

**COUNTY OF SACRAMENTO  
CALIFORNIA**

**23**

For the Agenda of:  
June 15, 2009

To: Board of Supervisors

From: Department of Behavioral Health Services

Subject: Behavioral Health Services Report Back From The June 11, 2009 Budget Hearing  
For SB 90 And FMAP Revenue

Contact: Ann Edwards-Buckley, Director, 875-2002  
Mary Ann Bennett, Acting Director, Division of Mental Health, 875-9904

**BACKGROUND**

The Board requested a report back on the use of SB 90 funds in the Mental Health Division and an explanation on the Department's anticipated amount of Federal Medical Assistance Payments (FMAP) that will be realized and how it will be allocated.

**DISCUSSION**

The Division of Mental Health supplemented the SB 90 Program during Fiscal Year 2007-08 with other funding since the State did not provide timely reimbursement for these claims. During Fiscal Year 2009-10, it is anticipated that the Division will receive \$1,792,383 of SB 90 funding related to Fiscal Year 2007-08. Since these dollars are applicable for services provided in a previous period, which were already funded by the County, the Department has elected to use the additional revenues to supplement services rendered at the Mental Health Treatment Center.

As a result of the Economic Stimulus Bill signed into law by President Obama, the FMAP for the State of California will increase from 50.00% to 61.59%. In regards to the Sacramento County Division of Mental Health, this means that the share of Medi-Cal costs paid by the federal government will increase and the state's and county's share will decrease.

Approximately 65% of the Division's Medi-Cal services are rendered by children that are primarily funded from federal and state (EPSDT) sources. Since children's services are nearly fully funded by federal & state (EPSDT) dollars, we will not derive any benefit from FMAP funding for these programs. The remaining 35% of our Medi-Cal programs are provided to adults who are funded by federal and county funds. The increase in FMAP will directly translate into a savings of county funding during Fiscal Year 2009-10 of approximately \$3.5M to \$4.5M.

However while the Division of Mental Health will realize a gain associated with the FMAP increase during Fiscal Year 2009-10, this benefit is more than offset by the estimated \$10M loss in Managed Care funding.

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Respectfully submitted,

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ANN EDWARDS-BUCKLEY, Director  
Department of Behavioral Health Services

APPROVED:  
TERRY SCHUTTEN  
County Executive

By: \_\_\_\_\_  
JAMES W. HUNT, Acting Administrator  
Countywide Services Agency