Navigating the Currents:
A Guide to California’s Public Mental Health System
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Introduction

Knowledge is a process of piling up facts; wisdom lies in their simplification.

— Martin H. Fischer

Over the past decade, California has emerged as a leader in developing innovative ways to fund and deliver public mental health services. From the passage of Proposition 63, the Mental Health Services Act, to unique cooperative efforts among mental health and correctional systems, California has pioneered model programs for success.

Although the public mental health system serves approximately 460,000 Californians, mental health stakeholders continue to identify challenges and opportunities to improve the ability of clients, families, and professionals to access the services they need. The development of this publication, Navigating the Currents: A Guide to California's Public Mental Health System, was a collaborative project led by the California Association of Local Mental Health Boards and Commissions, and Eli Lilly and Company. The concept for the publication grew from the need to compile information on a variety of topics critical to understanding California's mental health system into a single resource.

The Guide provides insight into the organization and complicated structure of our state's mental health system and chronicles its complex history. This comprehensive overview of California's mental health system is divided into five sections:

• **Section I** covers a brief history of California's mental health care system and details the dramatic transformation that has taken place through policy implementation over the last 20 years.

• **Section II** explains the structure of mental health services, the roles and responsibilities of state and local governing bodies, and the allocation of funding.

• **Section III** dives deeper into the system of care at the county level, explaining the structure of county government and the interaction among county supervisors, mental health commissioners, and local organizations, agencies and programs.

• **Section IV** assesses the status of mental health care in California as of 2007 and the current mental health issues facing consumers, providers, legislators, and stakeholders related to treatment access, public attitudes, funding and insurance.

• **Section V** provides the full language of the policies that have reshaped California's mental health system and additional references for background purposes.

Navigating the Currents: A Guide to California's Public Mental Health System was developed to create a deeper understanding of California's mental health system among county supervisors, legislators, board members, commissioners, and other elected officials as well as mental health professionals, advocates, family members, clients and the media. The publication also addresses three important mental health care issues:

1. What constitutes the goal of California's public mental health system, and what does the system seek to accomplish?

2. Which organizations and agencies at the state, county and local levels have been tasked with accomplishing that goal, and what are their respective roles and responsibilities?

3. Which government and community entities have been charged with ensuring that progress is made toward the goal, and what strategies are available for assessing progress and supporting system improvement?

This Guide will have served its purpose if its contents can help policymakers, individuals and organizations involved with California's public mental health system continue to break new ground in providing effective mental health care to all Californians in need.

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SECTION I: Historical Background

“Sociologists contend that the basic humanity of a society can be measured by how it treats its vulnerable populations. People who suffer from mental illness are one such vulnerable group. The early history of American policy toward people with mental illness was at best neglect, and at worst, punitive and cruel. Only in recent decades has progressive policy been evident. Current California policy does provide a basis for optimism for improved attitudes and improved services for people with mental illness, though not necessarily improved funding.”

The evolution of health care services for Californians with mental illness is a complex story of issues and challenges, involving both public attitudes and public resources. Over time, increased awareness and a better understanding of mental illness, a greater willingness to improve the situation, and cooperation among policymakers, providers, and citizens, have resulted in many changes in the delivery of services for children and adults with mental illness in California.

CHAPTER 1. MURKY WATERS: 1850–1960

State Mental Hospitals
The state's mental health system has certainly progressed since the days where mentally ill criminal offenders could be detained indefinitely by law or when the chronically addicted led appalling lives in jails or workhouses. As early as the 1850s, California began to build large public mental health institutions called “asylums” that were designed to care for individuals with mental illness more humanely. Other states were also separating mental health treatment from other public health care at this time. The typical state asylum was built on public land in rural areas, far away from any towns. Food for the institution's residents, referred to as “inmates,” was grown on the land surrounding the facility. The idea was to provide a secure haven for individuals with mental illness, protect them from the harsh reality of community life, and keep them out of sight.

Thus, in the 19th century, municipalities in California shifted most of the costs and problems of caring for people with mental illness to state institutions. Patients whose wealthy families could afford better care were housed in secluded private facilities. But for many years, most care for behavioral health disorders would take place in large state facilities. In fact, virtually no community mental health was provided except for individuals who were jailed before being institutionalized, until the 1960s. By the 1950s, all five existing state mental hospitals were overcrowded, with one doctor for every 300 patients. Options considered to relieve the overcrowding situation included deportation, parole, probation, and even sterilization.

Access to mental health treatment also depended on one's economic status. Private health insurance, which had been created primarily to address the high costs of hospitalization, did not cover behavioral health disorders. Patients who could not pay out of pocket for services were forced to rely on public sector programs. Those of means could obtain private medical treatment, and most psychiatrists treated self-pay patients. The few employer-paid benefit packages available at the time did not include coverage for mental illness. Behavioral health benefits did not become widespread in employers' group health plans until the post-World War II era of the 1950s, as veterans returned to work and labor unions sought to include general health and behavioral health benefits along with pay increases.

Thus, under the traditional state system, most individuals requiring public mental health services were treated for lengthy periods in state hospitals at taxpayer expense. Those diagnosed with a mental illness were historically “locked away” and might be subjected to electric shock therapy or frontal lobotomies. Later, they may have been forced to accept heavy medication. Most had limited contact with the general population and little hope for recovery.

Deinstitutionalization
This model changed significantly after World War II, when public discussions about community-based care emerged, focusing in large part on the questionable effectiveness of institutionalization. In addition, the positive outcomes of psychiatric treatment during the war years prompted a post-war surge in the interest in psychiatry.

During the 1950s, more effective treatments also began to be available, allowing better management of chronic mental illness. However, the medications available at this time often caused severe side effects,
and lack of effective treatment and community support services hampered the ability of most people with mental illness to function productively in society. But, the continued development of more advanced treatments stimulated hope in the potential for successfully treating mental illness as well as the substance abuse (i.e., street drugs) that often co-occurred.

