



BUDGET CHALLENGES AHEAD FOR HHSA PROGRAMS

IN THIS ISSUE

The Development of a Financial Crisis	pg 1
Working Together to Preserve Vital Services	pg 2
Carmel's Corner	pg 2
Public Health Lab Services	pg 2
Finding Our Way CFSOS	pg 3
At Home	pg 3
HHSA Main numbers	pg 4

CONTRIBUTING EDITOR
Theresa McNerlin
Information &
Communications Officer



Happy Presidents Day

LEADERSHIP TEAM

- Carmel Angelo
Director
472-2333
- Susana Wilson
Assistant Director
472-2332
- Stacey Cryer
Director, Community Health Services
472-2799
- Mary Elliott
Director, Children & Family System of Care
463-4346
- Susan Era
Director, Adult & Older Adult System of Care
463-7902
- Doug Gherkin
Chief Financial Officer
463-7882
- Pat Meek
Manager, Staff Resources
472-2339
- Marilyn Townsend
Staff Services Administrator
472-2345
- Leatha Andersen
Administrative Secretary
472-2336

The Development of a Financial Crisis

By Doug Gherkin, Chief Financial Officer

It may seem as though a financial crisis hit the Health & Human Services Agency (HHSA), and the County for that matter, completely out of the blue one day. One may ask, "How did we go from a balanced budget to being in a budget crisis overnight?"

In April of 2008, when HHSA submitted its budget, calculations were based on the Fiscal Year 2007/08 actual expenditures and revenue, directives from the County Chief Executive Officer, and direction from the State. By all accounting practices, we had a balanced budget.

Every member of the Health & Human Services Agency Leadership Team (HHSALT) knew the State economy was in trouble, but we had nothing official on which to base any action. Regardless, HHSALT immediately began to reduce expenditures by restricting large purchases, ceasing all building improvements, and restricting employee travel, training, etc., all the while, still not knowing what the final state budget actually would be, or how big the impact on counties.

Agency leadership really had nothing but opinions until November 21, 2008, over six months after the budget was submitted, when the California Department of Finance issued their report stating their projected

Realignment and Vehicle License Fee (VLF) levels for FY 2008/09 were at 5.1% less than the prior year. Later that day, we were advised by a majority vote of all Counties and our contracted integration advisor to project a 5-7% reduction in Realignment revenue. Over 16% of the HHSA budget is funded by Realignment and VLF. Consequently, the decrease in Realignment and VLF can have an enormous effect on many of the programs and staff in HHSA.

With an official State sponsored recommendation regarding the shortfall, we finally had something to work with. But with such late notice in the fiscal year we need to reduce our expenses by a significant level and double our efforts to save the amount necessary to stay within our "new" budget.

HHSALT is doing everything possible to mitigate any loss of staff hours or service provision. HHSA staff is doing their part by taking Voluntary Time Off, covering for vacant positions, and watching with a keen eye any expenditure in their control. Concurrently, the Fiscal department is doing everything it can to find ways to reduce costs and/or maximize revenues. It's going to take hard working staff, strong community partners, and true leadership to get us through the rough years ahead. ✎

The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, so we must think anew and act anew."

-- Abraham Lincoln

Carmel's Corner



CARMEL ANGELO, HHS DIRECTOR

Today our services to our most vulnerable citizens are at risk.

Due to the national economic downturn, the unemployment rate reaching double digits, and the state's overspending and under realized revenue, our county is at risk of losing many community services.

In July 2008, we anticipated a state revenue shortfall of approximately \$1 million for FY 08-09. Since then, the Agency Leadership Team has aggressively been planning and taking action wherever possible to reduce our costs. We've saved \$650,000 by reducing overtime costs, keeping positions vacant, eliminating extra help wherever possible, and reducing travel and other expenses. We still haven't eliminated our projected deficit because it is closer to \$1.5 million.

As we try to balance our check book, we're letting the public know we are planning to close our offices one day a week to help mitigate the deficit. HHS staff will be taking Mandatory Time Off (MTO) and moving to a Monday through Thursday work schedule to help get us in the black. We hope to save \$3000 of utility costs per every day of office closures, along with saving thousands of dollars with MTO.

