critical support for hiring and training functions within the Department including background and criminal record checks, maintaining hiring records, processing requisitions to fill vacant positions, meeting federal exclusion lists compliance requirements, registering staff for County's mandatory trainings; coordinating new employee orientations and setting up mandated reporter training; the Accounting Clerk is needed for critical functions in the fiscal claiming unit for social services and assistance programs to address increasing complexity and volume of state fiscal reporting; the Accountant is needed to provide staff support in monitoring all funds managed and administered by H&SS to ensure compliance with accounting regulations per Governmental Accounting Standards (GASB); Contract and compliance positions are needed to address the department's federal fiduciary responsibility in monitoring its contractors and sub-recipients in accordance with federal OMB guidelines including federal cross-cutting rules, to develop a risk assessment process and conduct year-round fiscal reviews to ensure compliance with Federal and State regulations. These positions are funded through the administrative charges to the applicable H&SS programs.

Changes in the Division's position allocation reflect 7.5 positions offset through internal department costs allocations and recovery through fees, grants and State and Federal revenue:

- 1.5 FTE Office Assistant IIs (effective 7/21/13)
- 1.0 FTE Accountant (effective 7/21/13)
- 1.0 FTE Accounting Clerk II (effective 7/21/13)
- 1.0 FTE Contract and Compliance – TBD (effective 10/1/13)
- 3.0 FTE Contract and Compliance – TBD (effective 1/1/14)

### **PENDING ISSUES AND POLICY CONSIDERATIONS**

The Department is in the early stages of implementing a new web based contracts database that will allow a more efficient way for personnel to view, track, and process the hundreds of contracts within each Division. This system, called Tract Manager, will be replacing the current Access database which is not supported by DoIT and is not an interactive system. The database will house a library of current and past contracts that can be accessed for review purposes, create a platform for the electronic

processing of contracts through each Division and County Counsel. Contract managers will now have a centralized location to ensure contract compliance with key terms and deliverables. The Department is also looking into the possibility of storing contract claims on this database for not only easy access but to update financial information, and allow for electronic processing of claims. It is expected that this new database will not only create efficiencies in the process, it will become a valuable tool for contract monitoring.

Federal oversight and reporting requirements have increased significantly. It is anticipated that with the implementation of healthcare reform, federal authorities will increasingly audit counties to determine whether medical billing as well as privacy and security practices are compliant with federal regulations.

Contributions to non-county agencies are processed through the Administration Division as non-reimbursable cost. The current budget includes a contribution of \$160,932 authorized by the Board of Supervisors on December 11, 2012 as bridge funding for the Family Resource Center Network. The Children's Network which provides coordination support to the Family Resource Centers has informed the County Administrator's Office that they will be requesting additional funding; however, a written proposal is still pending. Funding for the Family Resources Centers and the Children's Network will need to be discussed as a part of the FY2013/14 Supplemental Budget.

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### **DIVISION PURPOSE**

The Behavioral Health Division includes Mental Health, Mental Health Managed Care, and Substance Abuse. Integration of these programs allows the Division to efficiently monitor and manage programs and expenses as a comprehensive behavioral health system of care. The Department of H&SS anticipates additional advantages as behavioral health services are integrated with primary care services and the Department completes the automation of client health records for the Behavioral Health and Health Services Divisions.

### **FUNCTION AND RESPONSIBILITIES**

The Behavioral Health Division provides mental health services in accordance with Title 9, California Code of Regulations, Sections 1820.205, 1830.205, and 1830.210. Substance Abuse Services are delivered under the authority of Title 45, Code of Federal Regulations and California Health and Safety Codes Section 11750-11997.

Mental Health provides a broad array of services to Solano residents, including emergency psychiatric services 24 hours a day, seven days a week, as well as outpatient, residential and day services. The Division provides cost-effective services that promote self-reliance and safeguard the physical, emotional, mental and social well-being of Solano residents. These services are delivered by County and contract staff. Among them are:

- Individual psychotherapy and psychiatry through the Managed Care Provider Network;
- Rehabilitation and community-support services to seriously emotionally disturbed children and seriously mentally ill adults.
- Inpatient hospitalization and medium-term institutional care for conserved individuals
- Forensic services to individuals with severe mental illness who become involved with the judicial system
- Early childhood and trauma-focused services for younger children
- Prevention and early intervention services to help prevent the worsening of mental illness
- Wellness and Recovery Centers
- 23-hour Crisis Stabilization Center
- Supported housing for individuals with mental illness
- The Division oversees the provision of quality assurance, utilization management, beneficiary problem resolution, authorization and denial of services, maintenance of financial records, policies and procedures, and assures cultural competency in the provision of services.

Substance Abuse Services provide prevention, intervention, treatment and recovery services for alcoholism and other drug addictions. Youth, adults, probationers and parolees are served by Substance Abuse Services, which offers the following services using a managed care model:

- Assessment of clients' alcohol and drug abuse treatment needs and authorization of appropriate services. Preferential placement is given to pregnant women.
- Outpatient counseling through individual, group and family sessions.
- Residential treatment for men and women, including pregnant and postpartum mothers.
- Substance abuse and mental health counseling services for California Work Opportunity and Responsibility to Kids (CaWORKs) participants, designed to promote return to the workforce through resolution of addictions and mental illness.
- Authorization of alcohol and drug detoxification.
- Administration of drug treatment services under the Substance Abuse and Crime Prevention Act of 2000 (SACPA, Prop 36), along with Adult and Dependency Drug Courts.
- Program management for the Parolee Services Network and Driving Under the Influence (DUI) programs.
- Services to recently realigned State parolees, now the responsibility of each county (AB109).

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- Federally mandated HIV and AIDS testing and education in coordination with Public Health.
  - Federally mandated Primary Prevention Services to delay the onset of youthful Alcohol, Tobacco and Other Drug use, also coordinated with Public Health.
  - Pursuant to Realignment 2011, financial responsibility for federally mandated services for narcotic addicts, including methadone (provider contracts with the state) and medication assisted recovery programs.

**SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS**

- Solano County Mental Health successfully opened a 23-hour Crisis Stabilization Unit at 2101 Courage Drive in October 2012. This facility, run by Anka Behavioral Health, Inc., is a cornerstone of a plan to improve psychiatric care to the acutely mentally ill, and to reduce hospitalization rates which have soared over the past four years. Thus far, the facility has resulted in at least a 25% reduction in hospitalization admission rates, and may also be contributing to a reduced average length of stay for individuals once admitted.
- As a result of reducing hospitalization stays and lengths of stay, and in part due to the lack of appropriate step-down placements, some increase in the occupancy rate of institutes for mental disease (IMD's) have occurred. However, hospitalizations are much more costly and therefore to some extent, this development is a corollary of placing fewer individuals in hospitals for less time, and instead placing them in IMD's.
- Due to funding reductions, seriously mentally ill (SMI) adults seeking a medication appointment face waits from 1 day (urgent), to 6 weeks (non-urgent). However, an urgent care component has been developed to ensure the most vulnerable and acute receive medication appointments as clinically necessary and mandated by regulation.
- The State Department of Health Care Services (DHCS) agreed to permit the continued funding of mental health services for Kaiser Medi-Cal beneficiaries (children) through a capitated arrangement between Partnership Health Plan of California, Solano County, and Kaiser, as a cost effective, and more integrated means of delivering mental health services to those beneficiaries, saving county funds because of the ability to draw federal match more easily without Kaiser beneficiaries having to receive their care from Solano County.
- County Mental Health - Children's services unit continues to serve Medi-Cal clients and their families who face severe emotional illness, despite no longer being responsible to serve AB3632 students.
- The integration of primary care with psychiatry, complemented with a broad array of rehabilitative services, has been shown to improve the health and well-being of the mentally ill consumer and lower emergency medical and psychiatric costs. Difficulty in finding qualified staff has delayed the opening of the Adult Psychiatric Integrated Care Centers. However, despite this challenge, unduplicated patients visits have grown from 1,600 to over 3,700 per year. This is expected to increase with the advent of Medi-Cal expansion and the opening of the Integrated Care Centers.
- The Behavioral Health Division actively participated in the 2011 Public Safety Realignment Act (AB109) Implementation Plan and is an active partner with Probation and the judiciary in assuring that probationers released under AB109 receive timely substance abuse and mental health services.
- Substance Abuse Services began offering an evidence-based program (Matrix) to Solano County residents who are waiting to participate in weekly groups for treatment. The Matrix program is more extensive and valuable than what is minimally required by the program's principal federal funding source. The result is that clients are better prepared to take advantage of treatment when placed with a contracted provider. These services are becoming increasingly important as wait times increase.
- Mental Health Services Act (MHSA) programs continue to set trends for community oriented mental health prevention and early intervention. In partnership with community providers, MHSA programs are providing Mental Health First Aid training, integrated behavioral healthcare based on a model proven to enhance access by Latino's and other underserved populations, and wellness centers that offer a variety of supportive resources and activities in a structured environment that support the seriously mentally ill consumer. Most recently, services to severely mentally ill individuals were expanded to include adults ages 21-65 through Full-Service Partnership Intensive Wrap Around Teams, as well as for children ages 6-17.

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- Administrative and clinical restructuring has occurred that will improve the rate at which individuals can be maintained in the community and out of costly placements, improve vendor claim and contract administration processes, as well as enhance compliance monitoring and oversight.

### **WORKLOAD INDICATORS**

During the period of FY2011/12:

- Solano County Mental Health provided mental health services to approximately 5,500 seriously mentally ill adults and seriously emotionally disturbed children for a total of approximately 110,000 services. The services were provided through County Programs, Contract Programs, and the Managed Care Provider Network.
- Solano County Mental Health Mobile Crisis unit provided crisis case management services to approximately 1,100 consumers, before closing in October 2012. Since October 2012, the County's contract provider, ANKA 23-hour crisis unit has seen an average of six clients per day.
- Substance Abuse Services saw 709 new adult clients in all of its locations
- Contracted outpatient Substance Abuse treatment programs are serving an average of 104 clients in outpatient treatment per month and residential programs are averaging 36 clients per month.
- Substance Abuse Services are also placing clients in treatment under the Drug Medi-Cal program, a special grant from the Drug Dependency Court and a "fast track" program funded by Child Welfare Services (CWS).
- Currently, general substance abuse clients are waiting approximately 60 days for Substance Abuse outpatient treatment and up to 90 days for residential treatment placement.

### **DIVISION BUDGET SUMMARY**

The Recommended Budget for Behavioral Health of \$65,621,232 represents an overall increase of \$7,158,089 or 12.2% in revenues and \$7,144,504 in appropriations, when compared to the FY2012/13 Adopted Budget. The General Fund Contribution of \$2,820,165 increased by \$8,511.

#### Primary Funding Sources

The primary funding sources for Behavioral Health are Federal, State, and Realignment revenues. As part of the States 2011 Realignment, previous state general fund revenue for children's mental health services, substance abuse treatment services, drug court activities, and substance abuse Drug Medi-Cal were realigned to the local level along with associated program responsibilities. This realignment, coupled with the 1991 realignment revenues, makes realignment funding for behavioral health services the major funding source. The passage of Proposition 30 has ensured that these funds are constitutionally protected and will continue to be available to fund mental health and substance abuse services at a level subject to fluctuations in sales tax collection. Statewide uncertainties about growth in sales tax revenues keeping pace with growth in Early and Periodic Screening, Diagnostic and Treatment (EPSDT) services and narcotic Replacement Therapy programs remain.

State funding from the Mental Health Services Act (MHSA) and federal revenues also provide a lay source of funding for behavioral health services. MHSA funding provides cost reimbursement for mental health community support services, primary early intervention, mental health workforce education, and information technology needs. Federal revenue funds 50% of adult and children's mental health services for Medi-Cal recipients and provides reimbursement for substance abuse Drug Medi-Cal (DMC) services. Billing for mental health services is done on a cost per unit basis. AB1297 became effective July 1, 2012, and establish rates for claiming for mental health services and reimbursement closer to actual cost. While the federal reimbursement for services remains at 50%, AB1297 allows counties to bill the federal government for the eligible actual cost of services rather than at a capped State Maximum Allowance (SMA) rate. Due to the transition of the Department of Mental Health (DMH) to the Department of Health Care Services (DHCS), the State has delayed implementing AB1297 and is currently counties receive an interim rate based on FY2009/10 costs. The Division anticipates that a more current interim reimbursement rate will be established for FY2013/14 and has increased the revenue projection to reflect the additional federal revenue in the Division budget.

Federal revenues for Substance Abuse services primarily changed due to the realignment of Drug Medi-Cal Services to the local level in 2011. As part of 2011 Realignment, counties are now responsible for the 50% non-federal share of all Drug Medi-Cal

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services. Previously, the State managed the Drug Medi-Cal contracts for Narcotic Replacement Therapy treatment services and bore the fiscal risk of those services, however with 2011 Public Safety Realignment, the fiscal risk for Therapy Treatment was shifted to counties. While funding momentarily appears to be adequate, there is considerable concern among counties that a lack of utilization control could result in uncontrolled growth in these contracts.

Primary Cost

Primary costs for Behavioral Health are: \$18,327,857 for salaries and employee benefits; \$4,148,387 for services and supplies; \$36,043,487 for other charges; \$448,597 in fixed assets for Netsmart electronic health records system; \$878,979 for other financing uses; and \$5,773,925 for intra-fund transfers.

The costs for Mental Health (BU 7700) included in the Recommended Appropriations is \$53,639,470; for Mental Health Managed Care (BU 7598) the Recommended Appropriations are \$5,176,235 and for Substance Abuse (BU 7560) the Recommended Appropriations of \$6,805,527 are included.

<b>DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY</b>	<b>2011/12 ACTUALS</b>	<b>2012/13 ADOPTED BUDGET</b>	<b>2013/14 RECOMMENDED</b>	<b>FROM ADOPTED TO RECOMMENDED</b>	<b>PERCENT CHANGE</b>
<b>REVENUES</b>					
Fines, Forfeitures, & Penalty	82,160	108,085	62,132	(45,953)	(42.5%)
Revenue From Use of Money/Prop	3,560	6,400	4,000	(2,400)	(37.5%)
Intergovernmental Rev State	41,860,838	42,656,059	41,397,996	(1,258,063)	(2.9%)
Intergovernmental Rev Federal	3,775,125	3,261,595	3,607,279	345,684	10.6%
Intergovernmental Rev Other	62,856	0	0	0	0.0%
Charges For Services	10,872,295	9,613,350	795,583	(8,817,767)	(91.7%)
Misc Revenue	316,200	6,000	10,386	4,386	73.1%
Other Financing Sources	0	0	16,923,691	16,923,691	0.0%
General Fund Contribution	3,687,654	2,811,654	2,820,165	8,511	0.3%
<b>TOTAL REVENUES</b>	<b>60,660,687</b>	<b>58,463,143</b>	<b>65,621,232</b>	<b>7,158,089</b>	<b>12.2%</b>
<b>APPROPRIATIONS</b>					
Salaries and Employee Benefits	17,749,926	18,204,406	18,327,857	123,451	0.7%
Services and Supplies	4,351,292	5,357,910	4,148,387	(1,209,523)	(22.6%)
Other Charges	34,462,762	31,840,126	36,043,487	4,203,361	13.2%
F/A Bldgs and Imprmts	0	500,000	0	(500,000)	(100.0%)
F/A Equipment	30,444	60,000	0	(60,000)	(100.0%)
F/A - INTANGIBLES	189,424	0	448,597	448,597	0.0%
Other Financing Uses	2,022,122	873,592	878,979	5,387	0.6%
Intra-Fund Transfers	1,865,024	1,640,694	5,773,925	4,133,231	251.9%
<b>TOTAL APPROPRIATIONS</b>	<b>60,670,994</b>	<b>58,476,728</b>	<b>65,621,232</b>	<b>7,144,504</b>	<b>12.2%</b>
<b>NET CHANGE</b>	<b>10,307</b>	<b>13,585</b>	<b>0</b>	<b>(13,585)</b>	<b>(100.0%)</b>

<b>STAFFING</b>					
BEHAVIORAL HEALTH	185.15	163	165.5	2.5	1.53 %
<b>TOTAL STAFFING</b>	<b>185.15</b>	<b>163.0</b>	<b>165.5</b>	<b>2.5</b>	<b>1.53 %</b>

**SUMMARY OF SIGNIFICANT ADJUSTMENTS**

The FY2012/13 Recommended Budget projects a \$7,158,089 net increase in revenues primarily due to the following:

- Increase in federal reimbursements for mental health services due to the change in reimbursement for mental health services based on actual costs; higher revenues for substance abuse and mental health services for the AB109 population; increase in 1991 and 2011 Realignment revenues based on increases in sales tax projections; and an increase in Intergovernmental Transfers(IGT) revenues primarily due to a change in all IGT revenues being consolidated in the Behavioral Health Division instead of various H&SS Divisions.
- The growth in revenues is partially offset with decreases in Short Doyle Administrative and Quality Assurance revenues. Administrative revenues are projected to be lower due to changes in claiming for these costs. The State is allowing

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administrative costs to be distributed among program costs; hence increasing the cost per unit for program services, but decreasing the amount of administrative costs allowed to be claimed. Quality Assurance revenues have declined due to fewer staff time studying to these activities.

The FY2012/13 Recommended Budget projects a \$7,144,504 net increase in appropriations primarily due to the following:

- Increases in direct contracted services for substance abuse treatment services primarily due to new federal grant funding available, more AB109 monies appropriated for treatment costs, and Child Welfare Services (CWS) revenue available to serve their clients. Increases for mental health services are the result of additional staffing needs at the Crisis Stabilization Unit, and anticipated contractor costs associated with implementing the Katie A settlement and Healthy Families expansion in children's mental health. Other notable increases include anticipated increase in bed usage for State Hospitals and Institute for Mental Disease (IMD) facilities.
- Increases in intra-fund transfers associated with IGT projects primarily as result of changes in how H&SS is budgeting and tracking IGT revenues. All revenues for IGT are budgeted in the Behavioral Health Division and transferred out to other H&SS Divisions instead of being budgeted throughout H&SS.