The combination of more readily available medications, the high cost of institutional care, and a genuine concern for humane treatment of patients on the part of mental health professionals and public officials led to what has become known as the “Third Revolution” in mental health care. The community mental health movement, or deinstitutionalization, became the predominant mental health public policy in America. As a profound symbol of this movement, in 1953 shackles from mental institutions across the country were melted down and used to cast a “Bell of Hope,” which became the organizational symbol for the National Mental Health Association.

During this period, the California Conference of Local Mental Health Directors, the precursor to the California Mental Health Directors’ Association, formed a partnership among the State of California, its counties and some cities to improve the delivery of mental health services. Comprised of local mental health officers and physicians, the group had been active in early symposia on mental health in California in the mid-to-late-1940s, including a conference convened by Governor Earl Warren in 1949. Conference members wanted to ensure that local leaders in the field would help shape state mental health policy and make California’s mental health system the leading program in the country.

Indeed, California became a national model for mental health legislation with passage of the Short-Doyle Act in 1957. This measure sought to improve mental health care by:

- “Deinstitutionalizing” mental health care by providing treatment for people with mental disabilities in the community rather than in state hospitals.
- Creating a funding structure for the development of a community-based system of mental health services.
- Directing most services to be provided through the counties under a voluntary, decentralized delivery system.

To assist in funding this new system of community-based care and encourage counties to participate, the state initially covered 50 percent of the costs for those counties that chose to establish a mental health system. Federal participation in this program was not initiated until 1971, when the Short-Doyle/Medi-Cal pilot project enabled counties to obtain a 50 percent federal match for Medi-Cal-eligible services to eligible individuals. In 1958, approximately 37,000 individuals with mental illness resided in California’s state hospitals, a number that would decline to less than 1,800 over the next two decades as state facilities were closed and California, along with other states, began the slow process of moving its institutionalized populations back into the community.

It is important to note that the minority population of California in 1950 was less than 10 percent (Hobbs & Stoops, 2002). At that time, minority communities’ need for mental health services received little attention in California and the nation as a whole. There were exceptions, however. In Texas, for example, E. Garly Jacob (1959) observed that during 1951-1952 “Spanish-Americans” had similar admission rates as “Anglo-Americans” in public mental health facilities but were significantly underrepresented in private mental health facilities.

**CHAPTER 2. TAKING BEARINGS: 1960–1990**

**Community Mental Health Care**

The community-based approach to mental health care was affirmed by President John F. Kennedy in his “Special Message to the Congress on Mental Illness and Mental Retardation” in February 1963, in which the President called for a new mental health program based on comprehensive community care. Kennedy outlined this as a new model that would bring mental health care to the mainstream of American medicine, improve mental health services, and make diagnosis and treatment readily accessible to all. Kennedy supported increasing mental health insurance coverage and redirecting state resources from state mental institutions to community mental health centers. The President also championed the belief that most mental illness could either be cured or ameliorated so that long hospitalization was unnecessary, thus reducing the plight of thousands of long-term patients in mental hospitals and the associated heavy financial burden.

The California Legislature set the precedent for modern mental health care in the United States by passing the Lanterman-Petris-Short (LPS) Act of 1968. This legislation, considered revolutionary in its time, established standards and legal procedures for the involuntary hospitalization of individuals. The statute eliminated lengthy, open-ended commitments, set forth the conditions under which individuals could be involuntarily hospitalized, and afforded them...
with certain due process rights. A person could only be involuntarily detained and treated if there was probable cause to believe that because of a mental disorder, the individual was a danger to themselves, a danger to others, or gravely disabled (i.e., he or she could not provide for basic needs such as food, clothing or shelter).

The intent of the LPS Act was to end inappropriate, indefinite and involuntary commitment of individuals with mental illness and provide them with prompt evaluation and treatment. The Act:

**FAQ: Imposing A Legal Hold**

Under California's Welfare and Institutions Code, Section 5150, a legal hold may be imposed on a person who is believed to be in need of involuntary psychiatric treatment for up to 72 hours if there was probable cause to believe that because of a mental disorder, the individual was a danger to himself, a danger to others, or gravely disabled (i.e., he or she could not provide for basic needs such as food, clothing or shelter). When a person is initially detained involuntarily, the maximum period of this hold is 72 hours. It gives the professional person in charge of the hospital an opportunity to assess the individual face-to-face in order to determine the appropriateness of involuntarily detaining him or her.

The hospital does not have to hold the person for the complete 72 hours if they do not feel the person requires further evaluation or treatment. By the end of 72 hours, one of the following things must happen:

- The person may be released.
- The person may sign into the hospital as a voluntary patient.
- The person may be placed on a 14-day involuntary hold.


- Guaranteed and protected public safety while safeguarding individual rights through judicial review.
- Created provisions and criteria for holds and established conservatorship programs with individualized treatment, supervision and placement services for gravely disabled individuals.
- Basically ended all hospital commitments by the judiciary system, except in the case of criminal sentencing, but did not impede the right of voluntary commitments.
- Expanded the evaluative power of psychiatrists.

The California Conference of Local Mental Health Directors, which in 1963 had played a key role in adjusting the formula for state- and county-shared funding of mental health services from a 50 percent state/50 percent local share to a 75 percent/25 percent split, also successfully advocated that the state/local ratio change to 90 percent/10 percent ratio, which was accomplished in the LPS legislation.

Proponents of deinstitutionalization had hoped that individuals with mental illness would be able to live in their own communities with family and friends with support from local services and access to short-term hospitalization when necessary. But although patients were "deinstitutionalized," they often went back to communities where anticipated treatment services frequently did not materialize. Many formerly institutionalized clients were placed in small, inexpensive board and care homes, where they commonly received few services other than medication dispensing. The community mental health programs of the late 1960s and 1970s largely emerged as middle class outpatient programs, with some experimental prevention programs.

