

1991 Realignment

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Overview

- What is 1991 Realignment?
- How does 1991 Realignment work?
- What policy changes have impacted 1991 Realignment?
- What are the impacts on counties?

What is 1991 Realignment?

- 1991 Realignment is the transfer of funding responsibility for approximately \$2.2 billion (at the time) of health, mental health, and social services costs from the state to counties
- In exchange, counties receive dedicated funding sources to cover those transferred costs and some flexibility in spending the funds in order to meet local needs

Realigned Health Programs

Public Health

- AB 8 County Health Services

County Indigent Health Programs

- Welfare and Institutions Code Section 17000 obligation
- Direct health care services provided at county public hospitals and clinics or through contracting with private providers
- Previously funded through state allocations.

Examples

Public Health	Inpatient	Outpatient
Health Education	General Acute Care	Skilled Nursing Facilities
Communicable Disease Control	Rehabilitation	Emergency Medical Services
Maternal Child Health	Jail Health	Health Clinics
Public Health Labs	Long-term Care	Family Planning
Public Health Nursing	Isolation Care	Dental Clinics
Chronic Disease Prevention	Maternity	Pharmacy
Animal Control		
Aging		
Health Screening		

Funding Sources

Sales Tax



Vehicle License Fees

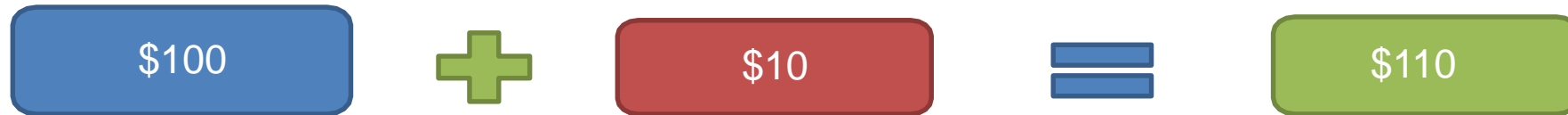
Rolling Base Provision

- “Rolling” base: base funding + growth funding = next fiscal year’s base
- No base restoration – if base funding level is not met in any fiscal year then next fiscal year’s base starts out lower

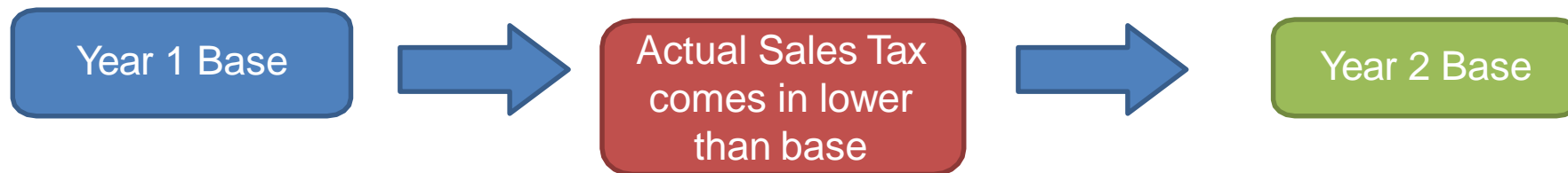
1991 Realignment Base Determination: Base met, growth available



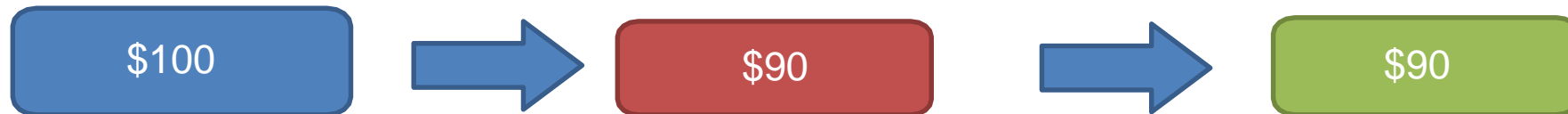
Example:



1991 Realignment Base Determination: Base not met, growth unavailable



Example:



Major Policy Changes

2011
Realignment

AB 85
(2013)

IHSS
Mitigation
(2017)

2011 Realignment

- Realignment of public safety and social services programs
- Dedicated VLF and Sales Tax Funding
- Pushed for greater integration of behavioral health
- No new revenues for health

AB 85

State redirected a significant amount of health realignment in response to the passage of the Affordable Care Act.