### **SUMMARY OF POSITION CHANGES**

Changes in the Division's position allocations since the adoption of the FY2012/13 Budget are provided below:

- Transfer of a 1.0 FTE Office Assistant II from the Mental Health Division to the Child Welfare Services Division due to program needs and operational issues.
- A Board of Supervisor's resolution was approved on November 6, 2012 to increase an existing 0.5 FTE Clinical Psychologist to a 1.0 FTE.

The following reclassifications are included in the FY2013/14 Recommended Budget in order to properly staff Mental Health and Substance Abuse. These positions changes have been approved by Human Resources and are funded with existing revenue, therefore, no additional County General Fund is required.

#### **Mental Health:**

- 1.0 FTE Mental Health Services Manager (Senior) reclassified to a 1.0 FTE Mental Health Services Administrator
- 1.0 FTE Office Assistant III reclassified to a 1.0 FTE Office Assistant II

#### **Substance Abuse:**

- 1.0 FTE Mental Health Clinical Supervisor reclassified to 1.0 FTE Mental Health Services Manager

The following 3.0 FTE new positions are included in the FY2013/14 Recommended Budget in order to properly staff Mental Health and Substance Abuse. These positions will be funded with 2011 Public Safety Realignment and Mental Health revenue. No additional County General Fund is required.

#### **Adult Mental Health (1 position)**

- 1.0 FTE Mental Health Clinician (Lic) (effective 10/01/13)

#### **Substance Abuse (1 position)**

- 1.0 FTE Mental Health Clinician (Lic) (effective 10/01/13)

#### **Children's Mental Health (1 position)**

- 1.0 FTE Psychiatrist (Child-Board Certified) (effective 10/1/2013)

### **PENDING ISSUES AND POLICY CONSIDERATIONS**

2011 Realignment and the passage of Proposition 30 have potentially stabilized a large portion of funding for mental health and substance abuse services, while opening up new potential risks due to responsibilities that have followed realigned dollars.

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At this juncture, Narcotic Replacement Therapy service contracts, previously the financial responsibility of the State, are a Drug Medi-Cal entitlement and the County Behavioral Health Division is now fiscally responsible for those services, funding the 50% non-federal share with 2011 Realignment monies. While FY2012/13 realignment appears to adequately cover these services at their current level, the lack of utilization management by counties may expose the county to increased costs in the future depending on the rate of growth of these programs and whether or not the State Department of Health Care Services (DHCS) allocates more utilization and contract management control to counties.

Changes to children's mental health as a result of the Katie A. settlement are anticipated to become operational in late spring of 2013. The State is expected to issue definitive guidelines that will help clarify the additional programming necessary to maintain compliance with this new mandated service delivery system. Services will include wraparound services to families and foster children, in-home behavioral services, therapeutic foster care services, and increased coordination activity. Most, if not all, of these new activities will be eligible for federal match at the 50% level. The 50% non-federal match will need to be funded with 1991 and 2011 Realignment monies to the extent available. If realignment funding is exhausted, the Division will need to find additional funding to support the non-federal match of the program.

The expansion of Medi-Cal under the Affordable Care Act will present a challenge for existing service capacity, especially for mental health managed care and substance abuse outpatient and residential services if the increased eligible populations seeks services from the County. While estimates have been made about the numbers of newly eligible clients, the actual magnitude is unknown as it is unclear how many newly eligible will actually sign up for Medi-Cal. Also unknown are the numbers of individuals who will remain as indigent after January 1, 2014 and will continue to rely on county systems for care. As many of the newly eligible are already participating in the County Medi-Cal Services Program (CMSP), a successful transition of this population into the Medi-Cal expansion may not pose a huge financial risk for the County as services for the newly eligible Medi-Cal population will be federally reimbursed at 100% for the next three years. The bigger financial risk is for those individuals who will remain as indigent and will continue to receive services that rely on local funding resources.

In addition to the unknown magnitude of the newly eligible population, questions still remain about the benefits for these individuals and if they will mirror existing Medi-Cal benefits, or if the benefit will be enhanced and federally subsidized. The interpretation of the Wellstone Domeneci Parity Act at the Federal and State level is not yet finalized, and some uncertainty exists about whether the Parity Act will be applicable to any Medi-Cal eligible. If not, the substance abuse benefit will continue to be inadequate and mental health services for the new population will most likely mirror those of current Medi-Cal eligible.

As discussions on the Governor's proposal on the State implementation of the Medi-Cal expansion continue, this Spring and Summer, the future impacts on the County are still uncertain. The implementation of Medi-Cal expansion will bring risks and opportunities to counties, and may result in cost-shifting from the State or take-back of realignment funds designated for indigent care by the Department.

Healthy Families recipients are being phased transitioned into Medi-Cal pursuant to Federal Healthcare Reform. 6,000 or more Solano County children will be converting to Medi-Cal eligibility status and cycling from private insurance to public managed care and mental health/substance abuse services. Approximately 4,000 of these children are enrolled with Kaiser. The Division is currently negotiating with the State and Kaiser to continue to serve these children instead of having them referred to the County Mental Health and Substance Abuse Divisions for services.

The impact of Medi-Cal Expansion in 2014 is still being determined, due to the undetermined role of State and counties at the time of this writing. It is expected that a significant increase in new Medi-Cal enrollees will result in a greater need for services and require an increase in capacity within the County itself and through its contractors, for both Mental Health and Substance Abuse services. While some of these additional service responsibilities will be offset by Federal revenue, some will not and may pose additional strain on the Division's budget.

In anticipation of funding changes at the federal level, either through losses from the Federal Sequestration or increases as a result of Health Care Reform, the Division continues to look at opportunities for continued integration of services to maximize available funding. Improvements in care and efficiency from integration should result in lower morbidity, relapse and recidivism rates, and save care costs across different systems. In particular, substance abuse services integrated into primary care and targeted to certain high risk populations has been demonstrated to directly diminish medical expenditures per individual treated. To the extent that Realignment provides more flexibility with funding, the Division will continue to move toward an integrated approach of providing cost effective coordinated care for a vulnerable population. The Federal Sequester will impact federal

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Substance Abuse Prevention and Treatment (SAPT) monies as well as some Mental Health federal revenues that support mental health services for homeless individuals. While the impact of the Federal Sequester is currently unknown, early estimates for revenue loss for FY2013/14 are approximately \$200,000.

**DIVISION PURPOSE**

The mission of H&SS Health Services Division is to optimize the health and well-being of the community through individual and population-based services which promote health and safety through prevention and treatment of disease and injury.

**FUNCTION AND RESPONSIBILITIES**

The H&SS Health Services Division is comprised of two functions: Public Health and Family Health Services.

Public Health is responsible for monitoring health status and understanding health issues facing the community; using data and trends to analyze public health issues and communicating them to the public; providing people the skills and information they need to make healthy choices; protecting people from health problems & health hazards; educating medical providers on new & emerging health issues; leading public health emergency planning & response activities; engaging the community to identify & solve health problems; fostering & participating in community coalitions and professional networks; developing public health policies & plans; and enforcing public health laws & regulations.

Family Health Services operates 12 Federally Qualified Health Center (FQHC) Clinics that provide timely, high quality, culturally and linguistically appropriate comprehensive healthcare to the uninsured and underinsured residents of Solano County. Family Health Services satisfies the county’s mandate under Welfare and Institution Code 17000 in its provision of direct and supportive health care services to the medical indigent residents of Solano County.

Key functional areas include: communicable disease control; emergency services; health promotion and community wellness; public health laboratory; maternal, child & adolescent health; public health nursing; nutrition services; and health care services, including dental, primary care, and integrated mental health services.

**SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS**

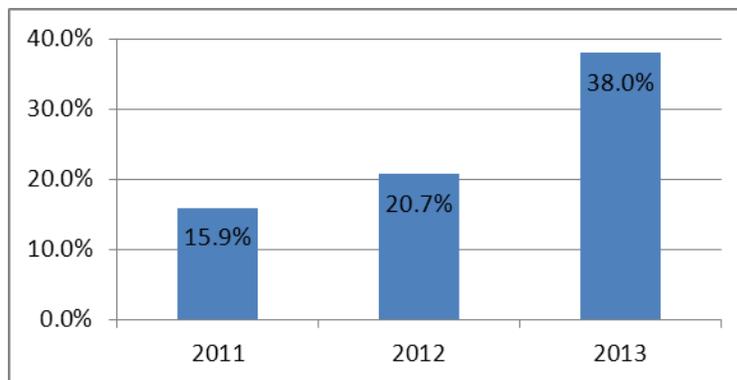
- The Division continues to reorganize bringing a substantial amount of adult mental health services into the division and integrating behavioral health services with primary care services.
- In FY2012/13 Family Health Services integrated with Touro University California (TUC) to provide health care services at the County clinics and provide thousands of Health and Social Services (H&SS) clients access to academic community healthcare. This collaboration has increased the access of H&SS clients to high-quality, cost-effective care by placing specialized Touro medical staff into county clinics. The joint venture will enhance community access to necessary services, while improving the health status of the communities served. Additionally, TUC medical students and TUC students in other healthcare fields will receive clinical training at the County’s clinics.
- Family Health Services, including two primary care clinics, the dental clinic, and two integrated care clinics, went live with the NextGen Electronic Health Record system in June 2012, moving from a paper client chart to electronic medical records.
- In July 2012, Family Health Services started the *Open Access Program*. For the first two hours of each day, the clinics are open for walk-in and Emergency Room (ER)/Hospital follow up appointments. By providing ER and Hospital follow-up appointments during *Open Access*, the no-show rate for these types of appointments went from 70% to 0%. The area hospitals and emergency departments expressed satisfaction with the program as the availability of appointments has improved dramatically.
- In July 2012, the Family Health Services pediatric team moved into its newly remodeled clinic at 2101 Courage Drive, Fairfield. The facility is the first county-run primary care facility dedicated exclusively to our Solano County pediatric residents.
- In September 2012, Family Health Services expanded dental and health care services to the North County region. In addition to Women, Infants, & Children (WIC) services in the Vacaville area, with the opening of the William J. Carroll Government Center in Vacaville residents have access to dental, health, and adult mental health services in the Vacaville area.
- The Solano Emergency Medical Services Cooperative is pleased to report that the two existing Level III Trauma Centers in Solano County, NorthBay Medical Center in Fairfield and Kaiser Foundation Hospital in Vacaville have continued to provide quality care and treatment closer to home. NorthBay Medical Center serves the south county area and Kaiser Foundation Hospital serves the north. Additionally, Kaiser Foundation Hospital in Vallejo was designated as a ST Elevation Myocardial

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Infarction Receiving Center in Solano County. Today Cardiac patients have two in-county options to receive state-of-the-art lifesaving treatment – Kaiser in Vallejo and NorthBay in Fairfield.

- In 2012, the Health Promotion & Community Wellness Bureau’s plan – “*Strategic Prevention Plan for Alcohol, Tobacco, and Other Drug Prevention Fiscal Years (FY) 2012/13 – 2017/18*”, was approved by the California Department of Alcohol and Drug Programs, preserving several million dollars in Substance Abuse Prevention and Treatment funds for the county.
- In 2012, Health Promotion & Community Wellness Bureau and Nutrition Services Bureau collaborated with funding from the Community Transformation Grant, to launch three contracts with partner agencies with the goal of reducing access to sugar sweetened beverages within Solano County.
- In 2012, Health Promotion & Community Wellness Bureau collaborated with Family Health Services to develop and implement a chronic disease prevention clinic protocol, policy, and procedure for identifying patients with high blood pressure and referring and linking them with Chronic Disease Self-Management Program resources in the community. This project positions Solano County to meet prevention goals and objectives stated in the Affordable Care Act.
- A Joint Powers Agreement approved in July 2012 formally added Yolo County to the service area of the Public Health Laboratory, assuring an additional \$150,000 in revenue. This successful expansion of our public health laboratory services generated interest from Marin County for a similar agreement to begin in FY2013/14.
- In 2012, the Public Health Laboratory received a grant from Centers for Disease Control and Prevention for \$105,500 to train public health microbiologists, and a Homeland Security Grant for \$68,000 to purchase a rapid molecular diagnostic system for bacterial agents of bioterrorism.
- In 2012, the Public Health Laboratory improved services by adding tests for rapid molecular detection of measles virus, 4<sup>th</sup> generation HIV screening, improved syphilis screening, and quantification of bacterial contamination in drinking water.
- In 2012, WIC continued to implement the breastfeeding peer counselor program. In its third year of operation, the program has seen its exclusive breastfeeding rates more than double, from nearly one in six (15.9%) in 2010 to one in five (20.7%) in 2011 to more than one in three (38%) in 2012.

**Exclusive Breastfeeding Rates in the Solano County WIC Program**  
**2011-2013**



- The Maternal Child Adolescent Health (MCAH) - Black Infant Health (BIH) program is continuing to implement the California Department of Public Health recognized model using a multi-disciplinary team to deliver prenatal care coordination and case management services to pregnant and parenting African-American women. Through MCAH, the County will continue to provide the services in Vallejo only. Due to reduced funding, the program has scaled back the number of clients served and the service area.
- In 2012, Public Health Nursing - Family Strengthening Partnership, and Nurse Family Partnership implemented Persimmony, an electronic health record system that allows nurses to document client visits from off-site. In addition to providing numerous quality management reports, the new electronic system significantly streamlines the Target Case Management (TCM) revenue billing and collection process.

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- In 2012, the Maternal Child & Adolescent Health (MCAH), BabyFirst Solano (BFS) program started to implement the evidence-based home visiting services, Healthy Families America Program. Services include providing prenatal and postpartum services to women and teens in Solano County. In the past year, BFS also conducted approximately 750 substance abuse screens of pregnant women in Solano County, providing appropriate health education and resources to at-risk pregnant women. BFS has also successfully continued the “Go Before You Show” outreach campaign reaching thousands of Solano County residents and encouraging early prenatal care.
  - In addition to continuing to provide dental services through the mobile dental van, the Solano County Dental Clinic participated in the Second Annual Solano County Give Kids a Smile Day. An estimated 250 children received free dental services—a hundred more children were served in the second annual event.
  - The WIC and Dental Clinic partnership continued in Fairfield and Vallejo and was expanded to Vacaville and Dixon. A dentist and dental assistant conduct a fluoride varnish clinic for children ages one to five years of age.
  - Solano County Public Health and Child Welfare Services partnered on two important projects: 1) the Divisions collaborated to increase timely access to medical care for children in the foster care system; and 2) continued to implement Nurse Family Partnership (NFP), an evidence-based home visiting program, serving 156 new, high-risk mothers in 2012. In the third year of the NFP, the evaluation report found significant improvements in the lives of clients.
  - Solano County Health & Social Services coordinated with the Food Bank of Contra Costa and Solano to bring their new Community Produce Program to Tuolumne Street, Vallejo and Courage Drive/Beck Street, Fairfield. Starting in March 2013, the Community Produce Program will come to each location twice a month to distribute 18 pounds of fresh produce per household from a produce truck. Nutrition education, cooking demonstrations and tastings will also be provided.

**WORKLOAD INDICATORS**

- The Integrated Care Clinics (adult mental health) have increased access and the number of clients served from 1,900 adults in 2011 to 3,800 in 2013, and more than 1,000 urgent/crisis appointments were provided.
- During Fiscal Year 2011-2012, the addition of Yolo County to the Public Health Laboratory service area increased total water testing by 50% and rabies testing by 90%, providing an additional \$20,000 in revenue.
- In 2012, the Women, Infants, & Children (WIC) program served a monthly average of 10,824 pregnant women, postpartum women & children less than 5 years of age.
- In 2012, Health Promotion & Community Wellness conducted more than 55 safety assemblies, Bike Rodeos, and Walk & Roll events increasing awareness about safely riding and walking to and from school, reaching more than 12,811 students in 34 elementary schools within the county.
- In 2012, Health Promotion & Community Wellness in collaboration with the Area Agency on Aging Serving Napa and Solano Counties trained 19 community leaders who began facilitating Stanford University’s highly acclaimed Healthier Living, Chronic Disease Self-Management Program workshops throughout Solano County.
- In 2012, Health Promotion & Community Wellness, AIDS Education program provided 541 HIV tests and launched four new community testing sites.
- In 2012, more than 3,700 infectious diseases were reported and followed up on appropriately.
- During FY2011-12, Family Health Services increased its Partnership HealthPlan of California capitation to more than 13,000 patients—a 15% increase from the previous year.
- In 2012, approximately 3,500 home visits were made by public health nurses and home visitors to high-risk families—about 500 more visits than 2011.
- In 2012, California Children’s Services (CCS) opened 382 new cases for medically fragile children for a total caseload of 967 clients. The CCS Program, however, is facing challenges in processing timely referrals due to staffing shortages.
- In 2012, H&SS staff located at Solano Community College Student Health Center served 2,442 staff and students at the center for various health issues.

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- In 2012, the Immunization Program and nursing students administered 730 doses of Tdap and 1,905 doses of flu vaccine at several community held clinics, including libraries, senior centers, and other venues. In addition, the program provided 200 doses of Tdap and 2,460 doses of flu vaccine to local health care providers for administration.

### **DEPARTMENTAL BUDGET SUMMARY**

The Recommended Budget for Health Services of \$62,168,206 represents an overall increase of \$1,466,793 or 2.4%, in increased revenues and a \$1,452,302, or 2.4% increase in appropriations when compared to the FY2012/13 Adopted Budget. The General Fund Contribution of \$1,531,706 remained the same. This budget is a combined budget for two health services operational areas – Family Health Services and Public Health.

#### Primary Funding Sources

The primary funding source for Family Health Services (FHS) are the 12 Federally Qualified Health Center (FQHC) Clinics, which base rates per encounter established by the site during the rate setting year. FY2010/11 was a rate-setting year for 2201 Courage Dr., Fairfield and 365 Tuolumne, Vallejo FQHC sites. FY2011/12 was an assessment year for 2101 Courage Drive, Fairfield, and 355 Tuolumne, Vallejo FQHC sites to determine if previously set reimbursement rates are still correct. FY2012/13 was a rate setting year for the Mobile Dental Van. FY2013/14 will be a rate setting year for the Vacaville FQHC site, 1119 E. Monte Vista Ave.

