



State of California—Health and Human Services Agency
Department of Health Care Services



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DIRECTOR

GAVIN NEWSOM
GOVERNOR

DATE: January 5, 2022

Behavioral Health Information Notice No: 22-001

TO: California Alliance of Child and Family Services
California Association for Alcohol/Drug Educators
California Association of Alcohol & Drug Program Executives, Inc.
California Association of DUI Treatment Programs
California Association of Social Rehabilitation Agencies
California Consortium of Addiction Programs and Professionals
California Council of Community Behavioral Health Agencies
California Hospital Association
California Opioid Maintenance Providers
California State Association of Counties
Coalition of Alcohol and Drug Associations
County Behavioral Health Directors
County Behavioral Health Directors Association of California
County Drug & Alcohol Administrators

SUBJECT: Use of Mental Health Services Act (MHSA) Funds for Prevention and Early Intervention Programs.

PURPOSE: To notify counties of the passage of AB 638, which broadens Prevention and Early Intervention (PEI) services and activities to include strategies for substance misuse or substance use disorders(SUD).

REFERENCE: [Assembly Bill \(AB\) 638](#) (Chapter 584, Statutes of 2021) and [Welfare and Institutions \(W&I\) Code section 5840](#).

BACKGROUND:

On October 10, 2021, AB 638 was chaptered into law, amending W&I Code section 5840 to allow PEI-funded services and activities to be used to broaden the provision of community-based mental health services to include strategies that address substance misuse or SUDs, and needs relating to co-occurring mental health and substance use services. AB 638 becomes effective January 1, 2022.

POLICY:

PEI programs are intended to prevent mental illnesses from becoming severe and disabling by intervening early in the onset of mental health needs with timely access to preventative services and supports, educational activities, and appropriate interventions. PEI programs and strategies include those identified in [Title 9, California Code of](#)

[Regulations \(CCR\), Article 7](#). W&I Code section 5840 (d) requires each PEI program emphasize strategies to reduce the following negative outcomes that may result from untreated mental illness:

- (1) Suicide.
- (2) Incarcerations.
- (3) School failure or dropout.
- (4) Unemployment.
- (5) Prolonged suffering.
- (6) Homelessness.
- (7) Removal of children from their homes.

This bill permits counties to include PEI strategies that address substance misuse, SUDs, and needs relating to co-occurring mental health and substance use services as authorized PEI expenditures. In order to bring about intended outcomes, PEI programs and strategies are required to be implemented through evidence-based practices, community-based and/or practice-based evidence standards and/or promising practices. The use of PEI funds for these purposes provides counties with additional flexibility in addressing the behavioral health care needs in their communities and promotes an integrated approach to MHSA funded services that may ensure individuals receive timely and appropriate behavioral health care.

SB 638 also builds upon previous legislation authorizing the use of Community Services and Supports, PEI, and Innovation component funds to provide SUD treatment to children, adults, and older adults when they have co-occurring mental health and SUD conditions (see [BHIN No: 20-057](#)).

In order to use MHSA funds for PEI strategies that address substance misuse or SUDs, or needs relating to co-occurring mental health and substance use services, a county must comply with all applicable MHSA requirements, including the community program planning process and identifying the PEI strategies and programs to be implemented in their three-year program and expenditure plan or annual update.

Questions regarding this Information Notice may be sent to MHSA@dhcs.ca.gov.

Sincerely,

Original signed by

Marlies Perez, Chief
Community Services Division