Public Hospital Counties	Article 13 Counties	CMSP Counties
Alameda, Contra Costa, Kern, Monterey, Riverside, San Bernardino, San Francisco, San Joaquin, San Mateo, Santa Clara, and Ventura.	Fresno, Merced, Orange, Placer, Sacramento, San Diego, San Luis Obispo, Santa Barbara, Santa Cruz, Stanislaus, Tulare and Yolo.	Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Imperial, Inyo, Kings, Lake, Lassen, Madera, Marin, Mariposa, Mendocino, Modoc, Mono, Napa, Nevada, Plumas, San Benito, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Tuolumne, Yuba
<p>Formula Option: Redirects (Revenues – Cost) x 80%</p> <p>60/40 Option: Redirects 60% of realignment revenues</p>		<p>Counties redirect their jurisdictional risk amount</p> <p>CMSP Board: redirects difference between jurisdictional risk and 60%</p>

IHSS Mitigation

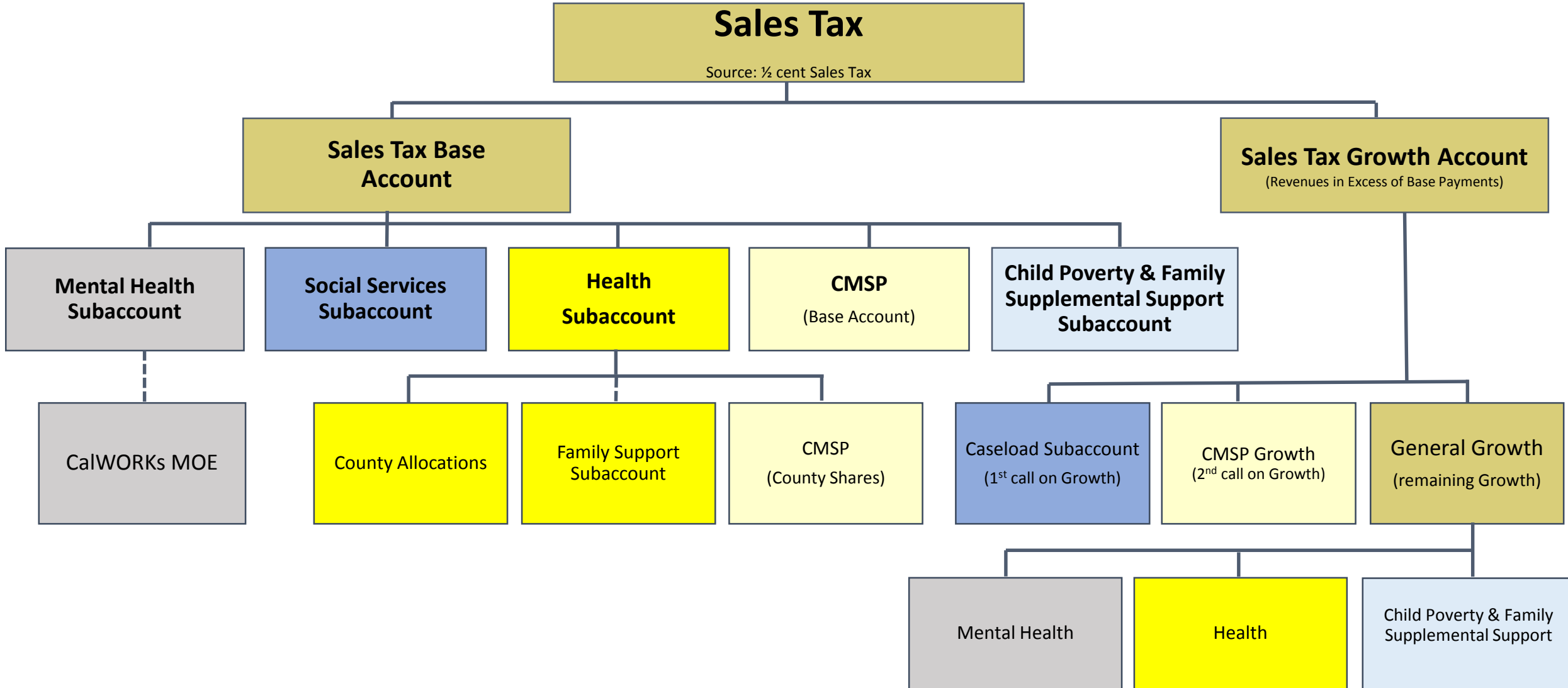
State diverted Sales Tax and VLF growth as part of the county mitigation in response to discontinuing the longstanding county MOE.