By the late 1970s, problems resulting from “deinstitutionalization” were becoming evident. Deinstitutionalization was not succeeding because financial support did not follow patients into the community. The Short-Doyle Act was the funding mechanism intended to build the community mental health system by moving state funds to community programs. However, Governor Ronald Reagan vetoed such provisions in 1972 and 1973, so the state failed to distribute the savings achieved through the closures of state hospitals to the community mental health system.
State allocations to counties to support community mental health were also severely diminished due to inflation throughout the 1970s and 1980s. Inadequate funding, coupled with inflation and an increasing number of patients with more serious problems left less than half of the level of funding needed to provide basic care for those who needed it. This resulted in increased homelessness and incarceration of individuals with mental illness, until eventually, county jails would become the largest de facto mental institution in California and the United States overall.

Not only was there growing concern about the failure of the mental health system to address the need of the general California population, there was particular concern about the mental health system's lack of responsiveness to communities of color. For example, Marvin Kanno, a psychiatrist, observed that in an outpatient clinic during the late 1950s and early 1960s African-Americans and Mexican-Americans were treated differently than European-Americans. African-Americans and Mexican-Americans received less psychotherapy than Euro-Americans, and when they did receive such services it was of shorter duration (Kanno, 1966). During the 1970s and 1980s, these basic findings were replicated in many locales across the country, not only among African-Americans and Mexican-Americans, but also among Asian-Americans and Native Americans (e.g., Sue, 1977). Explanations for the low service use range from cultural values and beliefs of communities of color to characteristics of the mental health services (e.g., limited number of staff from the respective minority communities, Wu and Windel, 1980). Recommendations were made to place services within minority communities, to have staff and board members representative of the communities of color, and to train personnel regarding the sociocultural context of the target communities. Oftentimes strong grassroots efforts were required to develop culturally responsive services during this time period, as was the case in the development of El Centro, a community mental health training and treatment center in Los Angeles. During the 1970s and 1980s, these represented novel and relatively independent initiatives that would later inform the development of standards, guidelines and accountability measures to ensure cultural and linguistic competence throughout California's mental health system.

"EL CENTRO Community Mental Health Center": From a Grassroots Movement to Culturally Specific Mental Health Services for Latinos

One example of grassroots efforts leading to the development of culture-specific services is the case of El Centro Community Mental Health Center (see Aranda, 2001). In 1969 a group of Los Angeles-based social workers met with the deans of UCLA and USC's Schools of Social Work and raised their concerns about the lack of Latino students and faculty. A consensus was reached that a training center could help address these issues. Soon thereafter, this group of social workers, now members of the recently established professional organization, Trabajadores Sociales de la Raza, started the East Los Angeles Mental Health and Training Center. Eventually, funds were obtained from the National Institute of Mental Health to support the training endeavors which were largely community-based. By the mid-1970s, the center obtained county funds to provide direct services as a day treatment center. El Centro's biggest transition occurred in 1977 when they received federal funds as a comprehensive community mental health center. The success of El Centro is due to many factors. Unlike many mental health services at the time, it was centrally located in a large Spanish-speaking community and it was staffed with bilingual and bicultural personnel to address the community's needs. Also, the staff was willing to experiment with different approaches, both within the community and within their clinical setting, to provide culturally appropriate services. In addition, El Centro provided professional opportunities for young Latino mental health professionals, many of whom are leaders in the local mental health field today. Although El Centro was forced to close its doors due to management problems, it began as a model program and its early years reflect the spirit of impassioned Latino mental health professionals dedicated to integrating the rich cultural resources of their clients in providing mental health care.

The Mental Health Consumer Movement

The following was excerpted from "Reaching Across: Mental Health Clients Helping Each Other," Prepared by Sally Zinman, Howie the Harp and Su Budd, 1987.

"In 1970 a new movement began: a civil movement. Former mental patients collectively began to realize that what they had experienced in mental hospitals was unjust and oppressive. Involuntary commitment and forced treatment became basic issues of human rights. These former patients began organizing groups to fight for their rights, to stop the abuse and the oppression in psychiatric institutions, and to end the discrimination against and the stigma attached to former and current psychiatric inmates.

First in Oregon and then in New York, California, Massachusetts, Kansas, Pennsylvania, Florida, and in other states, a movement grew.

At the same time that these mental health clients were struggling against the psychiatric system, they recognized that people did have emotional and other life problems and that they needed some place to go to for help and support (but without the coerciveness and oppressiveness of traditional mental health programs).
Groups of psychiatric survivors, in the United States and in Canada, formed client-run alternatives to help meet their needs. While some were weekly support groups and others were centers and houses, most were also involved in advocacy. All these alternative groups were (and still are) meeting the needs of clients who were not met by the mental health system.

For many years most groups had little or no funding but, although they were relatively small, they produced impressive results. People in these groups had their needs met in very real ways and their lives were improved. For almost a decade, client-run groups helped hundreds of people, but remained virtually unrecognized by "the system." Finally, in the last few years, the effectiveness of self-help, client-run programs became recognized and several groups around the county received major funding grants. Now, these and other self-help alternatives are expanding, developing programs, and hiring clients who, before, could only work as volunteers.

Now that client-run alternatives are beginning to be accepted, they are forming in most states. Through conferences and teleconferences, state and national networks are developing. Individuals and groups who were previously isolated are now being connected, are now sharing information, and are now developing a unified voice.

The Los Angeles Child Guidance Clinic

Since its inception in 1924 as the first child guidance clinic west of the Rockies, the Los Angeles Child Guidance Clinic has built a rich history of leadership and innovation in the field of pediatric mental health. The clinic, which serves Central and South Los Angeles, is the oldest, continuously operating agency of its kind in the West. From its beginning, the Clinic has been at the leading edge of innovative mental health programming: starting in the 1940s when it adopted a multidisciplinary team approach to treatment to best understand the complexities of children's needs and develop individualized treatment plans that result in improved emotional and behavioral outcomes. This approach infused the professional perspectives and work of psychologists and social workers, and added child psychiatrists to the team shortly thereafter. This model of service delivery then evolved to also include a parent and family component that has resulted in the culturally sensitive, family centered, consumer-driven approach that exists today.

