The CRDP Monthly webinar will provide tools necessary to elevate/highlight your community needs, identify and explore mental health funding resources and opportunities, and innovatively tell your success story.

Whether you're a community leader, an executive director at an organization, or a clinician, this webinar will be a useful resource for your team and your community.

Knowledge is power.

Join us every 3rd Friday of the month at 11am!
CRDP Webinar Series: Mental Health Funding Part A

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Understanding California’s Public Mental Health Delivery System

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ADRIANA RAMOS-YAMAMOTO, POLICY ANALYST

A PRESENTATION TO:
CALIFORNIA REDUCING DISPARITIES PROJECT
DECEMBER 20, 2019
Goals of the Presentation

• Highlight mental health **disparities in California**

• Review the entities that **administer** and **oversee** public mental health services

• Provide a high-level overview of California’s public mental health **delivery system**

• Describe the **funding sources** for public mental health services

• Highlight the recent **funding trends** for public mental health services
Frequently Used Terms for Mental Health Conditions

- **Mild-to-Moderate**: applies to adults with a condition that causes mild to moderate distress or impairment of mental, emotional, or behavioral functioning.

- **Serious Emotional Disturbance (SED)**: applies to children and youth 17 and under who have, or during the past year have had, a mental, behavioral, or emotional disorder resulting in functional impairment that substantially limits functioning in family, school, or community activities.

- **Serious Mental Illness (SMI)**: applies to adults who have, or during the past year have had, a diagnosable mental, behavioral, or emotional disorder resulting in functional impairment that interferes with major life activities.
Serious Mental Illness Is More Common Among Adults Living in Poverty

Serious Mental Illness Among Californians Age 18 and Older by Income, 2015

- Below 100% FPL: 8.9%
- 100%-199% FPL: 6.3%
- 200%-299% FPL: 3.6%
- 300%+ FPL: 1.9%

FPL = Federal Poverty Line
Source: Data provided by Charles Holzer and Hoang Nguyen
Serious Mental Illness Among Adults Is Highest for Native Americans
Serious Mental Illness Among Californians Age 18 and Older by Race/Ethnicity, 2015

Source: Data provided by Charles Holzer and Hoang Nguyen
Serious Emotional Disturbance Is Most Common Among Children and Youth in Families Living in Poverty

Serious Emotional Disturbance Among Californians Under Age 18 by Income, 2015

- Below 100% FPL: 10.0%
- 100%-199% FPL: 8.0%
- 200%-299% FPL: 7.0%
- 300%+ FPL: 6.0%

FPL = Federal Poverty Line
Source: Data provided by Charles Holzer and Hoang Nguyen
Serious Emotional Disturbance Is Highest for Black, Latinx Native American, and Pacific Islander Children and Youth

Serious Emotional Disturbance Among Californians Under Age 18 by Race/Ethnicity, 2015

Source: Data provided by Charles Holzer and Hoang Nguyen
California’s public mental health services are governed by federal, state, and local entities.
Governance of California’s Public Mental Health Services

**Federal**
- Centers for Medicare & Medicaid Services
- Substance Abuse and Mental Health Services Administration

**State**
- Department of Health Care Services (DHCS)
- Mental Health Services Oversight and Accountability Commission
- California Behavioral Health Planning Council

**County**
- County Boards of Supervisors
- Local Mental Health Advisory Boards
California’s public mental health system provides services to people with and without Medi-Cal coverage.
Key Elements of California’s Public Mental Health System

Medi-Cal
Mental Health Services*

Medi-Cal Managed Care

Uninsured
Mental Health Services
(Limited)

Medi-Cal
Specialty Mental Health
Services

Counties

Fee-for-Service Medi-Cal

* Medi-Cal managed care plans provide services to adults age 21 and older with mild-to-moderate conditions. For children and youth under age 21, Medi-Cal managed care plans must provide medically necessary non-Specialty Mental Health Services regardless of the severity of the impairment.
Medi-Cal Managed Care Plans (MCPs) and Fee-for-Service (FFS) Medi-Cal

- Mental health services are provided to:
  - Adults with mild-to-moderate mental health conditions
  - Children who qualify for medically necessary non-Specialty Mental Health Services regardless of the severity of impairment

- Among the services provided are 1) services within primary care provider’s scope of practice, 2) psychotherapy, 3) psychological testing, and 4) medication management
Public Mental Health Services Provided at the County Level

- County mental health services include:
  - Medi-Cal Specialty Mental Health Services for children and adults
  - Mental Health Services Act (MHSA) programs for children and adults
  - Safety net mental health services for low-income Californians without health coverage

- Counties deliver services through:
  - County-owned and -operated facilities
  - Contracts with hospitals, clinics, private practitioners, etc.
 Counties Provide Medi-Cal Specialty Mental Health Services

• Specialty Mental Health Services are:
  — “Carved out” of the broader Medi-Cal program
  — Administered by DHCS under 1915(b) waiver
• DHCS contracts with county mental health departments
• Services include 1) therapy, 2) crisis intervention and stabilization, 3) psychiatric services, and 4) day treatment and rehabilitation
Mental Health Services Act (MHSA) Programs Delivered at the County Level