Other important funding sources for Family Health Services include the Healthcare for the Homeless Grant and the Ryan White (HIV/AIDS) Grant.

Funding sources for Public Health (PH) include various federal grants, fee-for-service, revenue contracts with colleges, other counties and private companies, and federal and state allocations. Programs using federal grants include Nurse-Family Partnership, Emergency Medical Services, and WIC. Programs using fee-for-service and revenue contracts include the PH Lab, Vital Statistics, Health Promotion and Education, and Student Health Services. Programs using federal and state allocations include Emergency Medical Services, TB Control, Communicable Disease, AIDS Surveillance, Bioterrorism, Family Planning, AIDS Community Education, Health Promotion and Education, Public Health Nursing, Childhood Lead, Immunization, California Children's Services, Child Health and Disability Prevention, WIC, and Maternal Child and Adolescent Health.

#### Primary Operating Expenses

Primary operating expenses for Health Services are: \$36,483,634 for salaries and employee benefits; \$8,068,032 for services and supplies; \$15,744,191 for other charges (including \$6,871,127 contribution to CMSP for services to residents and \$5,705,609 in contracts with providers for direct services); \$1,515,745 for other financing uses (POBs); \$10,436 for intra-fund transfers and \$346,168 for the following fixed assets:

- \$149,168 for a primary care van
- \$100,000 for a Qmatic Number System in Fairfield and Vallejo
- \$64,000 for dental equipment which includes 4 Carestream Digital Sensors, Pelton Crane Autoclave, compressor, and a vacuum pump
- \$5,000 for a WelchAllyn Propaq CS monitor
- \$11,000 for a Cell Counter for T-spot testing
- \$17,000 for additional NextGen software Licenses

The primary program operating expenses for Public Health (BU 7800) with Recommended Appropriations of \$24,740,691; Medical Services (BU 7588) with Recommended Appropriations of \$8,127,245 and Family Health Services (BU 7580) with Recommended Appropriations of \$29,300,270.

**Summary of Division Budget**

**7880 – Fund 902-Health Services  
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<b>DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY</b>	<b>2011/12 ACTUALS</b>	<b>2012/13 ADOPTED BUDGET</b>	<b>2013/14 RECOMMENDED</b>	<b>FROM ADOPTED TO RECOMMENDED</b>	<b>PERCENT CHANGE</b>
<b>REVENUES</b>					
Licenses, Permits & Franchise	11,150	10,120	11,150	1,030	10.2%
Fines, Forfeitures, & Penalty	411,849	546,570	546,570	0	0.0%
Revenue From Use of Money/Prop	4,063	4,500	4,500	0	0.0%
Intergovernmental Rev State	18,010,231	18,557,202	16,360,907	(2,196,295)	(11.8%)
Intergovernmental Rev Federal	11,682,540	11,283,933	12,015,501	731,568	6.5%
Intergovernmental Rev Other	399,448	1,030,405	1,578,262	547,857	53.2%
Charges For Services	12,805,679	25,771,353	28,069,202	2,297,849	8.9%
Misc Revenue	1,239,212	882,000	972,775	90,775	10.3%
Other Financing Sources	1,077,802	1,083,624	1,077,633	(5,991)	(0.6%)
General Fund Contribution	1,931,706	1,531,706	1,531,706	0	0.0%
<b>TOTAL REVENUES</b>	<b>47,573,680</b>	<b>60,701,413</b>	<b>62,168,206</b>	<b>1,466,793</b>	<b>2.4%</b>
<b>APPROPRIATIONS</b>					
Salaries and Employee Benefits	25,620,909	32,209,291	36,483,634	4,274,343	13.3%
Services and Supplies	5,148,076	8,268,192	8,068,032	(200,160)	(2.4%)
Other Charges	12,910,138	16,163,445	15,744,191	(419,254)	(2.6%)
F/A Equipment	44,746	349,063	346,168	(2,895)	(0.8%)
F/A - INTANGIBLES	449,663	92,673	0	(92,673)	(100.0%)
Other Financing Uses	1,339,295	1,453,844	1,515,745	61,901	4.3%
Intra-Fund Transfers	2,101,864	2,179,396	10,436	(2,168,960)	(99.5%)
<b>TOTAL APPROPRIATIONS</b>	<b>47,614,691</b>	<b>60,715,904</b>	<b>62,168,206</b>	<b>1,452,302</b>	<b>2.4%</b>
<b>NET CHANGE</b>	<b>41,011</b>	<b>14,491</b>	<b>0</b>	<b>(14,491)</b>	<b>(100.0%)</b>
<b>STAFFING</b>					
HEALTH SERVICES	232.8	291.55	316.4	24.85	8.52 %
<b>TOTAL STAFFING</b>	<b>232.8</b>	<b>291.55</b>	<b>316.4</b>	<b>24.85</b>	<b>8.52 %</b>

**SUMMARY OF SIGNIFICANT ADJUSTMENTS**

Significant changes in revenue include:

The FY2013/14 Recommended Budget for the Health Services Division's operations reflect a \$1,466,793 net increase in revenues compared to the FY2012/13 Adopted Budget. The General Fund Contribution remains the same at \$1,531,706. The projected increases in federal and state revenues result primarily from increases in the PH Lab, Nutrition, Realignment, and Emergency Medical Services as follows:

- \$422,199 increase in the PH Lab to cover the expansion of services to Marin County;
- \$559,016 increase in the Nutrition allocation to cover expanded services for nutrition education and obesity prevention;
- \$286,336 increase in Realignment for Health Services, which includes \$92,095 in Social Services Realignment specifically designated for CCS;
- \$182,000 increase in Emergency Medical Services to provide consulting services to Napa, Yolo and Marin counties; and

Significant changes in appropriations include:

The FY2013/14 Recommended Budget for Health Services projects a \$1,452,302 increase in appropriations compared to the FY2012/13 Adopted Budget. The projected increase results from the following changes in current operations as a result of increases in allocated positions:

- 14.3 FTE requested to increase staff in Primary Care, Dental and Behavioral Health clinics. (Funded via FQHC revenue increases.)

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**Health**

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- 2.0 FTE requested to staff the expansion of District Nursing and Nutrition. Additional costs associated with the expansion include, but are not limited to, increased costs for county overhead, insurance, computers, medical supplies, and office supplies. (Grant Funds)
- 1.5 FTE requested to increase staff assigned to California Children's Services (CCS) program. These positions have been filled by contract in the past; however, the contractors are having difficulty in providing therapists on a regular basis. The Department proposes to bring the positions in house to provide continuity and consistency of care. (Revenue offset with grant funding.)

### **SUMMARY OF POSITION CHANGES**

The following 17.8 FTE new positions are included in the FY2013/14 Recommended Budget in order to staff the William J Carroll Government Center (WJCGC) and the other FQHC Family clinics; and the expansion of District Nursing, Nutrition, and CCS. These positions are funded with FQHC revenue, increased Federal funding for Nutrition, Targeted Case Management (Medicaid) Revenue, Medi-Cal and a State allocation for CCS. No additional County General Fund is required.

WJCGC Primary Care Clinic (3 positions) funded with FQHC revenue:

- 2.0 FTE Medical Assistant (effective 10/1/13)
- 1.0 FTE Nurse Practitioner/Physician Assistant (effective 10/1/13)

WJCGC Behavioral Health (ICC) (4 positions) funded with FQHC revenue:

- 1.0 FTE Accounting Clerk II (effective 10/1/13)
- 1.0 FTE Psychiatrist (effective 09/1/13)
- 1.0 FTE Clinical Psychologist (effective 10/1/13)
- 1.0 FTE Medical Assistant (effective 10/1/13)

Fairfield Primary Care (4.3 positions) funded with FQHC revenue:

- 3.0 FTE Medical Assistant (effective 10/1/13)
- 1.0 FTE Nurse Practitioner/Physician Assistant (effective 09/1/13)
- 0.3 FTE Clinic Physician (Board Certified) (effective 07/07/13)

Vallejo Primary Care (3 positions) funded with FQHC revenue:

- 1.0 FTE Supervising Clinic Physician (Board Certified) (effective 10/1/13)
- 2.0 FTE Medical Assistant (effective 10/1/13)

Fairfield District Nursing (1 position) funded through Targeted Case Management (Medicaid) revenue:

- 1.0 FTE Public Health Nurse (effective 10/1/13)

Nutrition (1 position) funded with Federal revenue

- 1.0 FTE Supervising PH Nutritionist (effective 07/1/13)

California Children's Services (1.5 positions) funded through a State Allocation and Medi-Cal:

- 1.0 FTE Physical Therapist (effective 10/1/13)
- 0.5 FTE Occupational Therapist (effective 10/1/13)

### **PENDING ISSUES AND POLICY CONSIDERATIONS**

There are a number of significant issues and policy considerations at the state and federal levels that may impact the Division of Health Services. At the federal level, the effects of Sequestration are still being evaluated. Sequestration may potentially result in significant reductions in federal funding for public health programs, including chronic disease prevention, WIC, nutrition

services, MCAH programs, emergency preparedness, immunization, childhood lead poisoning prevention, and communicable disease prevention.

The full impacts of the 2010 Federal Patient Protection and Affordable Care Act remain uncertain; however, with implementation effective January 1, 2014, FY2013/14 will be a challenging year. At the state level, both the Assembly and Senate have introduced bills to address the mandatory changes for healthcare reform, including the expansion of the Medi-Cal population to cover childless adults and to address insurance market reforms through administrative simplification and implementation of the health benefits exchange, Covered California.

The State is currently reviewing the components of the Affordable Care Act and discussing the options of state implementation versus county implementation for Medi-Cal expansion. The biggest uncertainty in these discussions at present concerns public health realignment funding (1991 public health realignment); it is unclear how much of the public health realignment funds will be diverted to the State to help pay for costs related to implementation of the Affordable Care Act.

Apart from these unknown financial impacts on the Health Services Division, the impacts of healthcare reform on the Division are expected to include an increase in the proportion of clients served in the Family Health Services Clinics who have health insurance and are, therefore, able to pay for clinical services, and a modest increase in the number of clients served in the Clinics. The FHS Clinics are preparing to absorb this increase.

Other notable pending issues for the Division in FY2013/14 include expansion of the Napa-Solano-Yolo regional Public Health Laboratory to include Marin County, and designation of a Level II Trauma Center for Solano County.

**Patrick Duterte, Director of Health & Social Services  
Public Assistance**

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## **DIVISION PURPOSE**

The Social Services Division has 17 major programs primarily providing services in the following major categories: Employment and Eligibility Services (E&ES), which includes Welfare Administration, and Child and Adult Resources and Services (CARES). In addition, the Social Services Division is also responsible for In-Home Supportive Services (IHSS) Public Authority Administration (BU 7690).

### Employment and Eligibility Services

Employment and Eligibility Services contributes to Solano County residents' well-being by administering safety net public assistance and employment services programs. E&ES promotes self-reliance by assisting low-income families and individuals with obtaining employment, access to health care, and food and cash assistance.

### Child and Adult Resources and Services Division (CARES)

CARES was created in FY2012/13 to consolidate Child Welfare Services (CWS) and Older and Disabled Adults Services (ODAS), which also includes the Public Guardian functions.

#### CARES - Child Welfare Services

The program is a state-supervised, county-administered program. The program's purpose is to respond to allegations of child abuse and neglect and determine the appropriate response which can include short term services or action to bring the family into the CWS system. Families in the child welfare system receive services so that children can remain safely in their homes or that children who are temporarily removed from their homes can safely reunify with their families. For cases in which children are unable to reunify with their families, efforts are made to find a permanent home through adoption or guardianship. CWS services are mandated pursuant to state and federal laws, e.g., Title IV of the Social Security Act, and Chapter 978, California Statutes of 1982.

#### CARES - Older and Disabled Adult Services

The Older and Disabled Adult Services (ODAS) division provides interdisciplinary services to the elderly and disabled who are among of the County's most isolated and vulnerable citizens. ODAS focuses on comprehensive, integrated assistance for older and disabled adults, including the services provided through the Public Guardian functions.

## **FUNCTION AND RESPONSIBILITIES**

### Employment and Eligibility Services

The E&ES program provides public assistance to Solano County residents and assists recipients to achieve self-sufficiency. As of December 31, 2012, 80,611 County residents, or 19.5% of the County population were receiving public assistance benefits, up from 60,523, or 14.7%, five years earlier. These benefits have a significant impact on the County's economy.

### CARES - Child Welfare Services

Child Welfare Services provides four traditional service components of the program established through state legislation (Senate Bill 14) enacted in 1982 to implement federal requirements under Public Law 96-272: 1) Emergency Response, 2) Family Maintenance, 3) Family Reunification, and 4) Permanent Placement.

- Emergency Response investigates allegations of neglect or abuse of children and decides whether children can safely remain in their own home. Emergency Response may initiate a service plan to reduce risk factors sufficiently to allow children to remain at home or, if this is not possible, will complete the legal documentation to request the Juvenile Court to order the children into foster or relative care. Emergency Response is available 24 hours a day, seven days a week, to respond to situations in which a child is at imminent risk of abuse or serious neglect.
- Family Maintenance provides time-limited intensive services to families in crisis to prevent or remedy abuse or neglect, allowing social workers to work with the family while keeping the child in the home. Such services can be provided either on a voluntary basis or under the jurisdiction of the Juvenile Court.
- Family Reunification provides time-limited intervention and support services to parents while the children are in foster care to make the family environment safe for the child to return.

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- Placement Services offers children who are removed from their families a variety of placement settings that allow for a safe, less restrictive, environment to meet their needs and, to the extent possible, allow them to remain in their own schools and communities. These settings include the homes of relative/non-related extended family members, foster family homes and agencies, and group homes.
  - Foster Care Eligibility determines the eligibility and funding source that pays for out-of-home placement for children who are placed in foster care by Child Welfare Services and Probation. As part of the eligibility process, foster children are enrolled in Medi-Cal.
  - Permanency Placement provides services to those children who cannot return to a parent's custody and for whom no adoptive parents or legal guardians can be found. Permanency Placement services are meant to ensure that these children can grow up in a permanent, safe and secure living arrangement. They include an array of services for foster and former foster youth designed to implement permanency planning as quickly as possible upon their entry into foster care and to aid them in transitioning to a successful emancipation. Additionally, permanency placement provides services to transitional aged-youth up to 21 years of age.
  - Adoption assists children removed from their homes due to abuse or neglect and who are unable to return to live with their parents. The full range of adoption and support services include concurrent planning, placement of children in adoptive homes, and post-adoptive services to the adopting family and children.

#### CARES - Older and Disabled Adult Services

ODAS is responsible for the In-Home Supportive Services (IHSS) program, Adult Protective Services (APS), and the Public Guardian/Administrator Office. IHSS is an entitlement program which provides domestic and personal care services to low-income elderly or disabled persons who, without these services, are at risk for out-of-home placement. APS works with and on behalf of elderly or dependent adults who are being abused or neglected (including self-neglect) and operates on a 24-hour-a-day, seven-day a week schedule. The Public Guardian's Office provides personal and financial services to individuals who have been conserved by the Court and who are unable to care for themselves and/or not able to manage their own affairs. The Public Administrator's responsibilities are to search for next-of-kin, to authorize the disposition of decedents' remains, and to oversee the distribution of decedents' estates when they have left no direction and/or executor for that purpose.

### **SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS**

#### Employment and Eligibility Services

- E&ES continued implementing "self-service" initiatives to leverage technology and allow interested applicants and recipients to access services without having to visit an office. E&ES has encouraged use of Benefits CalWIN, for Solano County residents to apply for CalFresh, Medi-Cal, and CalWORKs benefits online. Solano residents can also submit CalFresh periodic reports and annual renewals electronically. From July 2012 through December 2012 online applications in all programs totaled 3,239 out of total applications including Face to Face and Mail in Applications of 20,331, accounting for 16% of the applications, an increase from last year's 11%. It must be noted that online applications take nearly as long as face to face applications to process hence do not constitute significant staff time savings. However, online applications provide convenience for Solano County residents and also reduce intake lobby traffic. The 24/7 automated inquiry line (Access CalWIN) provided clients with frequently requested information without the need for staff intervention. In January 2013 out of 32,648 calls, 9,103, or nearly 28% were handled by the automated system without staff intervention. E&ES has implemented use of Self Service Kiosks for clients to scan their documents into E&ES Imaging system in several County lobbies. The demand for this technology is increasing. When the self-service kiosks were implemented in May 2012, 1,099 clients used the kiosks in the first month; since then their use has doubled. In January 2013, 2,083 clients used the self-service kiosks. Kiosks reduce the heavy demand on E&ES Reception staff, who serve more than 17,000 families per month and the Division will be looking for additional locations to provide the access services.
- In December 2012, E&ES issued more than \$9.1 million in cash and Federal food benefits, generating nearly \$13.4 million in local economic activity, as recipients paid rent and bought food with these funds. In December 2012 E&ES provided cash aid to more than 6,000 families and over 17,500 individuals, food assistance to more than 20,500 families per month, or more than 43,000 individuals, and medical coverage for more than 32,000 families, or nearly 80,000 individuals.
- In February 2013, Solano County received an award for serving the highest proportion (88.9%) of eligible CalFresh

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recipients among medium sized counties in California in 2011, reflecting staff's focus on serving families in Solano County who are struggling to put food on the table.