The Clinic enhances the mental health and well-being of children and youth ages 0-25 years, and their caregivers through:

- Family centered, culturally sensitive programs.
- Specialized educational services for seriously emotionally disturbed children and youth.
- Advocacy to secure needed services.

Philosophy of the Children’s System of Care

The Children’s System of Care (CSOC) for seriously emotionally disturbed children, adolescents and families represents a major shift from the previous method of providing special education, child welfare, health, and juvenile justice services in isolation from other education and human services. Children and youth with serious emotional disturbances, like other youth in high-risk situations, have special needs at home, in school and in community settings. In the past, child service providers often defined the needs of these clients differently, resulting in agency conflicts and fragmentation of services. Increased placement in group homes, state hospitals or the juvenile justice system and escalating costs often meant poor outcomes for children and families.

The basic goals of the CSOC model are to redirect funds and resources from institutional levels of care to local programs; keep children "safe, at home, in school, and out of trouble," and improve child and family functioning. When the initial Ventura County pilot project began in 1984, a collaboratively organized service system was a new concept. Today, CSOC represents an accepted strategy to address the complex needs of children and families living with serious mental illness. It is the model for Proposition 63 Children's Services, and in fact, the only type of children's services that can be funded under the Mental Health Services Act.
New Responses — 1980s

By the mid-1980s, California’s counties began to respond, phasing out traditional outpatient programs and developing new programs aimed at outreach, stabilization, and rehabilitation. But while the counties were working to expand much needed programs at the local level, the state continued to reduce available funding. From 1982 to 1987, no cost-of-living increases or caseload adjustments were made for community mental health, and in 1988 state funds were reduced again.

Additionally, unlike the provision of services to individuals with developmental disabilities, the mental health system had never been conceived as an entitlement. This essential difference in attitude, which built rationing of services into the framework of mental health service delivery, made it difficult for these programs to compete for State General Fund (SGF) monies during a time of economic recession and diminishing state revenues. Beginning in 1989, the state began to reduce its General Fund commitment to mental health services, and an additional 15 percent was removed from base funding for community mental health.

Despite the inadequate funding of services, mental health policy did witness advances during the 1980s. Assembly Bill (AB) 3632, the Special Education Pupils Program, introduced by Assembly Member Willie Brown (D-San Francisco) and enacted by the State Legislature in 1984, laid out a new framework under which schools would educate, mental health departments would treat, and social services would oversee the placement of children with severe mental illnesses. Funding to implement the new requirements was approximately $3 million statewide.

The Village

“The Village was originally designed with a “For Heaven’s Sake, Find Something that Works,” attitude. Over the years we have proven that individualized, recovery-focused services delivered with a “whatever it takes” approach can lead us to what all of us want – success. We measure success by that same thing you, the public and most importantly, our clients care about – getting a life.”

— Paul Barry, Associate Director, The Village. Excerpted from testimony delivered to the California State Senate Budget Subcommittee #3 in March 2007

The Village Integrated Services Agency in Long Beach, California, is a recovery-based model serving adults and young adults recovering from mental illness. A program of the Mental Health Association of Greater Los Angeles, the Village tailors services to people with mental illness, its “members,” and provides services and support to help people recognize their strengths and “power to live, learn, work and be involved” in the community.

One of the three original ISA projects funded by AB 3777 to demonstrate a community-oriented approach to mental health services delivery, in 1990 The Village began serving 120 clients who represented a cross section of the target population in terms of ethnicity, age, and gender. The program’s integrated services were later expanded to include the homeless, jail populations, and youth.

By incorporating many types of mental health care, including rehabilitation, treatment, self-help and family/community involvement, along with an emphasis on choice, equality between staff and members and encouragement of continued growth, The Village continuously enables the hope and empowerment individuals need for self responsibility and to obtain a meaningful role in life.

In 2006, the Village documented a 63 percent reduction in hospitalization days, an 86 percent reduction in incarceration days, a 71 percent reduction in homeless days, and a 302 percent increase in the number of days employed (greater than or equal to 20 hours per week).

The Village has been acknowledged as a model mental health program “of exemplary practice eligible for federal funding for implementation in local communities.” The Village has also emerged as a major training program, offering innovative approaches that have been valuable in affecting widespread system change. In 2003, after visiting The Village, the President’s New Freedom Commission on Mental Health cited the program as a model for creating comprehensive state mental health plans to coordinate services. The Village has played a major role in the promotion, passage, and implementation of Proposition 63, the Mental Health Services Act.
Prior to 1984, all special education services for children were provided by local school districts. But a special education lawsuit revealed that the state's treatment of seriously emotionally disturbed children in school did not meet the federal government's requirement that schools serve all children. AB 3632 transferred responsibility for providing mental health services to special education students from the school districts to county mental health departments. This program was intended to: (1) build on the counties' existing responsibilities and expertise in providing mental health treatment; and (2) facilitate collaboration between the schools and the public mental health system in serving students.

While state law now requires the counties to provide these services, the programs provided under AB 3632 also allow California's public education system to fulfill its federal obligation to students with special needs. The federal Individuals with Disabilities Education Act (IDEA) mandates free, appropriate public education for all children with disabilities to prepare them to live and work in the community. This federal entitlement program guarantees mental health treatment for children and adolescents less than 22 years of age who have an emotional disturbance and are in need of mental health services to benefit from the public education mandated by the Act, regardless of their parent's income level. Counties are reimbursed for their costs in providing these services through a variety of sources currently, including some federal IDEA funds, some state General Fund and mandate reimbursement claims.

In 1987, AB 377, sponsored by Assembly member Cathie Wright (R-Canoga Park, Chatsworth, Northridge, Oxnard, Simi Valley, Thousand Oaks), expanded the Children's System of Care pilot program developed in the early 1980s in Ventura County, which was created to test the effectiveness of coordinated, closely monitored community- and home-based services for severely emotionally disturbed children.