I would like to thank our community partners for all your support. HHS Leadership and staff appreciate all our partnerships and we know that the community is there to help our clients even when we cannot. Also, I would like to publically thank HHS staff for their unselfishly giving up money out of their own pockets to avoid major lay-offs of their co-workers.

Carmel

"Almost anything is easier to get into than out of."
Agnes Allen, American Writer

ADULT & OLDER ADULT SYSTEM OF CARE

Working Together to Preserve Vital Services

By Susan Era, Branch Director

As part of the HHS Strategic Plan the Adult and Older Adult System of Care (AOASOC) was formed in July 2008. Adult Mental Health Recovery Services joined with Social Services, Adult and Aging Division to form this new System of Care. Right away the integration allowed us to preserve essential mental health outreach services by the creation of the Homeless Outreach Expansion Program. As a result, six Mental Health staff moved into Social Services with no additional cost to Social Services. The staff is to be commended for the smooth transition that occurred without any break in services to our clients. In addition, Alcohol and Other Drug Programs became part of our AOASOC in January 2009. Although we are not yet ready for physical co-location, we will begin that the planning this spring.

At the same time we have been working on integration, reductions in funding to both branches resulted in an inability to fill vacant positions in our branch. Unfortunately, these staffing reductions were not enough to address the decreases in sales tax revenues that fund many of our programs. With the budget reductions

this year, as well as projections for next year, the AOASOC must make some changes in how we provide services to reduce expenditures and address the need for mandatory time off and/or lay-offs. One major change that we are implementing within Mental Health Psychiatric Emergency Services (PES) is elimination of the night shift. There will be on-call coverage, but no staff will be working in the Ukiah Crisis Unit from midnight to 8 AM. This will be a very big change that will reduce spending by over \$150,000 this fiscal year. Management staff is meeting with law enforcement and hospital staff county-wide to plan for a revised Memorandum of Understanding regarding PES operations. There are other program changes being considered to address funding deficits; we will be in communication with our community partners to develop solutions as we plan for AOASOC in 2009/10. These are very difficult times for HHS programs, as well as many of our community partners. So it is essential we continue to work together to preserve vital services to our mutual clients throughout the County. ❧

COMMUNITY HEALTH SERVICES

Mendocino County Public Health Lab Suspended—New Public-Private Partnership Adopted for Laboratory Services

By Stacey Cryer, Branch Director

On January 27, 2009 the Board of Supervisors conducted a public hearing regarding the proposed suspension of services at the Mendocino County Public Health Laboratory. Services will continue through Memorandums of Understanding with Ukiah Valley Medical Center and Sonoma County Public Health Lab. The recommendation to suspend services at the lab was submitted by Community Health Services with the Fiscal Year 2007/08 budget. Although this was a difficult decision, it was considered necessary due to projected decreases in state funding. Since that time, Community Health Services has continued to experience reductions in state allocations, county general fund dollars, and realignment revenues.

A realignment shortfall of \$400,000 is expected for this year. The \$200,000 saved by adopting a new public-private partnership for laboratory services allowed us to maintain other mandated programs within the current year. As we face the ongoing economic downturn in the coming years, we will be challenged to continue developing innovative ways to maximize our resources and continue to serve our community. We embrace the opportunity to work together with our community partners to create positive solutions to the challenges ahead.

"The ultimate measure of a man is not where he stands in moments of comfort, but where he stands at times of challenge and controversy."
—Martin Luther King, Jr.

CHILDREN & FAMILY SYSTEM OF CARE

Finding Our Way Along the Long and Winding Road

By Mary Elliott, Branch Director

In gathering my thoughts to share with the community regarding the current budget crisis, I'm compelled to reflect on ten years of work building a System of Care. The Children's System of Care (CSOC) was launched with funding from the State Department of Mental Health. It focused on redesigning the delivery of service to match the needs of children with serious mental health issues; children who frequently struggled to succeed in school, stay out of the hospital, and out of the criminal justice system. It focused on avoiding out-of-home placements which are frequently out-of-county and distant from community support.