• Proposition 63 (2004): Created a 1% surtax on personal income above $1 million to provide increased funding for mental health services
  – Counties have some flexibility in how to use these funds

• Core components:
  – Community services and supports
  – Facilities and technology
  – Workforce education and training
  – Prevention and early intervention
  – Innovation projects
Safety Net Mental Health Services

• Counties provide safety net mental health services to uninsured Californians

• Services are similar to Medi-Cal Specialty Mental Health Services and are provided to the extent resources are available

• Counties also provide crisis services to all residents regardless of insurance status
Funding for public mental health services comes from multiple sources.
Key Elements of California’s Public Mental Health System

Medi-Cal Mental Health Services*

Medi-Cal Specialty Mental Health Services

Uninsured Mental Health Services (Limited)

Medi-Cal Managed Care

Counties

Fee-for-Service Medi-Cal

Federal Funds

State General Fund

Realignment Funds

Mental Health Services Fund

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Funding Sources for Public Mental Health Services

- **Federal Funds**
  - Medicaid
  - Community Mental Health Services Block Grant
- **State Funds**
  - 1991 and 2011 Realignment
  - Mental Health Services Act (MHSA)
  - General Fund
- **County Funds**
  - Local property taxes, grants, etc.
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Funding for County-Provided Mental Health Services in California Primarily Comes From the State
2017-18 State and Federal Funding*

* Does not include state General Fund support or county funding for public mental health services, which constitute a relatively small share of overall funding. Does not sum to 100 due to rounding.
Source: Mental Health Services Oversight and Accountability Commission
Funding for California’s public mental health services has increased in recent years.
Public Mental Health Funding in California Is on the Rise

Change in Inflation-Adjusted State and Federal Funding Since 2012-13, Dollars in Billions

* 2018-19 estimated and 2019-20 projected as of the Governor’s proposed budget.
Note: Does not include state General Fund support or county funding for public mental health services. Figures are inflation-adjusted to 2019-20 dollars.
Source: Mental Health Services Oversight and Accountability Commission
Introduction to Funding Implementation Challenges

Carolina Valle, MSW
Policy Manager, CPEHN
Goals of the Presentation

• Review limitations of oversight entities
• Provide a high-level overview of funding limitations
• Discuss implementation challenges
Limitations of Funding Sources

- Medi-Cal
- Realignment
- Mental Health Services Act
- Medi-Cal Expansion
Limitations of Funding Sources

Medi-Cal
Made specialty mental health services an entitlement
Expanded Medi-Cal mental health services

Problems
Does not serve all undocs
Counties often prioritize most severe
Costs based reimbursement
**Limitations of Funding Sources**

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**Realignment**
- Shifted responsibility to counties
- Increased funds

**Problems**
- Counties use funds differently
- Today, funds are diminishing

**Los Angeles County**
**Alameda County**
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    - **Los Angeles County**
    - **Alameda County**

**Mental Health Services Act**
- Significantly expanded funding for mental health services
- Laid out vision to support underserved
- Problems
  - Funding source only
  - Not an entitlement program
  - MHDOAC poor oversight
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**Medi-Cal Expansion**
- Expanded benefits
- Medi-Cal Managed Care Fee for Service
- Problems
  - Lack of knowledge about benefit
  - Low utilization among diverse communities
  - Managed care plans do not partner with CBOs
Mental Health Services Oversight Structure

- California Health and Human Services Agency
  - DPH
    - Office of Health Equity
      - CDEPs
  - DHCS
    - Counties
    - Medi-Cal Managed Care Plans
  - Mental Health Services Oversight and Accountability Commission
    - Counties
    - Stakeholder Contracts
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<tr>
<th>Medi-Cal</th>
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Counties often prioritize most severe  
**Advocacy Pressure Points**  
Cal-AIM (Waiver) | **Realignment**  
Shifted responsibility to counties  
“so long as resources are available”  
Recognized mental health needs of undocs  
**Problems**  
Counties use funds differently  
Today, funds are diminishing  
**Los Angeles County**  
**Advocacy Pressure Points**  
County Budget Process  
*Alameda County** | **Mental Health Services Act**  
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2020 Procurement Process |
Introduction to Strategic Advocacy Points to Address Funding and Implementation Challenges in 2020

- **Medi-Cal**
- **Realignment**
- **Mental Health Services Act**
- **Medi-Cal Expansion**

**Advocacy Pressure Points**
- **Cal-AIM (Waiver)**
- **Advocacy Pressure Points**
  - County Budget Process
  - *Alameda County*
- **Advocacy Pressure Points**
  - Possible Ballot Initiative on MHSA
- **Advocacy Pressure Points**
  - 2020 Procurement Process

- [https://www.dhcs.ca.gov/calaim](https://www.dhcs.ca.gov/calaim)
- Your County Department of Finance
- [remhdco.org](http://remhdco.org)
- [www.dhcs.ca.gov/services/Pages/ManagedCareAdvisoryGroup.aspx](http://www.dhcs.ca.gov/services/Pages/ManagedCareAdvisoryGroup.aspx)
Discussion and Questions
Thank you! For more info:

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