- Diverted 100% of 2016-17 Sales Tax Growth
- Diverts 100% of health, mental health and CMSP VLF Growth for 3 years (2016-17 through 2018-19).
- Diverts 50% of health, mental health and CMSP VLF Growth for 2 years (2019-20 through FY 2020-2021).

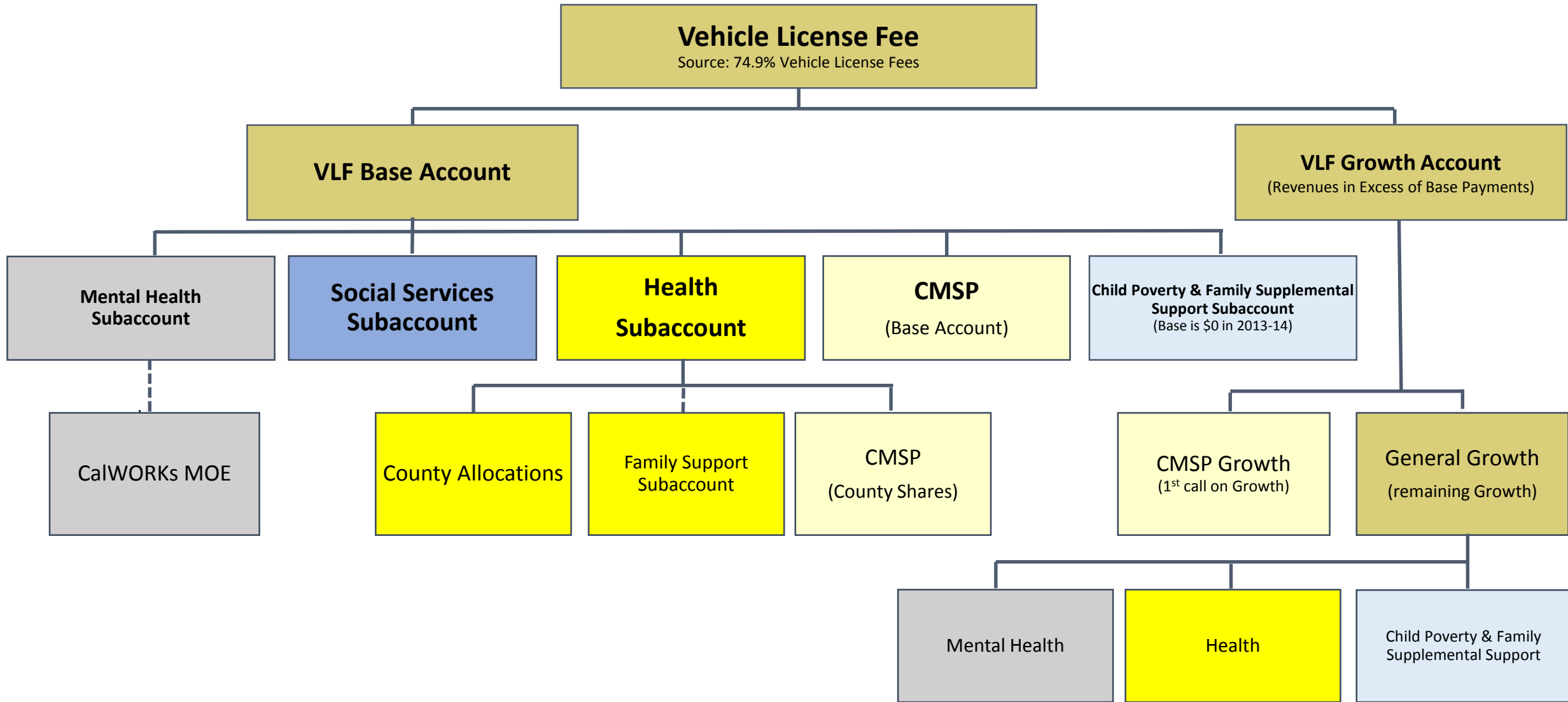
Impacts to Health Funding

- Stagnant and/or slower growth of funds
- Too soon to fully understand impacts of IHSS mitigation
- County projections indicate serious budget challenges facing local health departments
- Less matching funds available to draw down FFP.

1991 Realignment – Sales Tax Distributions



1991 Realignment – Vehicle License Fee Distributions



Questions?

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