

INFORMATION

TAB SECTION: 1

  X   ACTION REQUIRED:

DATE OF MEETING: 5/23/16

PREPARED BY: Andrej Delich

DATE MATERIAL  
PREPARED: 5/19/16

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AGENDA ITEM: Adoption of the September 16, 2015 Meeting Minutes

ENCLOSURES: September 16, 2015 Meeting Minutes

OTHER MATERIAL RELATED TO ITEM:

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**Issue:**

Enclosed for your review and approval are the minutes from the September 16, 2015 Financial Oversight Committee Meeting.

**Proposed Motion:**

Adopt Meeting Minutes from September 16, 2015 Financial Oversight Meeting.



Mental Health Services  
Oversight & Accountability Commission

**Financial Oversight Committee Meeting  
Minutes**

**Wednesday, September 16, 2015  
12:00 PM – 2:00 PM**

**Mental Health Services Oversight and Accountability Commission  
1325 J Street, 17<sup>th</sup> Floor, Suite 1700  
Darrell Steinberg Conference Room  
Sacramento, CA 95814**

<b>Committee Members:</b>	<b>Staff:</b>	<b>Other Attendees:</b>
John Boyd, Chair	Toby Ewing, Executive Director	Steve Leoni
John Buck, Vice Chair*	Brian Sala, Deputy Director	Jacki Jimenez
Paul Stansbury*	Peter Best	
Jane Adcock*	Carly Holloway	
Stacie Hiramoto	Filomena Yeroshek	
Rusty Selix	Renay Bradley	
Lindsay Walter	Carrie Masten*	
Gordon Richardson*		
Brian Hill*		

\*Participation by phone

Committee Members absent: Gwen Slattery, Debbie Innes-Gomberg, Carol Hood

**Welcome:**

Chair Boyd opened the meeting and welcomed those present.

**Vote: Adoption of July 17, 2015 Meeting Minutes**

Meeting minutes were adopted from July 17, 2015 meeting.

<b>Name</b>	<b>Yes</b>	<b>No</b>	<b>Abstain</b>
John Boyd, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
John Buck, Vice Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Paul Stansbury	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jane Adcock	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stacie Hiramoto	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lindsay Walter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gordon Richardson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Brian Hill	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rusty Selix	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Update: Staff will Provide a Status Report of the Financial Information Gathered as Requested at the July 17, 2015 Financial Oversight Committee meeting.**

Deputy Director Brian Sala presented a power point presentation that reviewed the Innovation Dollar Tracking Tool recently developed by Mental Health Services Oversight and Accountability Commission (MHSOAC) staff.

The global objective is to provide an accessible tool to allow exploration of MHSA funding, expenditures, and balances statewide, by county and component over time.

The tool would allow the general public to access the sources of information. The Department of Health Care Services (DHCS) has released instructions for Fiscal Year (FY) 2013-14 and 2014-15 ARERs. The expectation is to incorporate this data into the tool within a month.

A sample of the tool that would be displayed on the MHSOAC website was presented. It would display several layers of data and allow for filtering by year. Deputy Director Sala requested feedback from the Committee. The following are the comments, including public comment.

- A Committee member asked if this tool will also be available for Prevention and Early Intervention (PEI) funding.
  - Staff replied that yes and the Innovation Tool is just a proof of concept to show that it can work.
- The Committee Chair asked for an implementation timeline. The Co-Chair asked if information is available by county. If so, would there be a footnote as to why one county has a large balance remaining?
  - Director Ewing responded that the first phase will provide information regarding the funds. As of December 2015, county information should be up to date. The next phase is to expand the tool to allow for analysis by providing population information to help stakeholders put the funding in context. The goal is to provide clear financial information and clear programmatic information.
- A Committee member asked if the tool could provide the number of people served in each program.
- Director Ewing stated that this will take a couple of years, but the goal is to add evaluation of outcomes that users can access. We need to link outcomes to population, unemployment, etc.
- A Committee member commented that he is excited about the tool and that it is long overdue. He hopes the tool expands beyond just Innovation and the Mental Health Services Act (MHSA) reporting, but that the MHSOAC works with Department of Health Care Services (DHCS) and Department of Finance (DOF). DOF can provide revenue forecasting. The tool should provide hot links to county websites. If a county disagrees with the information that is reported in the tool, it would have an opportunity to respond.
  - Director Ewing responded that incorporating hot links is part of the plan so that all who want to use the information are empowered to do so.
- Two Committee members commented regarding the importance of the interactive component. Providing graphs and other visuals will be helpful to various stakeholders and will allow for comparison of different counties and regions.
- A Committee member asked if there is a plan to provide narratives on ARERs regarding outcomes on Innovation.

- Director Ewing responded that the goal is that we would be able to see links of expenditures. There are challenges because what is budgeted and spent can differ, as well as the names of projects may change along the way.
- Deputy Director Sala added that the MHSOAC is continuing to work with DHCS on instructions for the ARERs. There are also information technology (IT) challenges and how to manage massive documents.

Prior to the FY 2012-13 ARERs, counties were not asked to report expenditures by source year of funds. We calculate those using a first-in, first-out assumption. We assume interest earnings are attributed to the FY in which they were earned. Running Revenue is the running sum of Proposition 63 deposits. Balance for FY is the unexpended balance for a FY's resources as of the end of our data series. Unexpended Balance is the reported unexpended balance carried over from the prior FY. Reversion is not included in the chart.

- Deputy Director Sala asked for feedback on how to display reversion.
  - A Committee member appreciated that the tool included interest, but interest is not part of the calculations for reversion and it may confuse people.
  - Deputy Director Sala stated that DHCS has not created a policy on interest yet.
  - Director Ewing stated that the goal is to reflect everything on this table and to make the formula transparent of allocations by county. We would like users to be able to click on a word and get an explanation of the word. Currently, we are typing ARER information into this tool. The goal is to move to an auto update mechanism where you can see the sources. We plan to have a few individuals play with the tool to help identify errors prior to going live. We are working with data up to 2013 and hope between now and November that DHCS has provided 2014 instructions to counties. We will not ask counties to provide data. It will take approximately between 24 and 36 months to map the data to programs and outcomes.

### **Possible Future Agenda Items**

The Committee Chair asked if the committee was comfortable supporting the process of building the financial tool and providing feedback over the next few months. Committee members were in agreement that the agenda over the next few months would center on developing this financial tool.

The Committee Chair also stated that the Committee should review the Governor's Budget.

Director Ewing stated that the MHSOAC is talking with DOF about creating an MHSA Administrative Savings Fund with the goal of greater transparency, capture savings for state needs, and to remove the incentive to spend. Per DOF, if MHSA Administrative Funds were not spent, then the money never left the fund and is up for the 95%-5% split again. This is savings that could fulfill an unmet need. This is a conversation the MHSOAC needs to have with the Legislature and DOF.

The Committee Chair asked if other than political, is there collaboration between state recipients of administrative funds. Director Ewing replied that the MHSOAC has formal and informal conversations with DHCS and California Department of Public Health (CDPH).

**General Public Comment**

Steve Leoni asked whether the State Administrative Fund is protected by prudent reserve.

Stacie Hiramoto stated that it was a mystery how the Administrative Funds were allocated. She gave the example of when the Administrative Funds were cut from 5% to 3.5%, which caused the Department of Aging to discontinue certain projects.

**Adjournment**

Meeting adjourned.