- E&ES was able to make a slight improvement in the Welfare to Work (WTW) Work Participation Rate (WPR) from 19.7% for Federal Fiscal Year FFY2010/11 to an un-weighted WPR of 22.7% for FY2011/12. This remains a low rate mainly due to the continued high local unemployment rate and state budget saving measures that exempt more parents from participation in Welfare to Work activities, but do not exclude them from the Federal WPR calculation of a WPR of 50% or above. To improve Solano County's WPR, E&ES staff changed the work process by forming specialized WTW caseloads. This change was implemented in November 2011. Since that time the WPR has improved slightly. E&ES is looking into best practices of a few California counties that have achieved WPRs of more than 50%. Some counties successful in achieving 50% or above have dedicated Quality Assurance employees targeting the state sample which measures the Work Participation Rate.
- During an audit in August 2012, the California Department of Social Services commended Solano County for meeting state performance measures in processing applications timely. In January 2013 the timeliness in processing emergency food applications - Expedited Services – was 97%, where 860 out of 887 Expedited Services applications were processed timely; however, E&ES is making every effort to ensure that no applicant has to wait longer than 3 days to receive emergency food assistance. The high rate of timeliness in providing emergency food service is due to E&ES' use of proactive daily reports that prioritize Expedited Services cases for each supervisor and monitor their unit's timely completion. However, in prioritizing to meet the needs of families seeking emergency food assistance, other work is left undone or is delayed which is being addressed with additional funded staff positions in FY2013/14.
- In August 2012, the California Department of Social Services conducted an audit of the CalFresh program and commended Solano County for its customer service and meeting state standards in timely application processing, issuance accuracy, but cited the agency for errors in discontinuances and denials. E&ES has implemented corrective actions to address the negative action errors. This error is largely due to the need to prioritize staff time toward serving customers who are eligible for benefits. It is also due to an increase in denials and discontinuances as many more people who are ineligible are applying for benefits.
- In 2012 E&ES succeeded in imaging a sizeable portion of paper case files using the imaging system that was successfully launched in June 2011. New documents are imaged at the point of entry (primarily reception windows and mail), and are then electronically routed to the case worker for processing. This gives case workers immediate access to the information submitted, and is particularly helpful for the Benefits Action Center, as documents submitted in a regional office are immediately available, eliminating the prior need for routing and mail delivery. This system has also provided the versatility to shift work between offices without having to move staff to assist those offices that experience a peak in demand. Additionally, the imaging system creates "tasks" for most documents, allowing staff to readily see their pending work, and allowing supervisors to more easily re-assign work when staff are absent. During the first half of FY2012/13 the clerical unit imaged a monthly average of nearly 48,000 documents.
- As demand for services increase, creating competing priorities, and with state/federal performance measures staff must sometimes compromise quality and timely processing to meet immediate customer needs. The FY2012/13 year to date CalFresh error rate of 10.35% is of concern to the State, and if similar error rates occur during the remainder of the year the State of California may impose sanctions. The increasing challenges and the Affordable Care Act expansion of Medi-Cal necessitate increases in staffing for timely and accurately processing.
- The primary impact of the Affordable Care Act (ACA) on Social Services will be in the area of Employment and Eligibility Services. Employment and Eligibility is responsible for the eligibility determination and enrollment processes. Solano County as part of the 18 County CalWIN Automated Eligibility System Consortium, will be expected to answer calls transferred from Covered California call centers (warm handoff) within 30 seconds 80% of the time, and fully process applications on a single call. Counties within the consortium have been addressed to anticipate need to prepare to operate extended hours of 8 AM – 8 PM Monday – Saturday (during open enrollment periods – Oct/Dec) and 8 AM – 6 PM Monday – Friday, 8 AM – 5 PM Saturday (non-open enrollment). Additionally, the ACA has provisions requiring horizontal integration, and the County is expected to evaluate and process all applications for Medi-Cal and other benefit programs concurrently (CalFresh and CalWORKs).

CARES - Child Welfare Services (CWS)

- Child Welfare staff implemented Safety Organized Practice (SOP) which educates workers and families how to focus on family strengths and safety so that children can stay in their homes.
- CWS has offered Intensive Family Maintenance Services to an average of 65 children per month all of whom remained safely in their own homes thus reducing foster care costs as well as trauma to children and families.
- Recently enacted Assembly Bill AB 12 extends assistance to children in foster care until their 21st birthday and has been fully implemented in Solano County. CWS currently serves 21 young adults who continue to receive assistance and support in transitioning to independence.
- According to Children’s Research Center, Solano County remains in the top 10 in the state for the completion of actions under the Structured Decision Making model.

CARES - Older and Disabled Adult Services

- This year the county is participating in the first phase of a state-wide effort to implement the new payroll and case management system for In-Home Supportive Services. The new system provides a number of operational improvements, but in the short-run will increase phone calls to the department by 30% for a number of months. Existing resources are being reconfigured to help alleviate this significant increase in temporary demand.
- The fraud detection unit in ODAS works in collaboration with Special Investigations Bureau (SIB) to detect and prevent fraud. The services are vital to controlling cost in the IHSS program as the number of IHSS cases has been growing as have the complexity of these cases. In FY2011/12 the fraud unit has generated a cost savings of \$2,014,900. This is the amount of money that would have been paid for services had they not caught the fraudulent activity.

**WORKLOAD INDICATORS**

During the period of July 1, 2012 – December 31, 2012, staff reported the following workload:

Employment and Eligibility Services

- Each month on the average staff received and processed 7,649 applications for benefits, approved 4,187, denied 3,069, handled 6,752 customer calls at the Benefits Action Center (BAC), and completed 17,862 tasks during the period July 1, 2012 through December 31, 2012. As compared with previous year’s July 1, 2011 through December 2011, applications are up 2.7%, approvals are up 0.6% and denials increased by 5.7%. Telephone calls to staff at the BAC have decreased by 3.5%, which is attributed to specialized projects that prioritize processing client status reports that when not processed timely result in increased call volume. Because this effort has saved staff phone time, staff was able to complete 5,498 more tasks per month, which is 44.4% increase in task completions when comparing July through December 2011 to July through December 2012. E&ES continues to redesign and streamline business processes, implement “self-service” options, and enhance technology in an effort to meet ever-increasing customer demands.

CARES - Child Welfare Services

- Received a monthly average of 318 calls of suspected child abuse and neglect, investigated monthly average of 131 cases and provided short term services when needed.
- Provided a monthly average of 65 children with Intensive Family Maintenance Services to maintain them safely in their own home.
- As of 1/31/13, supervised 439 children in out of home placements. Of this number 100 children resided with a relative, 155 children resided in a Foster Family Agency home, 24 children in a state licensed home, 41 children in a group home, 104 with a guardian and 15 children in a specialized placement.
- Processed over 80 court documents monthly involving children under the jurisdiction of the Juvenile Court.
- Provided approximately 150 monthly supervised visits between children and their parents in our Visitation Center.
- Processed approximately 12 requests monthly for requests to be relative providers.
- Finalized over 30 adoptions in 2012.

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CARES - Older and Disabled Adult Services

- Provided services to approximately 3,000 IHSS recipients and processed background checks and provided in-person orientations or printed materials for about 1,015 in-home care providers and served a total of 4,300 providers
- Investigated an average of 120 reports of adult abuse and neglect each month (an increase of 6% from the last year).
- Public Guardian's Office provided services to an average of 171 (in increase of 6% from last year) conserved clients each month and 70 public administration cases each month (an increase of 17% from last year).

**DEPARTMENTAL BUDGET SUMMARY**

The Recommended Budget for the Social Services Department of \$90,470,721 reflects an overall increase of \$6,785,230 or 8.1% in revenues and \$6,736,357 or 8% in appropriations when compared to the FY2012/13 Adopted Budget. The County General Fund contribution of \$5,168,557 has been reduced by \$487,418 or 8.6% as part of the implementation of County General Fund reduction strategy.

Primary Funding Sources

The primary funding sources for Social Services' 17 major programs are State Allocations and Federal funds. Federal funding includes: Title IVE (Foster Care and Adoptions Assistance); Title XIX (Medi-Cal); TANF (Temporary Assistance for Needy Families (known as CalWORKs)); Title XX (Community Services); Title IVB (Promoting Safe and Stable Families (PSSF) & Child Welfare Services Emergency Assistance; and funds from the Dept. of Agriculture (CalFresh).

The State funds are used for the following programs: In-Home Supportive Services, CalWORKs, County Medi-Cal Services Program (CMSP) and CalFresh Eligibility. The State of California 2011 Public Safety Realignment legislation diverts 1.0625 cents of sales tax revenues from the State to the counties for the State's share of cost for Adoptions, Child Welfare Services, Foster Care Administration, Child Abuse Prevention, Intervention and Treatment (CAPIT), Transitional Housing Program Plus, Independent Living Program, Adult Protective Services and State Family Preservation. The net effect of this new funding mechanism is that the County is now responsible for 100% of the non-federal share of cost in realigned programs. The County has a required share of cost for most of these programs, with the exception of ILP, Promoting Safe and Stable Families, Medi-Cal and CMSP. CalWORKs and CalFresh share County Maintenance of Effort (MOE) of \$1,870,052. Once this CalWORKs MOE is met, the funding for these two programs is 100% State and Federal Funds.

Primary Operating Expenses

Primary costs for Social Services (BU 7680) are: \$58,484,141 for salaries and employee benefits; \$10,495,578 for services and supplies; \$12,354,827 for other charges which include A-87 charges; \$67,450 in fixed assets which includes \$57,400 for an automated noticing system to track court hearings and CWS activities along with \$10,000 for an interactive voice response system in ODAS; \$2,447,352 for other financing uses; and \$6,621,373 in intra-fund transfers. Costs of \$697,834 for IHSS Public Authority Administration are described separately in Budget unit 7690.

The primary program costs are as follows:

Employment and Eligibility (BU 7650) with recommended Appropriations of \$52,288,683. Staff accounted for within this cost center include eligibility workers, employment resource workers, supervisors, clerical staff, accounting staff, managers and administrators dedicated to eligibility determination and welfare-to-work programs, including CalWORKs, Medi-Cal, CMSP, CalFresh, Refugee and General Assistance.

Welfare Administration (BU 7545) with recommended Appropriations of \$6,603,036. Staff accounted for within this cost center include welfare fraud investigators, appeals specialists, accounting staff, clerical staff and an administrator who receive reports of potential fraud in all social services programs, conduct investigations on these reports and also hear appeals from clients regarding decisions made on benefits for assistance programs and IHSS services. Also accounted for within this cost center are clerical and accounting staff that handle fiscal disbursement functions for the assistance programs. Additionally, the quality control unit within this cost center includes employment resource workers and a supervisor who review case files for compliance with regulations, primarily for CalWORKs and CalFresh programs.

Child Welfare Services (BU 7600) with recommended Appropriations of \$19,137,322. Staff accounted for within this cost center include the social workers, supervisors, clerical staff, eligibility workers, managers and administrators dedicated primarily to child

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protective services, serving families at risk of having their children removed from their custody, and the children who are placed in foster care. Other programs administered are Foster Care Eligibility, Adoptions, Supportive and Therapeutic Options, Family Preservation services, Wrap Around Services, Child Abuse Prevention and contracted Community Services.

Older Disabled Adult Services (BU 7640) with recommended Appropriations of \$9,004,762. Staff accounted for within this cost center include social workers, clerical staff, accounting staff, nurses, supervisors, managers and administrators dedicated to providing In-Home Supportive Services (IHSS), Adult Protective Services (APS), and Public Guardian functions.

Special Projects (BU 7675) with recommended Appropriations of \$3,436,918. This cost center includes no permanent staff; an Extra Help contract employee assists with the implementation of CMIPS, a new IHSS payroll and case management system, whose costs are funded through a contract with the State. It includes the cost for the Transitional Housing Assistance Program for emancipated foster youth. The CalWIN computer system, used to determine eligibility for Assistance Programs, is also budgeted in this cost center and includes the contract with Hewlett Packard and other associated costs covered by the CalWIN allocation.

<b>DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY</b>	<b>2011/12 ACTUALS</b>	<b>2012/13 ADOPTED BUDGET</b>	<b>2013/14 RECOMMENDED</b>	<b>FROM ADOPTED TO RECOMMENDED</b>	<b>PERCENT CHANGE</b>
<b>REVENUES</b>					
Revenue From Use of Money/Prop	3,325	4,000	3,500	(500)	(12.5%)
Intergovernmental Rev State	40,061,792	40,409,539	44,926,329	4,516,790	11.2%
Intergovernmental Rev Federal	28,668,193	36,363,984	39,608,802	3,244,818	8.9%
Charges For Services	1,017,979	1,251,993	703,451	(548,542)	(43.8%)
Misc Revenue	1,767	0	60,082	60,082	0.0%
General Fund Contribution	6,821,868	5,655,975	5,168,557	(487,418)	(8.6%)
<b>TOTAL REVENUES</b>	<b>76,574,924</b>	<b>83,685,491</b>	<b>90,470,721</b>	<b>6,785,230</b>	<b>8.1%</b>
<b>APPROPRIATIONS</b>					
Salaries and Employee Benefits	48,289,144	52,472,717	58,484,141	6,011,424	11.5%
Services and Supplies	8,945,997	10,255,182	10,495,578	240,396	2.3%
Other Charges	9,874,288	13,398,645	12,354,827	(1,043,818)	(7.8%)
F/A Equipment	6,515	79,504	67,450	(12,054)	(15.2%)
Other Financing Uses	4,287,618	2,292,134	2,447,352	155,218	6.8%
Intra-Fund Transfers	5,140,356	5,236,182	6,621,373	1,385,191	26.5%
<b>TOTAL APPROPRIATIONS</b>	<b>76,543,918</b>	<b>83,734,364</b>	<b>90,470,721</b>	<b>6,736,357</b>	<b>8.0%</b>
<b>NET CHANGE</b>	<b>(31,006)</b>	<b>48,873</b>	<b>0</b>	<b>(48,873)</b>	<b>(100.0%)</b>

<b>STAFFING</b>					
SOCIAL SERVICES DEPARTMENT	535.8	560.65	609.25	85.70	7.87 %
<b>TOTAL STAFFING</b>	<b>535.8</b>	<b>560.65</b>	<b>609.25</b>	<b>85.70</b>	<b>7.87 %</b>

**SUMMARY OF SIGNIFICANT ADJUSTMENTS**

The FY2013/14 Recommended Budget for Social Services projects a \$6,785,230 net increase in revenues compared to the FY2012/13 Adopted Budget primarily due to increased funding for Health Care Reform implementation offset by a decrease in County General Fund contribution of \$487,418.

H&SS Social Services Department has reduced County General Fund by \$487,418 due primarily to the following factors:

- A \$170,000 decrease for ODAS Administration of the In-Home Supportive Services (IHSS) Program, resulting from the implementation of the IHSS Maintenance of Effort (MOE). Effective July 1, 2012 the In-Home Supportive Services (IHSS) Administration allocation was established, pursuant to Senate Bill 1036 and amended by Assembly Bill 1471. The county general fund requirement for the IHSS allocation for FY2013/14 is capped at \$646,511. Any expenditures above the capped amount are paid with State funds.
- A \$218,000 decrease is to cost of General Assistance administration.

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- A \$66,265 General Fund Contribution reduction in the Public Guardian's office due to increases in collections of fees and a lower cost of program operations due to inclusion of this program in the County Expense Claim for ODAS to State and Federal agencies.
- Revenue transfer from the County Children's Trust Fund (CCTF) is reduced by \$28,361. The Children's Alliance implemented this reduction in order to cope with the continuing decline of revenue donations and collections in part due to reduced CCTF birth certificates requests.

State and Federal revenues include an increase of \$7,761,608 due to increased funding for cost increases in Eligibility and Employment to provide sufficient staffing for current operations and to address the anticipated staffing needs for Health Care Reform; Federal revenue increases in Title IVE revenue and Title XIX Health related revenue for CARES programs. Revenue generated for social services programs is reimbursed by the Federal Government and State based on the combination of actual eligible hours worked by staff in specific program areas to provide services to clients. An increase in staffing has the potential to increase eligible hours worked providing services and an associated reimbursement for those hours. The Department projected increase assumes that the State will continue to provide adequate funding for the Health Care Reform implementation operations.

2011 Realignment revenue includes funding formerly provided through State General Fund allocations for Child Welfare Services (including all components and programs such as State Family Preservation and the Transitional Housing Program for foster youth), Adult Protective Services, Foster Care Administration, CAPIT (Child Abuse Prevention, Intervention and Treatment), Independent Living Program and Adoption Services. The FY2012/13 level of funding mirrored the amounts allocated in FY2011/12. The methodology for the distribution of the 2011 Realignment funding changed in FY2012/13, and the Counties were given a set percentage of the projected State revenue to cover all of the realigned programs. The percentage assured that Counties would not receive any less funding than the 2011 Realignment funding distributed through the AB 118 formulas and percentages in FY2011/12. 2011 Realignment is projected to increase in FY2013/14 by \$950,285 reflecting projected increases in sales tax receipts and the County may see an increase in its funding.

The FY2013/14 Recommended Budget for Social Services projects a \$6,736,357 net increase in expenditures compared to the FY2012/13 Adopted Budget. The projected increase results from the following changes in current operations:

- Salaries and Benefits are the largest portion of this increase accounting for a net \$6,011,424 increase due the addition positions in the Third Quarter and Recommended Budget: The positions provide additional staff to address the impact of current and pending caseload increases. The most significant factors are the cost of salaries of \$3,247,763 a \$808,817 increase in retirement costs, a \$1,592,796 increase in employer's health insurance costs and a \$335,729 increase in Salary Savings, offset by a \$102,135 decrease in Extra Help costs.
- Contracted and direct client services decreased by net \$360,121 primarily due to a \$1,035,008 reduction to the CalWORKs child care contract and a \$226,819 decrease to transportation services, offset by a \$911,416 increase in contracted services for Emergency Foster Care, CalLearn and Short Term Employment (STEP) contracts.
- Charges from other Departments increased by \$278,087 primarily due to a \$194,691 increase in charges to CWS from County Counsel, \$99,000 increase for small projects, and \$69,164 increase for postage, partially offset by \$92,821 decrease in General Services Charges.
- Due to a reallocation of A-87 overhead charges at the direction of Auditor and State Controller costs decreased by \$962,449.
- Fixed Assets decreased by \$12,054. CWS is re-budgeting \$57,450 for cost of purchasing equipment for the electronic court noticing project that has not been implemented in FY2012/13.
- HSS Department Overhead increased by \$1,432,289 due to overall cost increase for A-87 Plan costs, costs for the HSS Administration Division as a result of a projected shift of overhead costs based in the FY2013/14 new position requests.

### **SUMMARY OF POSITION CHANGES**

Changes in the Division's position allocations since the adoption of the FY2012/13 Budget are provided below:

## Summary of Division Budget

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### Employment and Eligibility Services:

Extended:

- 4.0 FTE LT filled positions as medical backfills.