Another milestone was reached in 1988, when the passage of the Wright, McCorquodale, Bronzan Act (AB 3777), established reforms regarding services to adults with serious mental illness. The Act instituted the "systems of care" service delivery model consisting of consumer- and family-focused services, personal service plans, coordinated care, intensive case management assistance, and measurable and accountable delivery of services. The legislation established three integrated service agency (ISA) demonstration pilot projects in Ventura, Los Angeles and Stanislaus counties — to demonstrate how a community-based, integrated care system could help adults with serious mental illness. Although independent evaluations as well as reviews conducted by the California Department of Mental Health (DMH) showed that the integrated approach behind these projects was cost-effective and highly successful, funding was not provided for similar programs in other counties. Ultimately this became the model utilized for providing services under AB 34 and AB 2034, which subsequently became the model for Proposition 63.


Population Comparison/Projections: California

![Population Comparison/Projections](chart)

Source: U.S. Census Bureau

Navigating the Currents: A Guide to California's Public Mental Health System
According to a report issued in 1990 by the California Mental Health Directors Association (CMHDA), support for California's mental health system was reduced by $320 million between 1975 and 1990 because of unfunded client population growth and increases in the cost of providing services. The passage of Proposition 13 (property tax reform which resulted in cuts in local property tax revenue for counties) in 1978 further eroded the counties’ ability to provide needed funds. The California Coalition on Mental Health (CCMH), an advocacy group comprised of 32 organizations representing mental health professionals, citizen advocates, mental health clients, and families, agreed that more and more Californians with serious mental illness were not receiving assistance due to a lack of funding, which in turn was resulting in increased homelessness and incarceration of these individuals.

The California Mental Health Planning Council (CMHPC), a state and federally mandated advocacy agency charged with oversight and accountability for public mental health issues, also reported at this time that California's mental health system was not only inadequate financially, but also suffered from a lack of clear governance structure. While the state controlled the funding and the counties were responsible for providing services and operating programs, neither side was fully accountable.

**California’s Master Mental Health Plan**

California had gone from being a national leader in community mental health development in the 1960s to a situation characterized by funding instability and programs in turmoil. By 1990, the cumulative impact of annual funding cuts throughout the past decade resulted in a significant underfunding of services. In 1991 policymakers faced a projected $14.3 billion state budget shortfall that meant drastic cuts to mental health services. Many community mental health officials found their programs overwhelmed with demand, unable to meet client needs, and near collapse. Mental health advocates, fearing that the massive program cuts would be irrevocable, began discussions on system reforms. The crisis required that significant policy and fiscal decisions regarding the future of community mental health programs be made quickly. Ultimately this became the impetus for a realignment of funds for mental health services provided by counties.

Various constituent groups came to the State Legislature with proposals, and the stage was set for substantive change to mental health policy. Subsequent new legislation introduced by Assembly Member Sam Farr mandated a planning process to guide the future of California's mental health system. **AB 904** directed the CMHPC to create a master plan for reform.

- The legislation was based on federal law PL 99-660, which required the development of state plans for services to individuals with serious mental illnesses and provided federal funding to achieve that goal.
- The intent of AB 904 was to ensure that all major constituencies — representatives of the family and client movements; professional organizations; county mental health directors; patients' rights groups; and legal, medical and social model advocates — were included in the planning process for a final product that would reflect consensus.

The AB 904 planning process was remarkable in that it succeeded in bringing together disparate stakeholder groups which had spent years arguing over philosophical issues and resource allocation. The family and client movements,
for example, had come to the table angry and frustrated over what they saw as unfair treatment by the system and discrimination by society in general. But stakeholders rose to the occasion and sought common ground, realizing that the most important goal was to improve and stabilize California’s faltering mental health system.

The resulting consensus document, the California Mental Health Master Plan, provided a clear and shared vision for mental health constituents in California and became the blueprint for the state’s mental health services program into the year 2000.

The Plan was updated in 2003 and many of the fundamental concepts outlined are now reflected in the Mental Health Services Act.

**Realignment**

In the 1990s, mental health reform, program and funding realignment, client and family involvement, and strong leadership at both the state and county level would re-establish California’s prominence as a national leader in public mental health. But in 1991, California again faced a serious budget crisis with a $1.6 billion deficit. To keep the collective vision of the California Mental Health Master Plan on the horizon, state policymakers had to navigate through the prospect of potentially devastating budget cuts. So, the State Legislature sought to make major structural and programmatic changes as a part of a budget solution.

Much of the vision articulated in the Master Plan was enacted into law as the Brown-Enquist-Quirk-Quirk Act of 1991, also called “realignment.” This legislation represented a major shift of authority from the state to the counties for mental health programs. Realignment was intended to: (1) provide a more stable funding source for community-based services; (2) establish local county advisory boards to advise local mental health directors; (3) make services more client-centered and family-focused; (4) develop performance measures and outcome data; and (5) restructure the state’s role and responsibility in providing services and program oversight and evaluation.

Realignment made counties specifically responsible for a target population of children with serious emotional disturbances and adults with severe mental illnesses.

Realignment literally realigned, or transferred, financial responsibility for most of California’s mental health and public health programs (and some of its health and social service programs) from the state to local governments and adjusted cost-sharing ratios. Under the new structure:

- Certain programs were realigned from the state to the counties, including all community-based mental health services, state hospital services for civil commitments, and Institutions for Mental Disease (IMDs), which provided long-term nursing facility care.
- Counties were provided with a dedicated, new revenue source to pay for these changes.
- Community mental health funding was removed from the State General Fund (SGF) and annual budget process.
- State oversight responsibility would increasingly focus on outcomes and performance-based measures rather than programming.

Realignment financed mental health services and health and social services through two dedicated funding streams: (1) a half cent increase in the state sales tax; and (2) the state vehicle license fee (VLF), an annual fee on the ownership of registered vehicles in California based on the estimated current value of the vehicle, which is collected by the state on behalf of the counties. In 1992, realignment funding for mental health totaled about $700 million.

The statute defined appropriate uses for these funds and established definitions for priority target populations to help focus how resources would be spent. Specifically, counties were only required to provide services to individuals with severe mental illness or serious emotional disturbances to the extent that resources were available. This clause (to the extent that resources were available) was inserted to ensure that neither an entitlement nor a mandate were created, and to eliminate any expectation of serving anyone who didn’t have a severe mental illness or serious emotional disturbance. Thus, there was no entitlement or mandate to serve anyone.

