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County of San Diego

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DEPARTMENT OF HEALTH SERVICES

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CONFIDENTIAL

TO: Pam Slater, Chairwoman
Board of Supervisors

VIA: David E. Janssen
Chief Administrative Officer

FROM: Robert K. Ross, M.D., Director
Department of Health Services

Yesterday you received a letter from Dr. Timothy Murphy, Chairperson of the Mental Health Advisory Board, regarding proposed budget cuts in Mental Health. The letter and its contents are extremely premature, in that I have not enacted any decisions on proposed cuts for recommendation to the Board.

These mid-year cuts are necessary because the Mental Health division, for the third consecutive year, is on schedule to overspend its budget. In FY 1992-93 and 1993-94, we have accumulated nearly $2 million each year, largely due to overuse of State hospital beds, as well as underrealized realignment revenue. At the end of the first quarter of the current fiscal year, Mental Health Services is on a pace for an accumulated $2 million deficit. Over the past two years, budget surpluses in Environmental Health and Community Health Services have been utilized to offset these deficits in Mental Health. This year, we will not have this luxury, and each Deputy Director will be accountable for avoiding any year-end overdraft. At this point, recommendations to the Board for cuts are still being formulated; we have yet to conceive even a draft board letter.

I informed Dr. Murphy that I will attempt to provide the Mental Health Board with an opportunity to "react" to the Department proposed cuts, once the proposed cuts are finalized.

We will be scheduling a Board Aide briefing within the next week so that Board offices can be informed of recommendations for cuts.

Please feel free to call me with any questions, and I'll be happy to receive any calls from concerned Mental Health providers or consumers during the interim.

Respectfully,

ROBERT K. ROSS, M.D., Director
Department of Health Services

RKR:lr

cc: Supervisor Dianne Jacob
Supervisor Brian Bilbray
Supervisor Leon Williams
Supervisor John MacDonald
Robert Booker
Steve Harmon