In January 2013, as part of the Mid-Year Report, the Board approved the following:

Add/Delete:

- Delete 2.0 FTE Eligibility Resource Specialists(ERS) I/II
- Add 2.0 FTE EBS III

In May 2013, as part of the Third Quarter Report, the Board approved the following: (Revenue offset with State and Federal funds)

Converted:

- 24.0 Limited Term FTE to regular positions
- 2.0 FTE Eligibility Benefit Supervisors
- 12.0 FTE Eligibility Benefit Specialists (EBS) I/II
- 10.0 FTE EBS I positions (trainees).

Added:

- 22.0 FTE New Positions as the first stage to prepare for ACA
- 20.0 FTE Eligibility Benefit Specialist (EBS) I/II
- 2.0 FTE Office Assistant II

### Child Welfare Services: (Revenue offset with State and Federal Funds)

Converted:

- 1.0 FTE Social Services Supervisor to regular full time position
- 7.0 FTE Social Worker III to regular full time positions

Moved between Social Services Divisions (Welfare Administration Division 7545 to CWS Division 7600)

- 1.0 FTE Clerical Operations Supervisor
- 1.0 FTE Office Assistant III
- 2.0 FTE Office Assistant II

### Older and Disabled Adult Services: (Revenue offset with State and Federal Funds)

Converted:

- 2.0 FTE LT Social Worker III to regular full time positions

Added:

- 1.0 FTE Social Worker III's

### FY2013/14 POSITION CHANGES

In order to meet an anticipated increase in eligibility determination and enrollment, and on-going eligibility verification to meet the ACA requirements, Social Services Employment and Eligibility is requesting additional positions to serve the estimated 6,000 additional families. The positions will be funded with State and Federal revenue reimbursements. The positions will need to

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work varied hours of operation to comply with State Call Center Exchange hours of operation and may need to be deployed in alternate locations to be more effective in the outreach and enrollment efforts.

The department is requesting 23.0 FTE positions to prepare for ACA support. (Revenue offset with State and Federal Funds).

- 8.0 FTE Eligibility Benefits Specialist IIs (effective 7/7/13)
- 5.0 FTE Office Assistant IIs (effective 7/7/13)
- 4.0 FTE Eligibility Benefits Specialist IIIs (effective 7/7/13)
- 4.0 FTE Eligibility Benefits Specialist Supervisors (effective 7/7/13)
- 1.0 FTE Clerical Operations Supervisor (effective 7/7/13)
- 1.0 FTE Employment/Eligibility Service Manager (effective 7/7/13)

Social Services is anticipating a potential increase in appeals related to new applications and is therefore requesting one additional Appeals Specialist position.

- Add 1.0 FTE Appeals Specialist (effective 10/1/13)

The CARES Older and Disabled Adults program is requesting to add 1.0 FTE Social Worker III, to address workload related to new assessments and compliance with time requirements for initial home visits and documentation which is revenue offset.

- Add 1.0 FTE Social Worker III (effective 10/1/13)

Child Welfare Services is requesting to add 0.10 FTE Office Assistant to bring a 0.40 FTE to a 0.50 FTE and create a part time Office Assistant position. The position is revenue offset.

- Add 0.10 FTE Office Assistant II (effective 7/7/13)

### **PENDING ISSUES AND POLICY CONSIDERATIONS**

The Department of Health and Social Services is tracking a number of Federal/State proposed legislation changes which have the potential to further impact the County in the next coming fiscal years including:

- 2011 Realignment funding for Foster Care, Adoptions, Child Protective Services, and Adult Protective Services now have a dedicated funding source from sales tax due to revisions made by SB 1020 to Assembly Bill AB 118 and ABX1. Each county has a set percentage, based on FY2011/12 expenditures. The total amount of funding generated by this funding mechanism may vary based on sales tax receipts; however, the percentage share to each County is fixed. The State no longer has a share of program costs, and Counties assume the risk of not having sufficient funding for cost increases, especially in the Assistance programs where the services are mandatory and the County has no discretion in the eligibility factors that require a county to provide the mandated services to eligible clients.
- 2011 Realignment not only shift/realigned public safety to counties, it also shifted Mental Health 1991 Realignment funds to pay for a portion of the State's share of CalWORKs Assistance grants. This funding source remains flat as established in FY2011/12. If the amount allocated does not cover the full cost of the CalWORKs assistance grant, the State provides State General Fund to cover the State share of cost. The County's share of CalWORKs assistance is still 2.5%, and has not changed.
- Assembly Bill (AB) 12 recently extended assistance to children in foster care until their 21st birthday. To date 20 Solano youth have chosen to continue in the Foster Care Program. Because implementation of the legislation began in 2012, and the State and the Counties have very little experience with the types of services and needs this population are unclear. In FY2012/13, the Legislature added \$18.2 Million to the Statewide Protective Services 2011 Realignment account for this expansion of the Foster Care Program.
- Affordable Care Act (ACA) is a major change that will have impacts on all aspects of the health care delivery system. The State of California is in the process of developing the parameters of its implementation, so it is difficult to properly analyze or project the impacts at this time. The impact on E&ES is an estimate based on projected population and the assigned responsibility to perform eligibility determination and resource requirements. There will be an expansion of the existing

Medi-Cal eligibility to include those childless adult Solano County residents whose income is below 138% of the Federal Poverty Line (FPL). CWDA estimates that an additional 5,797 new individuals, or 4,831 families, may be eligible based on the Medi-Cal expansion. Additionally, currently eligible clients who are not enrolled may choose to enroll due to ACA's requirement that all people have insurance coverage or pay a penalty. CWDA estimates 3,108 individuals or 1,243 families may be added due to this factor. The total increase is estimated to be 8,905 individuals or 6,074 families. It is anticipated that the County will be expected to answer calls transferred from Covered California call centers (warm handoff) within 30 seconds 80% of the time, complete the application process in one call, and perhaps take calls for other counties within an automated system consortia to meet required service levels. State Exchange hours are set for 8 AM – 8 PM Monday – Saturday (during open enrollment periods, Oct-Dec) and 8 AM – 6 PM Monday – Friday, 8 AM – 5 PM Saturday (non-open enrollment). ACA provisions also require horizontal integration, the County is expected to evaluate all applications for Medi-Cal for other benefit programs (CalFresh and CalWORKs). Counties will be the "In Person" option for Exchange Subsidy (advanced premium tax credit) initial eligibility determination and health plan selection and enrollment and health plan selection and enrollment for non-subsidized insurance through Covered California.

CARES – Child Welfare Services

- In 2002, a class action lawsuit (Katie A v. Bonta) was filed in federal district court concerning the availability of intensive mental health services to children in California who are either in foster care or at imminent risk of coming into care. A settlement agreement was reached in the case in December 2011, and child welfare and mental health leaders from state and local levels are working together to establish a sustainable framework for the provision of an array of services that occur in community settings and in a coordinated manner. Requirements include Intensive Care Coordination, provision of Intensive Home Based Services and Therapeutic Foster Care as State guidelines are completed in FY2013/14 the department will provide an update to the Board on potential requirements.

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## **BUREAU PURPOSE**

On March 5, 2002, the Solano County Board of Supervisors established an In-Home Supportive Services (IHSS) Public Authority to act as the employer of record for In-Home Supportive Services providers. Health and Social Services (H&SS) Social Services Division through an Memorandum of Understanding (MOU) with the IHSS Public Authority Board provides the administration for the IHSS Public Authority. This budget unit was established to track revenues and expenditures for staff positions and other operating costs affiliated with the administration of the IHSS Public Authority.

## **FUNCTION AND RESPONSIBILITIES**

Social Services dedicates staff and operating expenditures in this budget to fulfill the requirements for administering an IHSS Public Authority. Responsibilities include: a) operating a Provider Registry to match screened providers with IHSS recipients; b) providing training for IHSS providers and consumers; c) acting as the Employer of Record for providers to conduct collective bargaining for wages and benefits; d) administering the IHSS provider health plan benefits, e) providing support to the IHSS Public Authority Advisory Committee; and f) performing any other functions as may be necessary for the operation of the Authority.

## **SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS**

H&SS in its role as staff support for the PA, provided services to the community in various areas of responsibility.

Accomplishments include:

- Maintained an average of 213 available providers on the Registry to match with IHSS recipients. Given the average population of IHSS consumers is 2,957, the average available providers is below the commonly established 10% goal. The Public Authority is not able to keep pace with attrition to add providers. Even though 9-10 providers are added every few months, it does not keep pace with the number of providers who fall off the Registry for various reasons.
- Provided over 6,000 IHSS consumers and providers access to training and information through the launching of a website, distribution of a newsletter, and annual outreach conference. Providing actual training has been an ongoing challenge given the diminishing resources of both governmental and non-governmental entities.
- Had a 52% success rate in matching available providers with IHSS consumers within 20 days, despite having less staff to provide services. The reduction in staff the PA since 2010 due to State funding reductions resulted in an increased time to match by 5 days, and in the inability to provide enhanced services to difficult-to-serve or limited-English speaking consumers.

## **WORKLOAD INDICATORS**

During the period of January 2012 through December 2012, H&SS Public Authority staff received and processed 350 referrals from Older and Disabled Services program, resulting in 220 successful matches between providers and consumers. During the same time period PA staff assisted in the transition of provider enrollment activities to the IHSS program by providing orientation and fingerprint processing for over 1,000 individuals; and received and processed health benefits paperwork for an average of 630 IHSS providers per month, as well as maintained a waiting list of over 450 IHSS providers.

## **DEPARTMENTAL BUDGET SUMMARY**

The Recommended Budget of \$697,834 for IHSS Public Authority staff and operating costs represents an overall increase \$145,149, or 26.3% in revenues and \$146,173, or 26.5% in appropriations, when compared to FY2012/13 Adopted Budget.

### Primary Funding Sources

An operating transfer-in of \$697,834 from the IHSS Public Authority (BU 1521) provides the revenue to cover the expenditures. Federal and State reimbursement revenue for administrative costs as well as required County General Fund match is also budgeted in (BU 1521).

### Primary Cost

Primary costs for IHSS Public Authority Administration (BU 7690) are: \$508,071 for salaries and employee benefits; \$106,150 for services and supplies which includes a contract for Refined Technology, Inc., for \$10,000 to provide the Care Tracker

System and technical support to manage the registry and administer the health benefits plan along with a \$25,000 contract with Industrial Employers & Distributors Association (IEDA) to provide consulting services; \$12,959 for other charges which includes A-87 charges; \$21,923 for other financing uses; and \$48,731 in intra-fund transfers.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2011/12 ACTUALS	2012/13 ADOPTED BUDGET	2013/14 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
<b>REVENUES</b>					
Charges For Services	0	11,742	0	(11,742)	(100.0%)
Other Financing Sources	560,011	540,943	697,834	156,891	29.0%
<b>TOTAL REVENUES</b>	<b>560,011</b>	<b>552,685</b>	<b>697,834</b>	<b>145,149</b>	<b>26.3%</b>
<b>APPROPRIATIONS</b>					
Salaries and Employee Benefits	390,897	388,399	508,071	119,672	30.8%
Services and Supplies	79,138	96,186	106,150	9,964	10.4%
Other Charges	36,450	19,394	12,959	(6,435)	(33.2%)
Other Financing Uses	28,653	19,299	21,923	2,624	13.6%
Intra-Fund Transfers	30,872	28,383	48,731	20,348	71.7%
<b>TOTAL APPROPRIATIONS</b>	<b>566,011</b>	<b>551,661</b>	<b>697,834</b>	<b>146,173</b>	<b>26.5%</b>
<b>NET CHANGE</b>	<b>6,000</b>	<b>(1,024)</b>	<b>0</b>	<b>1,024</b>	<b>(100.0%)</b>

<b>STAFFING</b>					
IN-HOME SUPPORTIVE SERVICES PA	3.75	3.75	5	1.25	33.33 %
<b>TOTAL STAFFING</b>	<b>3.75</b>	<b>3.75</b>	<b>5</b>	<b>1.25</b>	<b>33.33 %</b>

**SUMMARY OF SIGNIFICANT ADJUSTMENTS**

Increases in expenditures have resulted primarily in salaries and benefits, and in operating costs increases including DOIT costs, H&SS Department Overhead, and IHSS Advisory Committee. These increases do not require any additional County General Fund support in (BU 1520) as a result of the implementation of the IHSS MOE in FY2012/13 which changed the cost sharing between the County and State. The revenue for (BU 7690) is an operating transfer out to a separate fund, fund 152- (BU 1520), where the costs of administering IHSS-PA are isolated and claimed for reimbursement.

**SUMMARY OF POSITION CHANGES**

The In-Home Supportive Services Public Authority requesting the addition of a 1.0 Social Services Worker (Spanish speaking) position to assist both providers in finding matches for recipients in need of a care provider and finding solutions for other problems related to the recipients care needs. In order to meet the demands of provider enrollment and to improve training for both providers and recipients, the Public Authority is requesting to add 0.25 FTE for the Public Authority Administrator in order to make the position full time.

Add 1.25 positions funded with Federal and State revenue:

- 1.0 FTE Social Services Worker (effective 10/1/13)
- 0.25 FTE Public Authority Administrator (effective 7/7/13)

**PENDING ISSUES AND POLICY CONSIDERATIONS**

The Governor’s Budget no longer includes a 3.6 percent across-the-board reduction in service hours for IHSS participants. It does assume that in the second half of FY 2013/14, the State will prevail in the lawsuit that challenged the State’s 2010 decrease in wages to \$10.50 per hour. However, a recent settlement of the Oster/Dominguez vs. Lightbourne lawsuit includes an 8% across the Board reduction in authorized service hours for 12 consecutive months, starting July 1, 2013. This will not affect our costs in FY2013/14 due to the existing IHSS MOE but may have a future impact on the MOE.

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**DIVISION PURPOSE**

This budget unit tracks financial aid for recipients of mandated social services assistance programs.

**FUNCTION AND RESPONSIBILITIES**

The budget for Assistance Programs does not have assigned personnel; it functions as a means to track expenditures, and Federal/State reimbursements for Solano County Public Assistance Programs. The public assistance programs include California Work Opportunity and Responsibility to Kids (CalWORKs), Refugee Resettlement Program, Adoptions Assistance Program, Foster Care Assistance, In-Home Supportive Services (IHSS) Individual Provider Program, and General Assistance (GA). The Assistance Programs are mandated programs which must be offered based on Federal and State eligibility criteria.

**SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS**

Projecting the cost of assistance programs is challenging, given current economic conditions, court decisions and changes in State regulations. Expenditures for General Assistance are supported 100% by the County General Fund. The FY2013/14 budgeted includes an estimated General Fund contribution of \$2,946,686 based on the current downward trend in caseload. As the economy improves, caseloads tend to be lower, but General Assistance is not always predictable, which makes budgeting for this program a challenge.

In-Home Supportive Service (IHSS) Provider Wages are budgeted at \$7,215,039 which reflects only the County share of this Program based on the newly implemented IHSS Maintenance of Effort (MOE). The County's share of cost for IHSS Provider wages will be capped for FY 2013/14, but will increase by 3.5% in FY 2014/15. The methodology for the IHSS MOE is contingent upon the success of the negotiations between the State of California and the Federal Center for Medicare and Medicaid Services to establish new programs as a continuum of care approach for long term care. In April 2013, the State announced that they had successfully completed negotiations and will implement in eight (8) pilot counties a Coordinated Care Initiative.

The cost of Foster Care is projected to increase by \$1,444,466 or 17%. Based on legislative action the cost of out-of-home care for Solano County's 422 foster children will increase an average of \$310 per month in FY2013/14. This increase is due the State granting higher payments to foster homes and group homes. The increased cost is mitigated by the success of the more intensive case management services provided by additional staff in Child Welfare Services which has kept the actual number children placed in Foster Care stable. The concentrated effort has maintained children in their own homes, as opposed to having more placements in foster care. While, over-all decreases in cost may not be realized in the coming fiscal year, the intensive family maintenance program will continue to abate future cost increases by reducing new out-of-home placements and improving outcomes for at risk children. It is expected that over time, these efforts will reduce the cost of foster care placements and result in good outcomes for children.

Foster Care and Adoptions assistance programs are included in the 2011 Public Safety Realignment legislation that redirected Sales Tax revenues to Counties to fund the State's share of these programs. CalWORKs assistance was realigned differently from other programs because the State did a one-time shift of funds from Proposition 63 to fund Mental Health Programs, and in turn shifted 1991 Mental Health Realignment funds to pay for CalWORKs Assistance costs. To the extent that Mental Health 1991 Realignment funds do not cover the State's share of cost for CalWORKs, the State is continuing to fund their share from State General Fund during FY 2012/13 and this method for covering the State's share of CalWORKs costs is expected to continue in FY 2013/14. It is also assumed the level of sales tax revenue designated for Adoptions and Foster care will continue in FY2013/14. The Statutes for FY2013/14 have provided a funding percentage for each County that conforms to the actual costs incurred for each of the realigned programs in FY2011/12 and Proposition 30 has provided constitutional protection for the sales tax funding and mandates for State and Local Governments.

During FY2013/14, even with the best projections, there is a possibility that cost for the assistance programs may exceed budgeted appropriations and require a transfer from General Fund Contingency. H&SS and the County Administrator's Office closely monitor expenditures of the Assistance Programs; if adjustments are required they would be made at Midyear and/or Third Quarter.

**WORKLOAD INDICATORS**

The Assistance Budget includes funding for payments only, and does not include costs associated with benefit issuance. Operational costs including program staffing are included in the H&SS Social Services and Administration Budgets,

**Summary of Division Budget**

**7900 – Fund 902-Assistance Programs  
Patrick Duterte, Director of Health & Social Services  
Public Assistance**

and relevant workload indicators are incorporated in those budgets.

**DIVISION BUDGET SUMMARY**

The Recommended Budget for the Assistance Programs of \$60,036,868 represents an overall decrease of \$340,126 or 0.6% in revenues and appropriations when compared to FY2012/13 Adopted Budget. As a result, the County Contribution of \$8,767,405 represents a decrease of \$1,057,199.