After CSOC was established, Mendocino became a pilot county for Wraparound services. We quickly identified 12 children and their families for intensive, family driven service plans to support success here at home. The Inter-Agency Case Management Team was launched to work together to maximize resources and to review and approve requests for special funds to address needs previously dismissed as impossible. Many of you reading this today were there at those early meetings, sometimes asking for support for grants, sometimes requesting

special funding, and most importantly, bringing ideas on how Mendocino could begin building local capacity to meet the needs of our kids, thereby reducing the need to place them out-of-county, and sometimes out-of-state.

It is distressing to face dismantling or reducing services that we know have improved the lives of our families, but many of these services are at risk due to the budget crisis. When loss of state funding resulted in other counties dropping programs, Mendocino intensified collaborative efforts in order to maintain programs. The tireless work of county staff and the efforts of community partners have resulted in local intensive treatment foster homes, local residential transitional care, expansion of certain mental health services, collective support for foster parents, enhanced parenting classes, school-based services—and really too much to credit in a brief article. Mendocino has truly put the reality of public/private partnership on the map. With the budget challenges ahead, it is our community partnerships and collaborations that I am counting on to get us through this crisis. ❧

AT HOME

By Trayce Beards,
Adult System of Care Coordinator

Imagine working with a client who is homeless, abusing drugs, mentally ill, not Medi-Cal eligible, and has no income. Where would you start? As of January 2009, your answer should be: the AT HOME program. Access to Treatment and Housing Opportunities in the Mendocino Environment, or "AT HOME", is a new Agency program funded by a five year, two million dollar federal grant from the Substance Abuse & Mental Health Services Administration (SAMHSA). Through AT HOME, clients in Ukiah and Willits who are homeless and have co-occurring substance abuse and mental health disorders may be eligible for intensive case management, wraparound services, and integrated alcohol & drug/behavioral health treatment. The program aims to serve up to 60 clients per year.

AT HOME is a partnership between HHS, Mendocino Community Health Clinic (MCHC), Ukiah Community Center (UCC), Willits Community Services (WCS), as well as the broader network of homeless services in Mendocino County. Potential clients will find "no wrong door" when accessing AT HOME services. Regardless of where an eligible person initiates supportive services, staff can refer clients to the AT HOME program through one of the inland community resource centers (UCC & WCS). Clients enrolled in the program collaborate with a case manager to develop a Personal Services Plan with referrals to resources, such as primary health care, housing, and General Assistance. Clients receive substance abuse treatment from Mendocino Alcohol & Other Drug Program and behavioral health treatment from MCHC, with all costs covered by the grant. Treatment includes 1:1 counseling as well as groups co-facilitated by AODP/MCHC staff. Case managers provide ongoing, intensive case management with frequent client contact and direct support.

Professional development and cross training are critical components of AT HOME, with the goals of improving staff competency, encouraging communication between staff, and continuing to integrate AOD and mental health treatment into a comprehensive behavioral health program providing the most effective support for clients.

For more information please contact
Trayce Beards at 467-5887 or
beardst@mcdss.org.



Supervisor Pinches Addresses HHS Employees at the Willits Integrated Service Center Regarding County Budget Crisis



The RuralMurals© Project is a successful alcohol and drug prevention, after-school youth program for middle to high school students in Mendocino County.
www.ruralmurals.com

Mural Painted by
**Boy Scouts
 of America,
 Yokayo Troop #64**

*Displayed at
 Eagle Peak Middle School
 Redwood Valley*

— HHSA MAIN NUMBERS —

	UKIAH	WILLITS	FORT BRAGG
Adult & Older Adult System of Care	(707) 463-7900	(707) 456-3710 or (707) 456-3850	(707) 962-1100
Community Health Services	(707) 472-2600	(707) 456-3800 or (707) 456-3850	(707) 964-4713 (707) 961-2522
Children & Family System of Care	(707) 463-7990	(707) 456-3700 or (707) 456-3850	(707) 962-1100
Employment & Family Assistance Services	(707) 463-7700 or (877) 327-1711 (toll free)	(707) 456-3700 or (800) 771-2453 (toll free)	(707) 962-1000 or (877) 327-1677 (toll free)
Veteran's Services	(707) 463-4226	(707) 456-3792	(707) 964-5823



MENDOCINO COUNTY HHSA
 1120 South Dora Street
 Ukiah, CA 95482