



MEDI-CAL TRANSFORMATION: BEHAVIORAL HEALTH

The Issue

California's focus on improving its behavioral health system is driven by the stark inequities in access to health care by race, ethnicity, and income. The COVID-19 public health emergency amplified these inequities:



Worsened existing gaps
in the care continuum



Dramatically expanded the demand for
behavioral health services



Worsened existing gaps in the
care continuum

The pandemic also highlighted the importance of integrated, whole person care that takes into account a member's physical, behavioral, and dental health as well as their social and economic circumstances. Prepandemic California faced a rising prevalence of mental health issues and substance use disorders, and new pressures on the state's public behavioral health system.

- » Nearly 1 in 20 California adults (4.5 percent) is living with a serious mental illness and more than twice as many have a substance use disorder (nearly 1 in 10 or 9.2 percent).
- » Among Medi-Cal members, 8.1 percent are living with a serious mental illness, substantially more than those on any other type of insurance.
- » As of July 2020, nearly half (50 percent) of all Californians reported symptoms of generalized anxiety disorder or major depression tied to the public health emergency, with a disproportionate impact on under-resourced communities.
- » The rates of substance use disorders, overdoses, and death remain high, increasingly driven by fentanyl, including its use in combination with methamphetamine and other substances as well as its unintentional use by individuals using adulterated methamphetamine and other substances. San Francisco General Hospital reports that half of psychiatric emergency room admissions are methamphetamine-related.
- » Among individuals who are justice-involved, rates of serious mental illness and substance use disorder remain high.

Faces of Medi-Cal's Transformation: Meet Sandra and Natasha

Sandra is a single mother of two teenagers—Natasha and Dominic. During the COVID-19 pandemic, Natasha began showing signs of depression. Sandra became increasingly concerned as her daughter expressed suicidal thoughts. She reached out to Natasha's pediatrician who referred the family for treatment. Sandra was also assessed and diagnosed with anxiety and offered food assistance given her

income level and loss of hours at her job during the pandemic. The entire family now participates in a treatment plan, including one-on-one counseling for Natasha, dyadic therapy (joint counseling) with Natasha and Sandra, and anxiety medication for Sandra. Both Sandra and Natasha are improving, and the family is enjoying spending time together again.

The Positive Impact of Medi-Cal's Behavioral Health Initiatives

California is taking major steps to improve access to mental health and substance use disorder services overall and specifically for those insured through Medi-Cal:

- » Establishing a “no wrong door” approach for members to quickly and easily access mental health and substance use disorder services, regardless of the delivery system where they initially seek care. Statewide screening and transition tools are standardized and barriers to care are reduced by streamlining criteria for accessing services.
- » Offering intensive, community-based care coordination for members living with serious mental illness, substance use disorder, or serious emotional disturbance through Enhanced Care Management.
- » Providing Community Supports (e.g., housing supports, sobering centers, or day habilitation) if offered by the member's managed care plan.
- » Modernizing reimbursement for providers to incentivize outcomes and quality over volume and cost.
- » Clarifying that children can receive family therapy services without a diagnosis and expanding use of dyadic therapy (i.e., treatment delivered to a parent and child simultaneously).
- » Helping counties optimize resources through collaborative and regional administration and delivery of specialty mental health and substance use disorder services.
- » Funding development of critical infrastructure to expand the continuum of behavioral health services in the community (e.g., mobile crisis, wellness centers, residential, acute psychiatric).
- » Offering members incentive rewards and payments for positive behavioral changes through a significant contingency management pilot program. Contingency management is a promising, evidence-based treatment for stimulant use disorder that requires abstinence from stimulants as part of comprehensive treatment programs.
- » Streamlining the administration of substance use and mental health services to address the reality that many people live with both mental health and substance use disorders, and to support integrated care delivery.
- » Creating a new model of care for foster children and youth, with a strong emphasis on behavioral health services and care coordination, aligned with national reform efforts.
- » Preparing to submit a Medicaid 1115 waiver (Serious Mental Illness/Serious Emotional Disturbance Demonstration) to strengthen the behavioral health continuum of care, including through broader use of community-based and inpatient care for mental health issues.

These behavioral health care delivery system and programmatic administration improvements will strengthen the state's behavioral health continuum of care, including the mental health and substance use disorder systems, promote better integration with physical health care, and improve access and outcomes for all Californians.