Revenues from the new taxes were deposited into a state Local Revenue Fund and dedicated to funding the realigned programs. Each county would receive deposits into three separate program accounts for mental health, social services and health using a basic formula that determines the amount to each county and each account, which was included in the legislation.
Realignment represented a partnership between the state and county governments regarding the provision of mental health services. The fundamental tenet of the new system was to provide the counties with more discretion in spending state funds. Realignment provided county mental health program managers with many opportunities, including:

- A stable funding source for programs, which has made long-term investment in mental health infrastructure financially practical.
- Greater decision-making power, discretion, control, and long-term planning potential.
- Increased fiscal flexibility to design and purchase services based on client needs.
- The ability to streamline bureaucracy and reduce overhead costs.
- Financial incentives to properly manage mental health resources.
- Removal of traditional “spend it or lose it” requirements, a change that allows the “rollover” funds from one year to the next and multiyear funding of projects.

According to the California Mental Health Planning Council (CMHPC), the realignment of mental health services in California is generally viewed as a moderate success, albeit not a total solution. Among its accomplishments, realignment has:

- Provided some fiscal stability, although sales tax revenues fluctuate with the economy.
- Precluded additional SGF reductions to mental health services that would likely have occurred during the early to mid-1990s.
- Improved service delivery by implementing a client centered system of care approach.

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**Local County Advisory Boards**

In the California Mental Health Master Plan the California Mental Health Planning Council outlined recommendations for system accountability and oversight. In this section, the role of mental health boards and commissions is featured:

**“ROLE OF MENTAL HEALTH BOARDS AND COMMISSIONS [MHBCs] IN SYSTEM OVERSIGHT AND ACCOUNTABILITY**

MHBCs have an important role to play in system oversight and accountability. Section 5604.2 of the Welfare and Institutions Code authorizes MHBCs to engage in various oversight activities, such as evaluating the community’s mental health needs, services, and facilities; advising the governing body and the local mental health director about the local mental health program; and submitting an annual report to the governing body on the needs and performance of the county’s mental health system. In addition, Section 5604 states that the board membership should reflect the ethnic diversity of the client population in the county.

MHBCs are essential partners of the CMHPC in the process of using performance indicator data for system oversight. Particularly relevant is Section 5604.2 (a)(7), which requires that the mental health board review and comment on the county’s performance indicator data and communicate its findings to the CMHPC. Because understanding the local context is so central to understanding the performance of a county mental health program, MHBCs have a very important role to play in the process of using performance indicator data to evaluate local programs.

**8.7. Recommendation:**
The CMHPC should provide performance indicator data to MHBCs along with material to assist them in understanding and interpreting the data.

**8.8. Recommendation:**
The CMHPC should also provide a consistent statewide format that MHBCs should use to report their findings to the CMHPC.

**8.9. Recommendation:**
The CMHPC should use the reports from the MHBCs along with its own analysis of the results to prepare reports.”
• Eliminated categorical program requirements and funding, which has enabled counties to design more innovative programs.
• Increased services to target populations of adults and children with the most serious mental illnesses.
• Established performance outcome measures and the use of consumer-tested instruments with proven reliability.
• Reduced the utilization of state hospitals and moved more care to communities.

Other assessments of realignment point to the relationships and trust developed through the consensus process of the Master Plan and the community infrastructure that was forged among various constituent groups. In describing the development of California’s publicly funded mental health system, Sandra Naylor Goodwin of the California Institute for Mental Health (CIMH) and Rusty Selix of the California Council of Community Mental Health Agencies (CCCMA) cite a number of significant outcomes from realignment in “Development of California’s Publicly Funded Mental Health System, 2004.” These included: (1) a coherent statutory mission statement based on a common vision and philosophy of services; (2) a system of care treatment approach with a minimum array of services; (3) increased participation in decision-making by consumers and advocates; and (4) responsibility for integrated, long-term planning and program design at the local level. These accomplishments laid the groundwork for future reforms under the 1993 Medi-Cal Managed Mental Health Plan.

**Changes in Medi-Cal Programs**

California participates in the federal Medicaid program (called Medi-Cal), the heart of the state’s public health system. This national entitlement provides medically necessary care for indigent families, dependent children, and disabled children and adults. Originally, mental health treatment accounted for only a small portion of the program. The available mental health services (which were limited to treatment provided by psychiatrists, psychologists, hospitals, and nursing facilities) were reimbursed through the Fee-For-Service Medi-Cal system (FFS/MC).

As mentioned, the Short-Doyle county mental health programs did not receive federal funding until the early 1970s, when it became apparent that these programs were treating many Medi-Cal beneficiaries. Short-Doyle/Medi-Cal (SD/MC) began as a pilot project in 1971, when counties agreed to take on responsibility for managing mental health services mandated by the federal government for states to provide. Under SD/MC, federal funds were made available to match county funding for a broader range of mental health services for Medi-Cal-eligible individuals than those provided by the original Medi-Cal program.

In 1993, a Medicaid State Plan Amendment added more benefits for SD/MC under the federal Rehabilitation Option. The amendment:

• Allowed services that reduced institutionalization and helped people with mental disabilities live in the community.
• Broadened the range of service providers and expanded the locations where services could be delivered both by county providers and through contracts with private clinicians.
• Added services, such as, inpatient hospital, psychiatric health facility, adult residential treatment, crisis residential treatment, crisis stabilization, intensive day treatment, day rehabilitation, linkage and brokerage, mental health services, medication support, and crisis intervention.

However, the loosely managed SD/MC program lacked the coordination, systems of care and cost-effective strategies of the overall county mental health program. In the mid-1990s, state officials determined that more efficient use of Medi-Cal funds could be achieved by consolidating SD/MC with county mental health systems of care. California was allowed to create county-operated, specially managed mental health care plans with waivers from the Medicaid freedom-of-choice requirements under the Social Security Act. Mental health consolidation charged the counties with providing mental health services granted under Medi-Cal, expanding their traditional responsibility to provide services for the indigent. This significant change enabled counties to greatly increase their claims for federal Medicaid funds.

