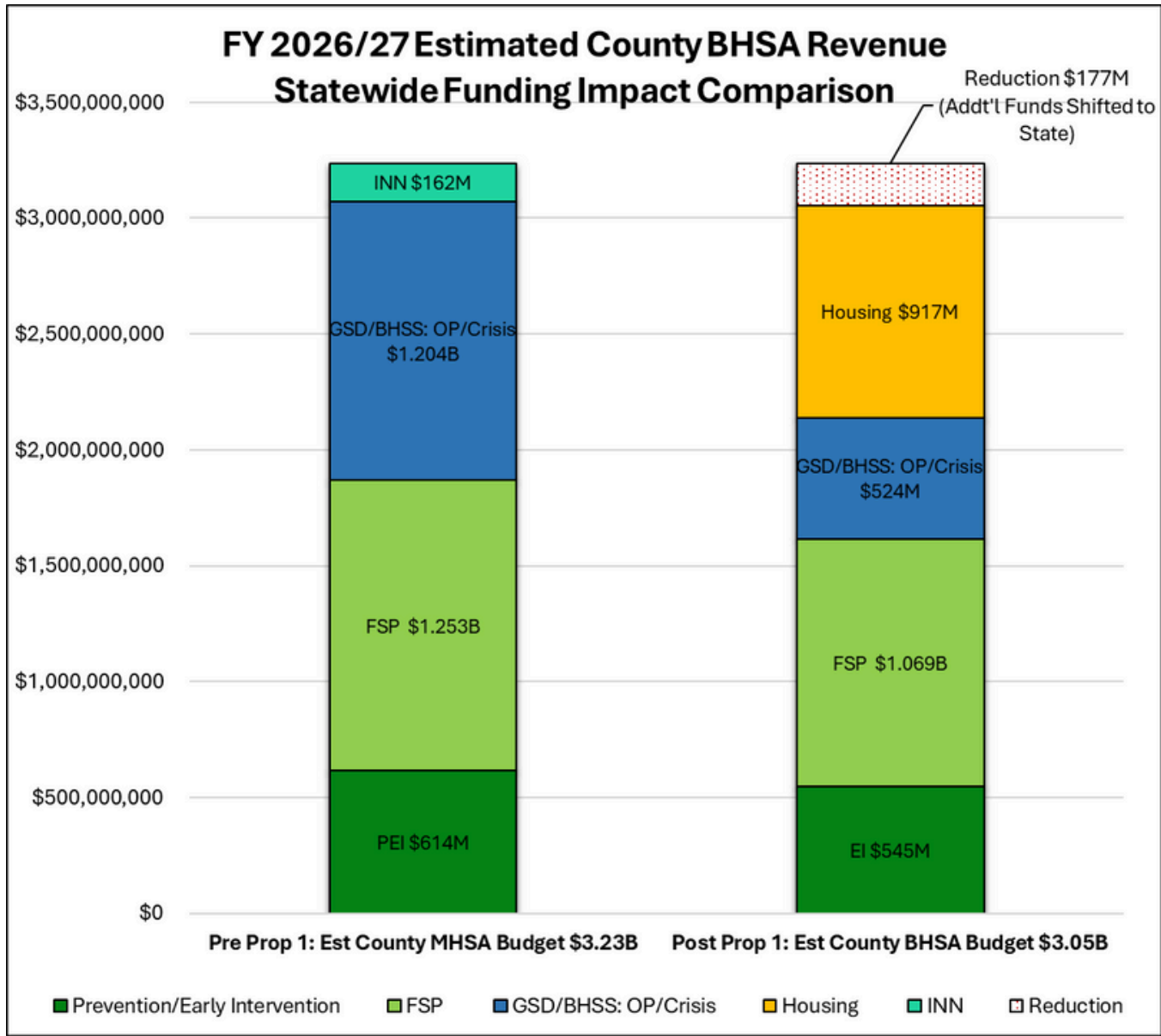


# BHSA FISCAL IMPACT



Comparison of funding categories under the MHSA compared with the BHSA.

**Source:** Department of Finance Estimates



**PEI** = Prevention/Early Intervention  
**FSP** = Full Service Partnerships  
**GSD** = General System Development under MHSA  
**BHSS** = Behavioral Health Services & Supports  
**OP** = Outpatient  
**INN** = Innovation

**Proposition 1** will require counties to report on and be held to a higher level of accountability for all funding sources: 1991 and 2011 realignment, BHSA, and other state and federal funding sources. As shown on the left, due to the BHSA reprioritization of funding, (i.e., required shift to housing approx. \$1B, the addition of substance use disorder services, and requirements to expand the number of evidence based practices to fidelity), the increase in new obligations, increased state control, and less overall funding, is likely to lead to fewer mental health treatment and prevention services for Californians provided by county behavioral health.

Although overall the MHSA revenue has grown over the past 20 years, the additional 5% that is shifting to the state will directly reduce the amount of BHSA funding counties will receive in the future.

With changes in the BHSA that shift population prevention from a county funding priority to the state Department of Public Health, counties will no longer be allowed to use the BHSA for population prevention. Although the state has created opportunities for counties to bring in additional revenues through recent initiatives such as payment reform and BH CONNECT, counties have at the same time had to absorb numerous unfunded mandates such as LPS reforms and Proposition 36. The extent to which counties will be able to make up the loss of \$1 billion in BHSA shifts through these other revenue maximization strategies remains to be seen.