The primary funding sources are Federal entitlement funds, State funds, State Realignment dedicated funds, and County General Fund. Federal funds include Foster Care and Adoptions Assistance (Title IVE), CalWORKs or Temporary Assistance for Needy Families (TANF), and Medi-Cal (Title XIX). Assistance programs were realigned in 1991 and in 2011 for non-federal costs and State and County sharing ratios vary by assistance program:

<u>PROGRAM</u>	<u>Prior to 1991 Realignment County Share of Cost</u>	<u>1991 Realignment County Share of Cost</u>	<u>2011 Realignment County Share of Cost</u>
Foster Care	5%	60%	100%
CalWORKs Aid	11%	5%	5%
Adoptions	0%	25%	100%
In-Home Supportive Services	35%	35%	35%

The primary cost centers for this budget are as follow:

Adoptions Assistance: Recommended appropriation is \$5,506,003 funded by \$2,318,578 in Federal funds and \$3,071,400 in 1991 and 2011 Realignment funds. County General Fund cost is \$116,225.

Foster Care Assistance: Recommended appropriation is \$9,657,403 funded by \$3,196,044 in Federal funds and \$6,041,388 in 1991 and 2011 Realignment Funds. County General Fund cost is \$419,973.

CalWORKs Assistance: Recommended appropriation is \$34,589,907 funded by \$18,851,499 in Federal funds and \$14,873,660 in State and 2011 Realignment funds. The County General Fund portion is \$864,748.

Refugee Assistance: Recommended appropriation is \$5,460 funded 100% with Federal funds.

General Assistance: Recommended appropriation is \$2,946,656 funded 100% with County General Fund.

County Only Foster Care: Recommended appropriation is \$116,370 funded 100% with County General Fund.

IHSS Individual Provider: Recommended appropriation is \$7,215,039 funded 100% by 1991 Realignment and County General Fund. The County General Fund portion is \$4,303,403.

**7900 – Fund 902-Assistance Programs**  
**Patrick Duterte, Director of Health & Social Services**  
**Public Assistance**

**Summary of Division Budget**

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2011/12 ACTUALS	2012/13 ADOPTED BUDGET	2013/14 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
<b>REVENUES</b>					
Revenue From Use of Money/Prop	2,016	0	0	0	0.0%
Intergovernmental Rev State	30,625,465	26,649,614	26,897,882	248,268	0.9%
Intergovernmental Rev Federal	17,881,808	23,354,085	24,371,581	1,017,496	4.4%
Misc Revenue	873,089	548,691	0	(548,691)	(100.0%)
General Fund Contribution	10,749,954	9,824,604	8,767,405	(1,057,199)	(10.8%)
<b>TOTAL REVENUES</b>	<b>60,132,333</b>	<b>60,376,994</b>	<b>60,036,868</b>	<b>(340,126)</b>	<b>(0.6%)</b>
<b>APPROPRIATIONS</b>					
Other Charges	59,560,548	60,376,994	60,036,868	(340,126)	(0.6%)
Other Financing Uses	571,785	0	0	0	0.0%
<b>TOTAL APPROPRIATIONS</b>	<b>60,132,333</b>	<b>60,376,994</b>	<b>60,036,868</b>	<b>(340,126)</b>	<b>(0.6%)</b>
<b>NET CHANGE</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
<b>STAFFING</b>					
ASSISTANCE PROGRAMS	0.0 *	0.0	0.0	0.0	0.0 %
<b>TOTAL STAFFING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0 %</b>

**SUMMARY OF SIGNIFICANT ADJUSTMENTS**

The Assistance Programs are funded primarily by Title IVE (Adoptions and Foster Care) and TANF (CalWORKs) federal funds, and 1991 and 2011 Realignment Funds. County General Fund Contribution of \$8,767,405 is used to pay the County share. Changes to revenue and appropriations are presented by program. Factors contributing to the budget changes are the net result of:

BU 7901 Adoptions Assistance Program: \$784,909 increase in both revenues and appropriations compared to the FY2012/13 Adopted Budget. The Adoptions program is impacted by a series of California Necessities Index (CNI) rate increases that have increased the average cost of the grant to more than 400 Adoptive Families by \$810 per month and by a 2% projected increase in the number of cases. The FY2013/14 budget also assumes another 3% rate increase based on the Governor's Budget. As a result, CGF is expected to increase by \$116,225.

BU 7903 Foster Care Program: \$1,444,566 net increase in both revenues and appropriations compared to FY2012/13 Adopted Budget. The increase reflects the 3% rate increase projected in the Governor's budget for payments to foster care providers. As noted in the FY2012/13 Adopted Budget narrative the Foster Care caseload increased by 9% over two to three years prior to FY 2011/12 when staffing reductions in the Child Welfare Program limited the ability to provide more intensive services to families that prevented more children from entering the foster care placement system. Board approved a pilot program in January 2012 to provide additional intensive services to families with the goal of reducing the growth of Foster care placements. This goal has been met over the past 15 months; however, the cases that are remaining in foster care are in higher level placements, which are increasing the average cost per case. The good news is the County General Contribution is expected to decrease by \$252,654 in FY2013/14.

BU 7904 CalWORKs Assistance: \$849,024 decrease or 2.4% in both revenues and appropriations. Changes to the CalWORKs program reduced caseloads by approximately 3% during FY2011/12 and FY2012/13 since many families were exempted from required work participation activities. This drop in caseload is projected to continue but at a slower pace in FY 2013/14. Many families who were exempted from participation in CalWORKs will be required to re-engage in work activities in FY 2013/14. CGF is decreasing by \$21,225.

BU 7907 General Assistance: \$777,387 decrease in appropriations is due to an average reduction of 321 cases per month in caseload and a lower average cost per case of \$832. As a result, CGF is decreasing by \$777,387.

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BU 7910 IHSS Provider Wages: \$986,100 net decrease in both revenues and appropriations due to implementation of the IHSS MOE. The IHSS MOE establishes a maximum share of cost for provider wages at \$7,215,039 for FY2013/14 which is the amount budgeted for FY2013/14. CGF is decreasing by \$163,528.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

- Foster Care: AB 12 was approved in FY2010/11 and extends foster care for youths between the ages of 18 to 21 on a voluntary basis; however, State guidelines have been issued and became effective January 2012. It is still too early to estimate the on-going fiscal impact of retaining these children in the Foster Care program. The State will be adding reporting requirements to determine that the cost is neutral to the Counties, but there is no assurance that the County's cost for foster care placements will not increase. State mandated rate increases are continuing to increase the cost per case of a foster care placement. Since the County is now responsible for 100% of the non-federal share of this program, increases in County General Fund may occur.
- Adoptions: Increases in State mandated rates are driving up the costs of this program and caseload has been increasing, currently projected at approximately 2%. Since the County is now responsible for 100% of the non-federal share of this program, increases in County General Fund may occur.
- CalWORKs: As a result of State program changes over the past two years and associated reductions to the CalWORKs caseload, the cost of aid payments to Solano County is much lower, resulting in reduced state and federal revenue in this program. The Governor's proposed FY2013/14 budget restores some requirements for families to re-engage in work activities, but it is not expected that caseloads will increase dramatically.
- IHSS Provider Wages: The State's application to the Federal government to include the IHSS program in the Community First Choice Option (CFCO) program was approved, and the State negotiated an MOU with the Federal Center for Medicare and Medicaid Services (CMS) to implement the Coordinated Care Initiative (CCI) as a pilot program with 8 counties. The outcome of this pilot program will determine whether or not the IHSS MOE will continue as the State's methodology for funding the cost of the In-Home Supportive Services provider wages. The IHSS MOE limits the County's share of cost of provider wages to the amount budgeted in FY 2013/14, and provides for a 3.5% automatic increase to this amount in FY 2014/15.
- General Assistance cost may be impacted by the Affordable Care Act. A credit was provided for individuals enrolled in CMSP, with the shift to Medi-Cal the credit would not be applicable and may impact the savings projected in this program.

**7500 – Fund 902-H&SS-Department Summary**  
**Patrick Duterte, Director of Health & Social Services**  
**Health**

**Summary of Other Administered Budgets**

DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS	2011/12 ACTUAL	2012/13 ADOPTED BUDGET	2013/14 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
<b>REVENUES</b>					
1520 IN HOME SUPP SVCS-PUBLIC AUTH	2,653,220	2,665,400	2,984,293	318,893	12.0 %
9600 MENTAL HEALTH SERVICES ACT	0	0	13,555,516	13,555,516	100.0 %
7950 TOBACCO PREVENTION & EDUCATION	165,174	290,720	217,368	(73,352)	(25.2) %
<b>APPROPRIATIONS</b>					
1520 IN HOME SUPP SVCS-PUBLIC AUTH	2,653,220	2,665,402	2,984,293	318,891	12.0 %
9600 MENTAL HEALTH SERVICES ACT	0	0	16,923,691	16,923,691	100.0 %
7950 TOBACCO PREVENTION & EDUCATION	163,588	290,720	217,368	(73,352)	(25.2) %
<b>NET CHANGE</b>					
1520 IN HOME SUPP SVCS-PUBLIC AUTH	0	(2)	0	2	(100.0) %

A summary of the budgets administered by the Health and Social Services Department is provided on the following pages.

**DEPARTMENTAL PURPOSE**

The In-Home Supportive Services Public Authority (IHSS-PA) is a distinct legal entity that serves as the employer of record for In-Home Supportive Services (IHSS) caregivers (also known as IHSS providers) in Solano County, established in accordance with California Welfare and Institutions Code section 12301.6. The Solano County Board of Supervisors also serves as the governing Board for this legal entity.

**FUNCTION AND RESPONSIBILITIES**

On March 5, 2002, the Solano County Board of Supervisors established a Public Authority to act as the employer of record for IHSS providers. The IHSS-PA, a governmental entity separate and distinct from Solano County, established an MOU with the County to provide staff and all administrative services for the IHSS-PA.

The IHSS-PA operates a Provider Registry of available care providers to match screened caregivers with individuals who need care, or IHSS recipients. The IHSS-PA also provides training for IHSS providers and recipients, acts as the Employer of Record for IHSS providers in terms of collective bargaining for wages and benefits, administers the IHSS provider health plan benefits, provides support to the IHSS-PA Advisory Committee, and performs any other functions as may be necessary for the operation of the IHSS-PA or related to the delivery of In-Home Supportive Services in Solano County.

This budget unit reflects the required County General Fund contribution for the administrative costs incurred by the IHSS-PA and health benefits plan costs for IHSS providers. The County General Fund share for IHSS provider wages can be found in the H&SS Assistance Programs Budget 7900.

**SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS**

Funding for health benefits is dependent on the actual number of paid provider hours, and when the service hours drop, the revenue generated to pay for insurance benefits also declines, which impacts the number of providers who can be insured. The State statute allows \$0.60 per paid provider hour for health benefits. In the past, the number of paid provider hours was higher than the last two years. For example, in July of 2009, the IHSS-PA was able to provide health benefits to 670 providers with 332 on the waiting list. The average number of providers receiving health benefits over the last few years dropped primarily due to two factors: 1) The cost of health insurance premiums has increased; 2) the number of paid provider hours was reduced as a result of the 3.6% across the board reduction to service hours for all IHSS recipients. In January 2013, the IHSS-PA provided health benefits to 630 IHSS providers, with 450 on the waiting list.

**WORKLOAD INDICATORS**

The dedicated Public Authority budget 1521 includes the cost of health benefits and the cost of administration as an operating transfer out to the Health and Social Services Department (H&SS) budget 7690, where the staff and operating costs for administering the Public Authority are appropriated. Relevant workload indicators are incorporated in the narrative for budget 7690.

**DEPARTMENTAL BUDGET SUMMARY**

The Recommended Budget for the IHSS-PA of \$2,984,293 represents an overall increase of \$318,891, or 12%, in both revenues and appropriations when compared to the FY2012/13 Adopted Budget. While there is an increase in appropriations, the County General Fund Contribution of \$553,541 has not increased due to the IHSS Maintenance of Effort (MOE) that was implemented effective July 1, 2012.

The primary funding source for this Budget is Federal Title XIX (Medi-Cal funding), State funds and County General Fund required match. The primary costs appropriated in this budget reflect the cost of health benefits for care providers projected at \$2,280,001 and the cost of administration projected at \$697,834.

Symetra Life Insurance Company administers the health benefits program for the care providers, and is the only contract included in this budget. This agreement is rate-based and Symetra sets the rates for the insurance premiums annually. The administrative costs are appropriated as an operating transfer out to the H&SS budget 7690 where the administrative operating costs and staffing are budgeted.

**1520 – Fund 152-IHSS-Public Authority**  
**Patrick Duterte, Director of Health & Social Services**  
**Health**

**Summary of Other Administered Budgets**

<b>DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY</b>	<b>2011/12 ACTUALS</b>	<b>2012/13 ADOPTED BUDGET</b>	<b>2013/14 RECOMMENDED</b>	<b>FROM ADOPTED TO RECOMMENDED</b>	<b>PERCENT CHANGE</b>
<b>REVENUES</b>					
Intergovernmental Rev State	841,460	833,377	1,054,976	221,599	26.6%
Intergovernmental Rev Federal	1,292,613	1,278,482	1,375,776	97,294	7.6%
General Fund Contribution	519,147	553,541	553,541	0	0.0%
<b>TOTAL REVENUES</b>	<b>2,653,220</b>	<b>2,665,400</b>	<b>2,984,293</b>	<b>318,893</b>	<b>12.0%</b>
<b>APPROPRIATIONS</b>					
Other Charges	2,093,209	2,124,459	2,286,459	162,000	7.6%
Other Financing Uses	560,011	540,943	697,834	156,891	29.0%
<b>TOTAL APPROPRIATIONS</b>	<b>2,653,220</b>	<b>2,665,402</b>	<b>2,984,293</b>	<b>318,891</b>	<b>12.0%</b>
<b>NET CHANGE</b>	<b>(0)</b>	<b>2</b>	<b>0</b>	<b>(2)</b>	<b>(100.0%)</b>

**SUMMARY OF SIGNIFICANT ADJUSTMENTS**

The FY2013/14 budget increase of \$162,000 for Provider Health Benefits is based on current trends for increasing IHSS provider hours that are projected at approximately 3.8 Million hours in FY2013/14. The cost of Public Authority Administration is increasing by \$156,891 as outlined in the explanations for Budget 7690.

Increases are funded by both a \$97,294 increase in Federal Health Related (Title XIX) revenue and a \$221,599 increase in State revenue. The implementation of the IHSS MOE established the County's required contribution at the FY 2011/12 costs, and builds in annual increases of 3.5% to the base amount starting in FY 2014/15. Therefore, no additional County General Fund is required at this time.

**SUMMARY OF POSITION CHANGES**

There are no positions allocated to this budget.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

The IHSS-MOE is intended to permanently replace the County's share of cost for the Administration of the IHSS program in the Older and Disabled Adult Services Division, for IHSS provider wages, and for IHSS-PA Administration. The base year costs to establish the MOE is FY 2011/12 and it has a built in inflation factor of 3.5% effective July 2014. This new approach to funding the IHSS program will include moving collective bargaining with IHSS Providers from the local level to the State level over a three year period. This proposal is contingent upon the success of pilot projects in 8 counties for the State's Coordinated Care Initiative (CCI), that intends to utilize a managed care approach for all of the components of long term care and to place these components under the State's control. If the pilot projects are not successful, the legislation (SB1036) allows the State to terminate the CCI project, and collective bargaining would return to the counties and the MOE would revert to the pre-existing 35% of non-federal cost.

The number of IHSS providers that can be covered by health insurance will vary in relation to changes in paid hours because the funding for this benefit is based exclusively on reimbursement at \$0.60 per paid provider hour.

The Affordable Care Act (ACA) may have an impact on the health benefits for IHSS providers however the details are pending a legislative review. Pending legislation AB784 would establish an advisory committee to assess the impact of the ACA on health care benefits for IHSS providers. The bill would require the advisory committee to provide a report to specified legislative committees on or before March 1, 2014, on the appropriate employer in the IHSS program to provide health care benefits to IHSS providers under ACA. Under existing law, the state, a county, a public authority, a nonprofit consortium, or an IHSS recipient may be considered the employer of an IHSS provider.

**DEPARTMENTAL PURPOSE**

On May 7, 2013 the Solano County Board of Supervisors approved the establishment of the Mental Health Services Act (MHSA) budget unit in accordance with State Welfare & Institutions code (WIC) 5892(f) to facilitate the MHSA County Fiscal Accountability Certification required by the State.

**FUNCTION AND RESPONSIBILITY**

MHSA was established in November 2004 with the passage of Proposition 63. This was the first opportunity in many years that the California Department of Mental Health (DMH) was able to provide increased funding, for 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. 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. MHSA imposed a 1% income tax on personal income in excess of \$1 million. Statewide, MHSA was projected to generate approximately \$254 million in FY2004/05, \$683 million in FY2005/06 and increasing amounts thereafter. Much of the funding was intended to provide county mental health programs funds consistent with their local plans. Any uncommitted funds during FY2005/06 were to establish county prudent reserve accounts as required by MHSA. Up until this point MHSA funds were allocated in H&SS fund 902.

**SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS**

Mental Health Services Act (MHSA) programs continue to set trends for community oriented mental health prevention and early intervention. In partnership with community providers, MHSA programs are providing Mental Health First Aid training, integrated behavioral healthcare based on a model proven to enhance access for underserved populations, and wellness centers that offer a variety of supportive resources and activities in a structured environment that support the seriously mentally ill consumer. Most recently, services to severely mentally ill individuals were expanded to include adults ages 21-65 through Full-Service Partnership Intensive Wrap Around Teams, as well as for children ages 6-17.

**WORKLOAD INDICATORS**

Workload Indicators are included in H&SS Behavioral Health (BU 7780).