The two Medi-Cal mental health systems, the original FFS/MC and the SD/MC, first operated as separate programs. In order to enable counties to provide more integrated and coordinated care, the state developed a plan to merge the two Medi-Cal funding streams for mental health services. This would help shift from a heavily hospital-based system to a community-based system. Research had shown that a single integrated system of care was critical to successfully treat persistent mental illness, and that the needs of individuals with mental illness were not always adequately met in an all-inclusive managed health care system. This led the state to “carve out” specialty mental health services from other Medi-Cal managed care services.
Implementation of Medi-Cal Mental Health Managed Care included consolidation of Medi-Cal psychiatric inpatient hospital services under “Phase I” beginning in January 1995, followed by consolidation of Medi-Cal specialty mental health services under “Phase II” from November 1997 through June 1998. Together, these two implementation phases consolidated the two existing Medi-Cal mental health programs, Short-Doyle and Fee-For-Service, into one service delivery system. Under the new system:

- Psychiatric inpatient hospital services and outpatient specialty mental health services such as clinic outpatient providers, psychiatrists, psychologists, and some nursing services became the responsibility of a single entity in each county called a Mental Health Plan (MHP).
- All Medi-Cal recipients would obtain services through MHPs.
- The state Department of Mental Health (DMH) would have monitoring and oversight responsibility of MHPs to ensure quality of care and compliance with federal and state requirements.

Policy development for all phases of the implementation included an ongoing public planning process in which the DMH and other state agencies, the California Mental Health Directors Association (CMHDA), the California Mental Health Planning Council (CMHPC), providers, advocates, individuals receiving services, family members, and other interested parties participated. Consolidation not only shifted public mental health services to county mental health plans and allowed counties to claim federal funding, but the process also resulted in a noteworthy transition from an inpatient-focused treatment system in the private sector to an outpatient system that included rehabilitation and recovery.

**Early and Periodic Screening Diagnosis and Treatment**

The next milestone in funding for individuals with mental illness centered on children's mental health services. In 1995, the Mental Health Advocacy Services filed a lawsuit against the state for ignoring the Early and Periodic Screening Diagnosis and Treatment (EPSDT) program. This federal Medicaid provision required mental health diagnostic and treatment services for all Medi-Cal-enrolled children. As a result of the legal settlement, the California Department of Health Services (DHS) expanded Medi-Cal services to Medi-Cal beneficiaries less than 21 years of age who needed specialty mental health services, whether or not such services were covered under the Medicaid State Plan. Technically, the counties were responsible for providing services but they had insufficient funding and therefore no ability to provide these services.

- California agreed to provide counties with matching State General Fund (SGF) for their expenditures for these expanded specialty mental health services.
- DHS developed an interagency agreement with DMH through which county mental health plans would be reimbursed the entire nonfederal cost share for all EPSDT-eligible services in excess of each county's expenditures for such services during Fiscal Year 1994-95.
- In Fiscal Year 2002-2003 then-Governor Gray Davis administratively imposed an additional 10 percent share of cost on county mental health plans (over and above the baseline funds they already provided) for any growth in cost of EPSDT services.

**Advances in Medications**

For decades, a general lack of understanding, fear of draconian treatments and medications, and the public and private stigma associated with mental illness kept many people from seeking help. Beginning in the 1970s, advanced technology allowed scientific studies of the brain and behavior, and although researchers were beginning to understand the chemical imbalances that caused mental illness, there was still widespread skepticism about the biological nature of these disorders.

The 1980s were known as the “decade of the brain,” because of the further research that led to the development of medicines that could effectively treat depression usually without the serious side effects of previously available medicines. Although not without side effects, the effectiveness of the newer medications in relieving symptoms brought about a revolution in mental health care. For the first time, people could receive treatment for mental illness in a more socially
acceptable way. Additionally, the success of these medicines proved that the conditions were biologically based since many people responded to medical treatment, and side effects while still present, were less serious for most. This completely changed the relationship between psychiatrists and families, building a new-found trust and partnership in treatment.

Access Coalition for Mental Health

In the late 1990s the U.S. Food and Drug Administration approved several breakthrough medications shown to provide improved management of schizophrenia with fewer side effects. Despite the undisputed scientific evidence, California’s Medi-Cal program opted not to add the medications to its formulary, noting the medications were “too expensive.” The Mental Health Association in California spearheaded an effort to mobilize key stakeholders from the public and private sector for the Access Coalition for Mental Health. Consumer advocates, psychiatrists, public health officials and mental health advocacy organizations teamed up to inform elected officials about the access challenges of thousands of Medi-Cal recipients and the resulting cost to California. The Mental Health Association and Access Coalition utilized research data from a University of Southern California study that found the financial benefits resulting from the new medicines would more than offset their costs by improving consumer compliance and reducing side effects. This meant the state would save money it spent on hospitalizations and incarcerations often resulting from older, less effective medications. The Coalition conducted media outreach featuring compelling consumer stories that powerfully showed how the new medications could change lives and save state resources. The Access Coalition’s unprecedented partnership among stakeholders and its efforts to generate widespread publicity around mental health issues created new opportunities to reduce stigma, increase awareness and establish the mental health community as a force to be reckoned with in the policy arena.

In the early 1990s a new psychopharmacological treatment for schizophrenia was approved by the U.S. Food and Drug Administration. Although not without side effects, these medications were considered an advancement for many people with schizophrenia who were not as responsive to the previous ones. This contributed to the premise that recovery was possible. By 1996, a new class of medications began to make a difference for many individuals with mental illness by reducing symptoms, improving cognition and minimizing the debilitating effect of severe mental illness.

