Department of Health Care Services

County Alcohol and Drug
Program Administrators of California

California Mental Health
Director's Association

May 24, 2013

To California Stakeholders

This letter accompanies the release of a report entitled "Stakeholder Recommendations for Mental Health and Substance Use Disorder Services". With financial support from The California Endowment, the Department of Health Care Services (DHCS) commissioned the California Institute for Mental Health (CiMH) and the Alcohol and Drug Policy Institute (ADPI) to conduct a stakeholder engagement process that would identify priorities to help the Department prepare for its new and forthcoming responsibilities in the fields of community mental health and substance use disorders. DHCS is pleased to receive and share this report with all interested stakeholders.

CiMH and ADPI have delivered this report to DHCS, the California Mental Health Directors Association (CMHDA) and the County Alcohol and Drug Program Administrators Association of California (CADPAAC) and the associations' membership. County acknowledgement and participation in implementation is critical given their statutory role in the delivery of community mental health and substance use disorder services and their business relationship with DHCS. Most of the recommendations contained in this report have a direct effect on the counties as much as the State and counties will need to work in partnership with the State to analyze, prioritize and implement these recommendations, as feasible and appropriate. This letter describes the rationale for initiating this stakeholder process and the commitment and plan for DHCS and its county partners to take action for implementation.

DHCS began the initial work for this stakeholder process in early 2012 with encouragement from legislative staff and stakeholders after several budget actions initiated the transfer of major responsibilities to the department. The three most recent budget processes (2011-12, 2012-13 and 2013-14) have resulted in legislation to move community mental health and substance use disorder programs to DHCS. (For a full description of these actions, please see Enclosure 1.) As the single state agency for Medicaid, DHCS already had important linkages with the former Department of Mental Health (DMH), which administered Medi-Cal specialty mental health services and with the Department of Alcohol and Drug Programs (DADP), which administered the Drug Medi-Cal program; however, it did not directly administer the programs at the time that the Administration proposed the transfers. The enactment of the Administration's reorganization proposals for FY 2011-12, FY 2012-13 and FY 2013-14 has brought and will bring new responsibilities to DHCS and also offers significant opportunities and challenges for the administration of the newly acquired programs. These new and emerging responsibilities also come at a time of major change under federal health care

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reform, significant changes to the Mental Health Services Act and implementation of 2011 Realignment for Medi-Cal specialty mental health services, Drug Medi-Cal and other alcohol and drug treatment programs. In light of these important issues, it has been imperative that DHCS obtain input from stakeholders on priorities as it proceeds with its administration of these programs and functions.

The accompanying document represents the results of this stakeholder process. CiMH and ADPI have organized the stakeholder input into a framework that has three goals: strengthen the overall delivery system, develop a coordinated and integrated system of care, and create a coordinated method for data collection and evaluation to ensure excellence in care and improved outcomes. The three goals incorporate overarching core values of person-centered care; emphasis on wellness, recovery and resilience; cultural inclusion and competency; stakeholder communication and engagement; and achievement of the triple aim framework to improve population health, provide better care for individuals and reduce costs through improvement. Each of the three goals has several strategies for implementation and multiple recommendations to achieve them.

Stakeholders have provided a rich pool of input from which DHCS and its county partners can draw recommendations for action. However, it is not possible for DHCS and its county partners to determine at this point whether all recommendations are feasible, nor would it be possible to work on all recommendations at once. DHCS, CMHDA, CADPAAC and their members have agreed upon a process by which to analyze the stakeholder input and then prioritize and implement the recommendations, as feasible and appropriate.

- First, DHCS and its county partners will meet to determine the first set of recommendations to address. DHCS will post and distribute this first list, obtain any comment on the list and invite recommendations for priorities for future lists.

- Next, DHCS and the counties will identify staff resources to work on each of the prioritized issues and agree on a process to move forward. Many of the items will require engagement with stakeholders and in the earliest possible stage of working on each issue, DHCS and the counties will seek stakeholders to assist as necessary.

- DHCS and the counties will have regular quarterly check-ins on progress to implement these recommendations and determine when it is appropriate to add new items. DHCS will publicly share this information by posting on its website and providing updates to stakeholders.

DHCS, CMHDA and CADPAAC jointly commit to working together in the short and long term to assess and implement the recommendations contained in the attached report. We also commit to stakeholder engagement and look forward to working in partnership to administer an efficient and responsive delivery system for providing critical mental health and substance use disorder services to those who need them.

Sincerely,

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Enclosure