**DEPARTMENTAL BUDGET SUMMARY**

The Recommended Budget for MHSA of \$16,923,691 represents a new appropriation since the Budget Unit was created on May 7, 2013. These funds were previously appropriated in H&SS fund 902. MHSA Revenues of \$13,555,516 and an estimated fund balance of \$3,368,175 from FY2012/13 are used to fund a transfer out to H&SS Fund 902 Behavioral Health BU7780 for reimbursement of services provided. There is no County General Fund Contribution.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2011/12 ACTUALS	2012/13 ADOPTED BUDGET	2013/14 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
<b>REVENUES</b>					
Intergovernmental Rev State	0	0	13,555,516	13,555,516	100.0%
<b>TOTAL REVENUES</b>	<b>0</b>	<b>0</b>	<b>13,555,516</b>	<b>13,555,516</b>	<b>100.0%</b>
<b>APPROPRIATIONS</b>					
Other Financing Uses	0	0	16,923,691	16,923,691	100.0%
<b>TOTAL APPROPRIATIONS</b>	<b>0</b>	<b>0</b>	<b>16,923,691</b>	<b>16,923,691</b>	<b>100.0%</b>
<b>NET CHANGE</b>	<b>0</b>	<b>0</b>	<b>3,368,175</b>	<b>3,368,175</b>	<b>100.0%</b>

**SUMMARY OF SIGNIFICANT ADJUSTMENTS**

At FY2012/13 Third Quarter, an Appropriation Transfer Request (ATR) was approved in the amount of \$16.6 million to adjust appropriations and budgeted revenues from H&SS Fund 902 to MHSA Fund 906. Under this new reporting structure, MHSA

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revenues will be directly recognized in the new MHSA budget unit and monies will be transferred via Operating Transfers into fund 902 to fund MHSA qualifying expenditures.

**SUMMARY OF POSITION CHANGES**

There are no positions allocated to this budget.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

There are no pending issues or policy considerations at this time.

**DEPARTMENTAL PURPOSE**

Tobacco Prevention and Education Program (TPEP) is a Health Promotion and Community Wellness program located within the Public Health Division of Solano County Health & Social Services. The mission of Solano County Public Health is to optimize the health of the community through individual and population-based services which promote health and safety through prevention and treatment of disease and injury.

**FUNCTION AND RESPONSIBILITIES**

In November 1988, California voters approved the California Tobacco Health Protection Act of 1988, also known as Prop 99. This referendum increased the State cigarette tax by 25 cents per pack and added an equivalent amount on other tobacco products. A portion of this revenue is deposited in the Health Education Account, which is administered by the California Department of Public Health (CDPH), Tobacco Control Program (TCP). This program provides funds for 61 Local Lead Agencies, which operate community-based programs to prevent and reduce tobacco use. The TPEP is designated as Solano County's Local Lead Agency for tobacco control.

TPEP is required by California Department of Public Health, Tobacco Control Program to focus on these major areas:

- Countering pro-tobacco influences.
- Reducing exposure to secondhand smoke.
- Reducing the availability of tobacco.
- Promoting tobacco cessation services.
- Building local assets to support local tobacco control interventions.

Every three years, TPEP is required to conduct a community-based needs assessment in order to develop and implement health education interventions and behavior change programs at the local level. These interventions are expected to largely focus on policy change as well as community norm change. TPEP is also required to maintain a community coalition to advise TPEP and H&SS.

**SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS**

In 2012, TPEP, Solano County Tobacco Education Coalition and stakeholders conducted a needs assessment and planning process to develop a one-year Phase I Tobacco Control Plan per TCP requirements. Solano's was one of the top scoring Local Lead Agency plans in the state.

In February 2013, TPEP secured a resolution from the Vallejo City Council to support the Food and Drug Administration (FDA) to ban menthol in cigarettes and flavorings such as chocolate, as well as menthol, in other tobacco products. In an earlier action, the FDA banned the use of "flavors" in cigarette products, but did not include menthol. TPEP aims to secure two more local resolutions in 2013.

In 2012, TPEP provided two trainings to the Solano County Tobacco Education Coalition and the community. The first training focused on effective tobacco cessation strategies for youth and adults. The second training focused on youth tobacco use, the FDA tobacco control law, as well as local opportunities for action.

In 2012, TPEP continued to collaborate with local housing officials to introduce smoke-free housing policies in multi-housing units.

**WORKLOAD INDICATORS**

In 2012, TPEP provided two trainings to the Solano County Tobacco Education Coalition and the community; 35 community members attended the events.

In 2012, TPEP recruited and mobilized teams in Vallejo, Vacaville and Dixon resulting in securing the second of four local resolutions, over three years, in support of the FDA banning the use of menthol in cigarettes and other products.

**7950 – Fund 390-Tobacco Prevention & Education      Summary of Other Administered Budgets**  
**Patrick Duterte, Director of Health & Social Services**  
**Health/Hospital Care**

**DEPARTMENTAL BUDGET SUMMARY**

The Recommended Budget of \$217,368 for the Tobacco Prevention and Education Program represents an overall decrease of \$73,352, or 25.2%, in both revenues and appropriations when compared to the FY2012/13 Adopted Budget. There is no County General Fund Contribution to this budget. The primary funding source for TPEP is the State of California Tobacco Prevention and Education Fund Allocation.

<b>DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY</b>	<b>2011/12 ACTUALS</b>	<b>2012/13 ADOPTED BUDGET</b>	<b>2013/14 RECOMMENDED</b>	<b>FROM ADOPTED TO RECOMMENDED</b>	<b>PERCENT CHANGE</b>
<b>REVENUES</b>					
Revenue From Use of Money/Prop	573	950	425	(525)	(55.3%)
Intergovernmental Rev State	163,725	289,770	216,943	(72,827)	(25.1%)
Other Financing Sources	876	0	0	0	0.0%
<b>TOTAL REVENUES</b>	<b>165,174</b>	<b>290,720</b>	<b>217,368</b>	<b>(73,352)</b>	<b>(25.2%)</b>
<b>APPROPRIATIONS</b>					
Salaries and Employee Benefits	12,380	10,740	315	(10,425)	(97.1%)
Services and Supplies	13,212	134,878	80,303	(54,575)	(40.5%)
Other Charges	2,193	3,479	1,117	(2,362)	(67.9%)
Other Financing Uses	135,802	141,623	135,633	(5,990)	(4.2%)
<b>TOTAL APPROPRIATIONS</b>	<b>163,588</b>	<b>290,720</b>	<b>217,368</b>	<b>(73,352)</b>	<b>(25.2%)</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(1,586)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

**SUMMARY OF SIGNIFICANT ADJUSTMENTS**

A decrease of revenues of \$73,352 is primarily due to prior year utilizing the carryover from the three year State Tobacco Prevention and Education Allocation. There is no carryover allocation into FY2013/14.

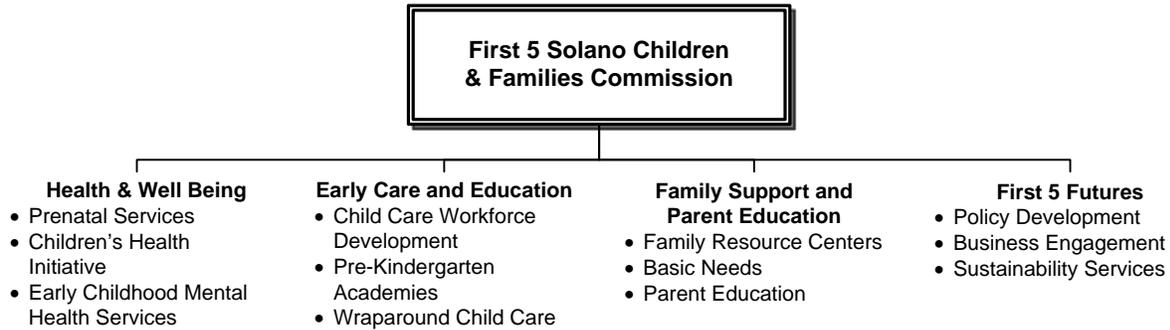
A decrease in appropriations of \$73,352 is due to the elimination of extra-help and a decrease in consulting services of \$60,000.

**SUMMARY OF POSITION CHANGES**

There are no positions allocated to this budget.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

There are no significant pending issues or policy considerations regarding the Tobacco Prevention and Education Fund for FY2013/14. The Fund allocations to Counties have been gradually decreasing as smoking rates in California have been decreasing; however, this is both anticipated and desired.



**DEPARTMENTAL PURPOSE**

The primary focus of First 5 Solano Children and Families Commission (First 5 Solano) is to develop foster programs and partnerships with community entities to promote, support and improve the lives of young children, their families and their communities. Proposition 10, approved by California voters in 1998, was designed as a dedicated funding source (funded by surtaxes on the sale and distribution of tobacco products) that declines over time. Each of the 58 counties has a First 5 Commission, which operates in accordance with a locally-approved strategic plan. County commissioners, appointed by the Board of Supervisors, have the authority to allocate First 5 Solano Proposition 10 Tobacco Tax Funds. These funds cannot be used to supplant existing programs and/or services.

First 5 Solano’s strategic investments of almost \$4.5 million annually are deployed to leverage approximately \$5.8 million more in local, state, federal and foundation

dollars for Solano County’s youngest children, supporting community grants that address the health, well-being, social, cognitive, academic and emotional developmental needs of expectant parents, young children and their families. First 5 Solano also funds activities that promote and support a stronger infrastructure and more effective system of services for children from birth to five years of age.

<b>Budget Summary:</b>	
FY2012/13 Third Quarter Projection:	5,963,012
FY2013/14 Recommended:	6,440,239
County General Fund Contribution:	0
Percent County General Fund Supported:	0%
Total Employees (FTEs):	7.0

**FUNCTION AND RESPONSIBILITIES**

First 5 Solano funds local community and faith-based organizations as well as government agencies and school districts offering programs and services that align with its Strategic Plan Priority areas: Health and Well-Being (prenatal, early childhood mental health and children’s health services); Early Care and Education (child care workforce development, child care quality improvement, pre-Kindergarten academies and child care wraparound services); and Family Support (family resource center and parent education services). First 5 Solano is also implementing a five-year “First 5 Futures” initiative, designed to generate funding from alternative sources to expand and sustain vital young children’s programs. In addition, First 5 Solano directly operates several programs, such as partnering with the business community through the BEST (Business Engagement Strategy Team) Approach, distributing the “Kit for New Parents,” supporting and participating in community events, and pursuing policies that strengthen the infrastructure and safety net of services for children ages 0-5 and their families.

**SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS**

- Implemented the First 5 Commission’s updated Strategic Plan for 2012-2015 with a Program Investment Plan of \$13.8 million to support the Commission’s mission and vision for Solano County’s young children and their families and continue to receive the following impressive program and initiative results:
- Screened, assessed, and referred into appropriate treatment over 700 children at risk for serious mental/developmental needs, lessening the chances and/or severity of future special education and other service needs.
- Applied for Healthy Families America Accreditation, which positions Solano County to be more competitive applying for future federal home visiting dollars.

Christina Arrostuto, Executive Director  
Health

- Kept 250 young children at risk of foster care system involvement safely in their homes and communities through neighborhood-based, multi-disciplinary team home visiting and case conferencing.
- Afforded access to health insurance coverage to almost 1,000 young children with almost 100 of those children supported directly through premium payments.
- Made available a uniform data system (Persimmony) to all contractors to use as a case management system at no cost, and transitioned those contractors onto the system who wished to use the system
- Partnered with the Solano County Fair to make available the Breast Feeding Friendly Express Van at the Solano County Fair, which resulted in providing breastfeeding moms a safe and comfortable location for Fairgoers to breastfeed their children.

**WORKLOAD INDICATORS**

- During the period of July 1, 2012 – June 30, 2013, First 5 Solano managed 42 direct-service contracts for over \$4.6 million, which provided services to approximately 10,000 children and 11,000 parents/guardians, on par with prior years' service levels.
- During the same 12-month period, First 5 Solano's Pre-Kindergarten Academy partners provided pre-kindergarten educational opportunities for 425 children with little or no prior preschool experience.
- First 5 staff collaborated with the Bay Area Early Childhood Funders and Bay Area Council to develop, launch, and fundraise up to \$1 million for a messaging campaign promoting early childhood issues.

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2011/12 ACTUAL	2012/13 ADOPTED BUDGET	2013/14 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
<b>REVENUES</b>					
FIRST 5 SOLANO	4,597,078	4,188,461	4,078,533	(109,928)	(2.6) %
<b>TOTAL REVENUES</b>	<b>4,597,078</b>	<b>4,188,461</b>	<b>4,078,533</b>	<b>(109,928)</b>	<b>(2.6) %</b>
<b>APPROPRIATIONS</b>					
FIRST 5 SOLANO	7,012,849	6,047,194	6,440,239	393,045	6.5 %
<b>TOTAL APPROPRIATIONS</b>	<b>7,012,849</b>	<b>6,047,194</b>	<b>6,440,239</b>	<b>393,045</b>	<b>6.5 %</b>
<b>CHANGE IN FUND BALANCE</b>					
FIRST 5 SOLANO	2,415,771	1,858,733	2,361,706	502,973	27.1 %
<b>NET CHANGE IN FUND BALANCE</b>	<b>2,415,771</b>	<b>1,858,733</b>	<b>2,361,706</b>	<b>502,973</b>	<b>27.1 %</b>

STAFFING	2011/12	2012/13	2013/14	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
FIRST 5 SOLANO	8	7	7	0	0 %
<b>TOTAL STAFFING</b>	<b>8</b>	<b>7</b>	<b>7</b>	<b>0</b>	<b>0 %</b>

**DEPARTMENTAL BUDGET SUMMARY**

The Recommended Budget for First 5 Solano of \$6,440,239 represents a \$109,928 decrease in revenues and a \$393,045 increase in appropriations. The FY2013/14 Recommended Budget represents the second year of implementing the Commission's 2012-2015 Program Investment Plan.

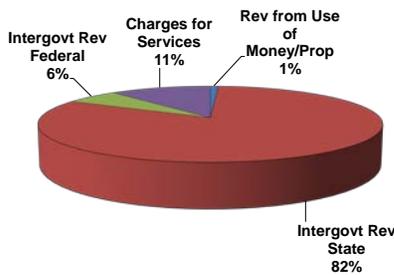
As planned, the primary funding source for First 5 Solano (Proposition 10 Tobacco Tax) is declining. However, community need and benefits of First 5 have continued to grow. To meet this challenge, the Department is focused on a new effort, "First 5 Futures," which is in the fourth year of a five-year plan seeking to sustain services in the community by replacing up to half of First 5 Solano's revenues with alternative sources of funding from other government and foundation grants and business partnerships. To date, the Commission has secured almost \$2.25 million in other revenue sources for community programs.

First 5 Solano’s primary cost centers are grant-funded initiatives and internally-run programs and services. First 5 Solano will continue the second year of a 3-year funding cycle in FY2013/14, with over 40 contracts totaling \$13.8 million over 3 years, for services to children ages 0-5 and their families.

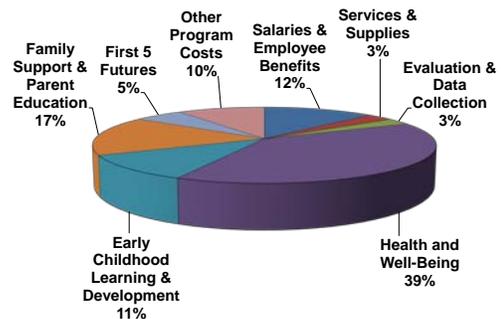
**DEPARTMENTS COMMENTS**

None.

**SOURCE OF FUNDS**



**USE OF FUNDS**



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2011/12 ACTUALS	2012/13 ADOPTED BUDGET	2013/14 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
<b>REVENUES</b>					
Revenue From Use of Money/Prop	85,268	35,751	36,438	687	1.9%
Intergovernmental Rev State	3,545,176	3,652,988	3,344,782	(308,206)	(8.4%)
Intergovernmental Rev Federal	517,870	43,722	241,313	197,591	451.9%
Charges For Services	446,264	456,000	456,000	0	0.0%
Misc Revenue	2,500	0	0	0	0.0%
<b>TOTAL REVENUES</b>	<b>4,597,078</b>	<b>4,188,461</b>	<b>4,078,533</b>	<b>(109,928)</b>	<b>(2.6%)</b>
<b>APPROPRIATIONS</b>					
Salaries and Employee Benefits	896,009	901,883	949,359	47,476	5.3%
Services and Supplies	195,908	141,045	195,916	54,871	38.9%
Other Charges	5,881,883	4,969,373	5,259,238	289,865	5.8%
Other Financing Uses	39,048	34,893	35,726	833	2.4%
<b>TOTAL APPROPRIATIONS</b>	<b>7,012,849</b>	<b>6,047,194</b>	<b>6,440,239</b>	<b>393,045</b>	<b>6.5%</b>
<b>CHANGE IN FUND BALANCE</b>	<b>2,415,771</b>	<b>1,858,733</b>	<b>2,361,706</b>	<b>502,973</b>	<b>27.1%</b>

**SUMMARY OF SIGNIFICANT ADJUSTMENTS**

Proposition 10 tobacco taxes continue to decline as Californians stop smoking. First 5 Solano reinstated several programmatic investments that it had suspended due to the threat of AB99, which would have taken \$8.8 million in Commission funding. Since AB99 was invalidated, First 5 Solano reinstated support for several efforts, including Community Engagement Activities, customization of Kit for New Parents and re-funding of the First 5 Solano Co-Sponsorship of Conferences and Training Fund.

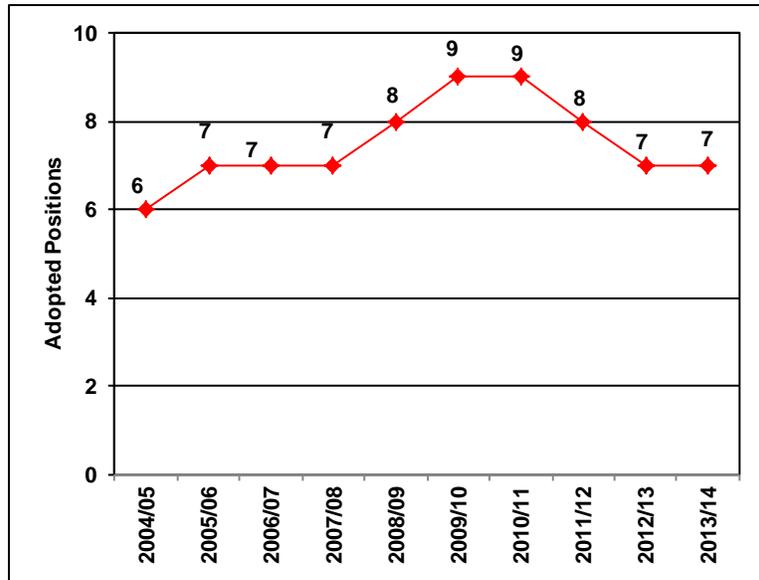
**SUMMARY OF POSITION CHANGES**

There are no changes in the positions allocation.

Christina Arrostuto, Executive Director

Health

**STAFFING TREND**



**PENDING ISSUES AND POLICY CONSIDERATIONS**

Of its \$6.4 million Recommended Budget, First 5 Solano currently holds contracts with Solano County Health and Social Services (H&SS) amounting to about \$1.5 million annually. Thus, significant changes at the state and federal level to health and social services programs could directly impact First 5 programs. There are also significant potential negative impacts for First 5 Solano's direct-service contracts with many city, school district and community partners serving approximately 10,000 children and 11,000 parents/guardians annually.

**Summary of Other Administered Budgets**

**1530 – Fund 153-First 5 Solano  
Christina Arrostuto, Executive Director  
Health**

<b>DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS</b>	<b>2011/12 ACTUAL</b>	<b>2012/13 ADOPTED BUDGET</b>	<b>2013/14 RECOMMENDED</b>	<b>FROM ADOPTED TO RECOMMENDED</b>	<b>PERCENT CHANGE</b>
<b>REVENUES</b>					
1570 GRANTS/PROGRAMS ADMIN	0	222,075	168,969	(53,106)	(23.9%)
<b>APPROPRIATIONS</b>					
1570 GRANTS/PROGRAMS ADMIN	0	222,075	168,969	(53,106)	(23.9%)
<b>NET CHANGE</b>					
1570 GRANTS/PROGRAMS ADMIN	0	0	0	0	0.0%

A summary of the budgets administered by First 5 Solano is provided on the following pages.

**Christina Arrostituto, Executive Director  
Health**

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**DEPARTMENTAL PURPOSE**

On March 27, 2012 the Board of Supervisors transferred oversight and contract management of the Children’s Alliance to the County Administrator’s Office (CAO)/ First 5 Solano. This Budget Unit 1570 was established to track CAO/First 5 Solano’s administration and program cost related to Children’s Alliance and other board of Supervisor approved programs/contributions outside of the scope of First 5 Solano Children and Families Commission.

**FUNCTION AND RESPONSIBILITIES**

The Children’s Alliance was formed by the Board of Supervisors in 1982, with goal of the Children’s Alliance to improve the lives of children in Solano County through education, advocacy, coordination of community services and community-based collaboratives. The Child Abuse Prevention Council is a subgroup of the Children’s Alliance, and informs, trains, and advises the community about keeping children safe from harm. The mission of the Solano County Child Abuse Prevention Council is to ensure the safety, well-being and protection of all children and families in Solano County through effective child abuse prevention and support of intervention and treatment. The Solano Children’s Alliance is staffed through a contractual agreement with the Children’s Network of Solano County. The Children’s Network is responsible to analyzes budgets and policies, makes recommendations to local and state leaders, and apportions funds earmarked for local children and families.

This budget also includes a \$12,500 County Contribution to the Local Child Care Planning Councils (LCCPC) whose mission is to ensure that all families and children in Solano County have access to quality and affordable child care, to ensure adequate funding for all forms of child care services, and to enhance the quality of available care. The LCCPC is primarily funded and operated by the California Department of Education.

In FY2012/13 a one-time contribution of \$50,000 was made to Baby Coach to train volunteer coaches and then pair moms-to-be or moms with newborns. Baby Coach helps new mothers through the last part of their pregnancy, delivery and helps the mom until the child’s first birthday with parent education and support, as well as linking the moms to resources in the community, with the ultimate goal of healthy pregnancies and healthy birth outcomes, and a healthy newborn.

**SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS**

The Child Abuse Prevention Council was separated from the Children’s Alliance, and was merged with the SCA in 2013. This merger required the creation of a new set of Bylaws, including revised membership categories. The new Bylaws, approved by the BOS in April 2013 are designed to fulfill the mission of this merged group and maximize their effectiveness, while ensuring that legal mandates are addressed.

**WORKLOAD INDICATORS**

None.

**DEPARTMENTAL BUDGET SUMMARY**

The Recommended Budget of \$168,969 represents an overall decrease of \$53,106 or 24%, in revenues and appropriations when compared to the FY2012/13 Adopted Budget. The decrease in both revenues and appropriations is due to the one-time General Fund Contribution of \$50,000 to Baby Coach in FY2012/13.

The FY2013/14 Recommended includes a General Fund Contribution of \$152,637 which represents a decrease of \$27,466 from the FY2012/13 Adopted Budget due to the one-time contribution to Baby Coach offset by a full year of funding for Children’s Alliance. In FY2012/13 the Adopted Budget reflected only 9 months of funding for the Children’s Alliance; the initial 3 months were paid through Health and Social Services.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2011/12 ACTUALS	2012/13 ADOPTED BUDGET	2013/14 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
<b>REVENUES</b>					
Charges For Services	0	41,972	16,332	(25,640)	(61.1%)
General Fund Contribution	0	180,103	152,637	(27,466)	(15.3%)
<b>TOTAL REVENUES</b>	<b>0</b>	<b>222,075</b>	<b>168,969</b>	<b>(53,106)</b>	<b>(23.9%)</b>
<b>APPROPRIATIONS</b>					
Services and Supplies	0	209,575	156,469	(53,106)	(25.3%)
Other Charges	0	12,500	12,500	0	0.0%
<b>TOTAL APPROPRIATIONS</b>	<b>0</b>	<b>222,075</b>	<b>168,969</b>	<b>(53,106)</b>	<b>(23.9%)</b>
<b>NET CHANGE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

**SUMMARY OF SIGNIFICANT ADJUSTMENTS**

The Children’s Alliance is funded through a combination of County General Fund and Children’s Trust Fund dollars. The Children’s Trust Fund is supported through birth certificate fees and donations which in recent years the funding has been declining. Children’s Alliance is responsible for making recommendations on the use and appropriation from Children’s Trust Fund.

In FY2011/12 the Children’s Trust Fund appropriation of \$170,744 was allocated as follows: \$69,874 Family Resources Centers (FRC), \$44,908 FRC Coordination (Children’s Network), and \$55,962 Children’s Alliance/CAPC (Children’s Network).

In October 2012 the Children’s Alliance voted to reduce the Children’s Trust Fund Appropriation to \$141,899 and changed the allocations to the following: \$57,151 FRC, \$39,803 FRC coordination and \$44,945 Children’s Alliance/CAPC.

In May 2013 the Children’s Alliance recommended an appropriation of \$126,632 with the following allocations for FY2013/14: \$100,300 FRC, \$10,000 FRC coordination, and \$16,332 for Children’s Alliance/ CAPC. This shift in funding directs \$43,149 of additional funds towards direct services offered through the FRC and helps offset a loss of State and Federal Office of Child Abuse Prevention funding. Funding for FRC coordination was reduced by \$28,803 and funding for Children’s Alliance/CAPC was reduced by \$28,613.

The General Fund Contribution of \$90,137 in the FY2013/14 Recommended Budget for the Children’s Alliance/CAPC is the same funding level as the FY2012/13 Adopted Budget.

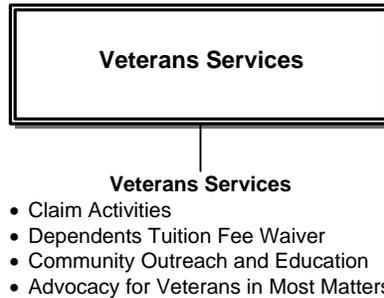
The General Fund Contribution of \$63,739 in the H&SS FY2013/14 Recommended Budget for FRC coordination is the same funding level as the FY2012/13 Adopted Budget.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

The Children’s Network which provides staff support to the Children’s Alliance has informed the County Administrator’s Office that they will be requesting additional funding; however, a written proposal is still pending.

Baby Coach has formally requested \$50,000 in match funding for FY2013/14 to recruit and train an additional 20 volunteer Baby Coaches and Interns to serve at least 30 pregnant/parenting mothers and their infants.

Funding for Baby Coach, Children’s Alliance, Family Resource Centers and other non-county agencies will need to be discussed as a part of the FY2013/14 Supplemental Budget.



**DEPARTMENTAL PURPOSE**

The Solano County Veterans Services Office (CVSO) was established in 1944 by the Solano County Board of Supervisors to assist the men and women who served in the Armed Forces, their dependents and survivors in obtaining benefits from Federal, State and local agencies administering programs for veterans.

<b>Budget Summary:</b>	
FY2012/13 Third Quarter Projection:	450,923
FY2013/14 Recommended:	459,161
County General Fund Contribution:	314,161
Percent County General Fund Supported:	68.4%
Total Employees (FTEs):	4

**FUNCTION AND RESPONSIBILITIES**

The CVSO assists veterans in applying for Monetary Benefit Programs, Survivors' Benefits, Medical Benefits, Educational Programs, Veterans Administration (VA) Life Insurance Programs, State Veterans Homes, Veterans Property Tax Exemptions, Burial Benefits and VA National Cemeteries.

The Office has Veterans Benefits Counselors who are fully accredited by the U. S. Department of Veterans Affairs (DVA), and therefore, able to offer comprehensive benefits counseling, claims preparation and submission, claims monitoring and follow-up, and development and submission of appeals.

**SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS**

- Increased the services provided to active-duty service members as part of the Transition Assistance Program (TAP) at Travis Air Force Base (TAFB). TAP allows the active-duty member to begin the VA claims process prior to separation in order to receive a faster decision on their claims.
- Started bi-monthly visits to Solano County Jail to facilitate outreach to incarcerated veterans. The CVSO assists these veterans in getting released to residential treatment facilities, which is funded by the federal Department of Veteran Affairs, and help plan for the release of inmates so as to start their benefits, housing and medical care immediately upon release. The CVSO has visited over 200 incarcerated veterans in the last year with release plans for all.
- Initiated the Veterans Identification Card process and have issued over 1,400 cards since October 2012. Over 200 claims have been filed as a result of the contact made with veterans applying for this card. No County funding was used in this process as donations and community volunteers were used for this program.
- For FY2011/12, the CVSO obtained new and increased monthly cash benefits from the United States Department of Veterans Affairs in the amount of \$449,235. On an annualized basis this amounts to more than \$5.3 million in new benefit payments. In addition, the CVSO obtained \$4.2 million in one-time benefits, which consists of single and retroactive payments received by veterans or their dependents. Included in these totals was \$42,756 in annualized monthly benefits and \$432,756 in one-time benefits received by individuals who had applied for public assistance grants.

**WORKLOAD INDICATORS**

From January 1, 2012 through March 31, 2013:

- CVSO assisted in filing 3,689 claims that resulted in the award of 2,134 benefits to veterans, their dependents or survivors. These awards resulted in an increase of over \$980,000 in monthly benefits paid, which is more than \$11.5 million on an

**Functional Area Summary**

**5800 – Fund 001-Veterans Services  
Ted Puntillo, Director of Veterans Services  
Veterans Services**

annualized basis. Also, as a result of these claims, over \$6.7 million in retroactive benefits were paid and lump-sum payments of \$625,000 were made.

- CVSO provided 1,234 Disabled Veterans’ Dependents Fee Waivers, which grants a waiver of tuition and fees to the eligible dependents of disabled veterans, for savings of \$6.2 million to the veterans.
- CVSO’s TAP assisted 225 separating service members from TAFB in applying for benefits.

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2011/12 ACTUAL	2012/13 ADOPTED BUDGET	2013/14 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
<b>REVENUES</b>					
VETERANS SERVICES	148,747	145,000	145,000	-	0.0 %
<b>TOTAL REVENUES</b>	<b>148,747</b>	<b>145,000</b>	<b>145,000</b>	<b>-</b>	<b>0.0 %</b>
<b>APPROPRIATIONS</b>					
VETERANS SERVICES	573,350	463,316	459,161	(4,155)	(0.9) %
<b>TOTAL APPROPRIATIONS</b>	<b>573,350</b>	<b>463,316</b>	<b>459,161</b>	<b>(4,155)</b>	<b>(0.9) %</b>
<b>NET COUNTY COST</b>					
VETERANS SERVICES	424,603	318,316	314,161	(4,155)	(1.3) %
<b>NET COUNTY COST</b>	<b>424,603</b>	<b>318,316</b>	<b>314,161</b>	<b>(4,155)</b>	<b>(1.3) %</b>

STAFFING	2011/12	2012/13	2013/14	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
VETERANS SERVICES	4	4	4	0	0 %
<b>TOTAL STAFFING</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>0 %</b>

**DEPARTMENTAL BUDGET SUMMARY**

The Recommended Budget for FY2013/14 of \$459,161 represents no change in revenues of \$145,000, and a decrease of \$4,155, or 0.9%, in appropriations when compared to the FY2012/13 Adopted Budget. As a result, Net County Cost is decreased by \$4,155, or 1.3%.

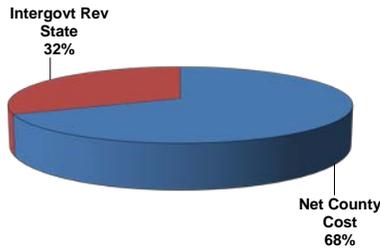
The decrease in appropriations is primarily due to reductions in salaries and health benefit costs; and offset by increases in office expense and postage resulting from the increased claim activity.

The CVSO is primarily funded by the General Fund; however, it should be noted the CVSO brings in millions of dollars that benefit Solano County’s economy. Revenues received come from the State through a Subvention program that provides \$2.6 million statewide to help offset costs to counties for providing services to veterans. This funding is distributed based on individual counties’ workload data. Solano County has consistently ranked in the top 5 or 6 counties for workload, and consequently, for Subvention revenue received. Funding for FY2013/14 is expected to remain at the same level as budgeted for the prior two years.

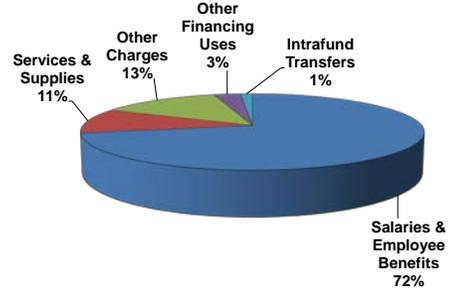
**DEPARTMENT COMMENTS**

The CVSO has concentrated on outreach activities and efforts that increase veteran awareness of the VA benefits that they are entitled to; and thereby, increasing the number of veterans receiving benefits. The end result increases the federal benefit dollars coming into Solano County. In addition, the office uses volunteers and collaborations with the Federal Veterans Administration to assist veterans with no addition cost to the County.

**SOURCE OF FUNDS**



**USE OF FUNDS**



<b>DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY</b>	<b>2011/12 ACTUALS</b>	<b>2012/13 ADOPTED BUDGET</b>	<b>2013/14 RECOMMENDED</b>	<b>FROM ADOPTED TO RECOMMENDED</b>	<b>PERCENT CHANGE</b>
<b>REVENUES</b>					
Intergovernmental Rev State	148,747	145,000	145,000	0	0.0%
<b>TOTAL REVENUES</b>	<b>148,747</b>	<b>145,000</b>	<b>145,000</b>	<b>0</b>	<b>0.0%</b>
<b>APPROPRIATIONS</b>					
Salaries and Employee Benefits	461,729	342,750	329,450	(13,300)	(3.9%)
Services and Supplies	42,143	41,146	48,375	7,229	17.6%
Other Charges	50,879	61,170	61,720	550	0.9%
Other Financing Uses	15,096	13,958	13,616	(342)	(2.5%)
Intra-Fund Transfers	3,503	4,292	6,000	1,708	39.8%
<b>TOTAL APPROPRIATIONS</b>	<b>573,350</b>	<b>463,316</b>	<b>459,161</b>	<b>(4,155)</b>	<b>(0.9%)</b>
<b>NET COUNTY COST</b>	<b>424,603</b>	<b>318,316</b>	<b>314,161</b>	<b>(4,155)</b>	<b>(1.3%)</b>

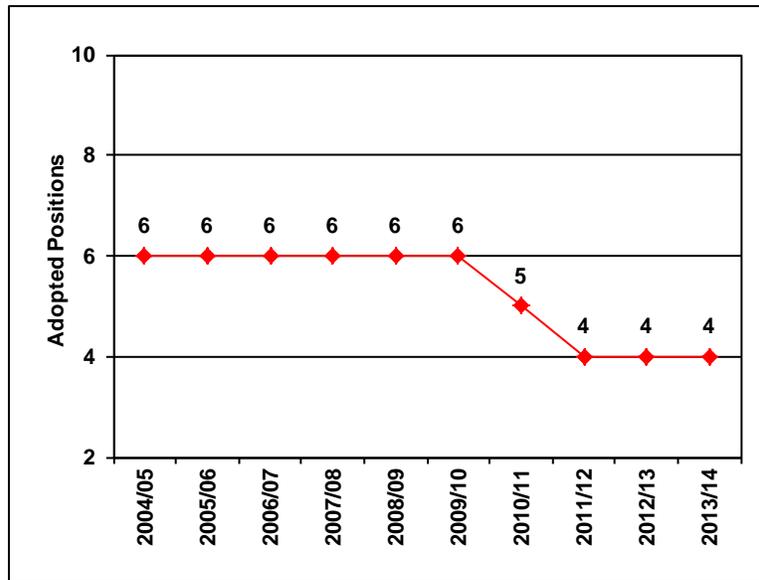
**SUMMARY OF SIGNIFICANT ADJUSTMENTS**

None.

**SUMMARY OF POSITION CHANGES**

There are no changes in the position allocation.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

There are no pending issues or policy considerations at this time.

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