Access to the new medications presented these individuals with the opportunity to enhance their ability to live and work in their communities. These new medicines were designed to correct the imbalance of chemicals in the brain, and they showed that many people with severe mental illness could be treated on an outpatient basis, relying less on hospitalization, and that many of them could regain control of their lives and function in society, especially when community-based wraparound services were provided in tandem with medication.

However, the advent of new and improved treatments raised policy and budgetary issues. One controversial strategy, Medi-Cal’s “fail first” policy, required mental health consumers to try and fail to positively respond to the older, less expensive drugs – twice – before the newer medicines could be authorized. Because the older medications often caused severely debilitating side effects, there were few who wanted to take them. Consequently, individuals would sometimes fail on the older drugs, stop taking them, and end up hospitalized for mental health crises. This was resulting in thousands of dollars in additional hospitalizations, far outweighing the cost of the newer medicines. A comprehensive public affairs campaign led by mental health stakeholders in the Access Coalition for Mental Health publicized this penny-wise and pound-foolish practice and spearheaded efforts to change state policy to improve access to the newer medications to ultimately enhance outcomes and reduce state spending.

Surgeon General’s Report of 1999

The Report of the Surgeon General on Mental Health, published in 1999, was a collaboration between two federal agencies: the Substance Abuse and Mental Health Services Administration (SAMHSA), which provides national leadership and funding to improve the availability, accessibility and quality of mental health services; and National Institutes of Health (NIH), which supports and conducts research on mental illness and mental health through its National Institute of Mental Health (NIMH).

The Surgeon General’s report supported existing estimates that 28 percent to 30 percent of the U.S. adult population had either a mental or addictive disorder during a given year. The statistics revealed that 19 percent to 21 percent had a mental disorder alone; 3 percent had both mental and addictive disorders; and 6 percent had only addictive disorders (of which 85 percent were alcohol-related).
State Ethnic Composition
According to new projections by the California Department of finance, the state's population will soar to nearly 60 million people by 2050 and Hispanics will constitute the majority by 2042.

**2000 State Ethnic Composition**
- Black: 7%
- Other: 3%
- Asian: 11%
- Hispanic: 32%
- White: 47%

**2050 State Ethnic Composition**
- Black: 5%
- Other: 4%
- Asian: 13%
- Hispanic: 52%
- White: 26%

Source: California Department of Finance, July 2007

The report recognized the "inextricably intertwined relationship between ... mental health and ... physical health and well-being." While noting the extraordinary progress in improvement to public health through medical science and treatment services, the Surgeon General acknowledged the stigma, shame and sense of hopelessness still attached to mental illness and disorders such as schizophrenia, depression and bipolar disorder, and Alzheimer's disease that affected nearly one in five Americans at the time. For the country to reduce the burden of mental illness, improve access to care, and acquire knowledge about the brain, mind and behavior so urgently needed, this stigma could no longer be tolerated.

The Surgeon General's report sought to dispel common myths about mental illness, provide accurate knowledge, and create more informed consumers. Organizations and individuals were encouraged to use the information in their own efforts to combat what the report called "the insidious effects of stigma." According to the report, the majority of Americans in need of mental health services were not seeking treatment. However, the reluctance of individuals with mental illness to obtain care was understandable, given the many barriers standing in their way. There were grave disparities in the availability of and access to mental health services due to racial and cultural diversity, age, gender, and financial status-significant, but not insurmountable barriers the Surgeon General urged be taken down.

Above all, the information contained in the Surgeon General's report was intended to be translated into action and to help Americans seek help for mental illness. The report listed the following "calls to action" as the necessary first steps toward overcoming the gaps in mental health services and to removing barriers that kept people from obtaining mental health treatment.
- Improve public awareness of effective treatment.
- Ensure the supply of mental health services and providers.
- Ensure delivery of state-of-the-art treatments.
- Tailor treatment to age, gender, race, and culture.
- Facilitate entry into treatment.
- Reduce financial barriers to treatment.

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**California's advances in promoting cultural competence**

1990  California Mental Health Directors Association creates Ethnic Services Committee

1991  Mental health legislation (AB 1288, AB 1491) mandates cultural competence

1993  First cultural competence summit

1997  California Department of Mental Health establishes cultural competence plan requirements

1998  California Department of Mental Health creates Office of Multicultural Services

Excerpted from "Proceedings from the California Mental Health Directors Association Conference, 2002."

Navigating the Currents: A Guide to California's Public Mental Health System
Diverse Needs Require Diverse Responses\textsuperscript{59, 60}

As California’s diversity expanded so did the need to provide appropriate mental health services for people of color. Because culture plays an essential role in how individuals define mental health and respond to services, it was quickly becoming apparent that mental health programs need to adapt to truly serve local communities and their citizens. Many multicultural communities encounter significant barriers to services and as a result find that “mainstream” mental health services do not meet their needs.

At the national level, policymakers, researchers, and service providers were attending more and more to issues of culture. Terry Cross and his colleagues developed a model of cultural competence, oftentimes referred to as the Georgetown model, which has guided many organizations to improve services for communities of color.\textsuperscript{61} They refer to cultural and linguistic competence as a set of behaviors, attitudes and policies that come together in a system to enable effective work across cultures. “Culture” refers to a pattern of human behavior that include the language, thoughts, communications, actions, customs, beliefs,

Multicultural programs become a priority in California

Throughout the 1990s, state and local mental health administrators were increasingly focused on cultural competence, and the need to improve efforts to provide appropriate mental health services in ethnic communities. The Georgetown model guided some of these efforts.

During this time the California Mental Health Directors Association created its Ethnic Services Committee, which “...works to ensure that mental health services meet the increasing mental health needs of diverse ethnic populations. The Committee also actively addresses the conditions that contribute to and are indicators of a great need for relevant, high quality mental health services.”

The Committee’s goals are as follows:

- Promote the development of appropriate mental health services that will meet the needs of clients of different ethnic, gender, religious, and cultural backgrounds by addressing mental health issues impacting county programs.
- Participate in planning and policy formulation to ensure that diverse cultural minorities receive access, and adequate and appropriate services.
- Be available to consult with local planning boards, advisory groups, and task forces to help ensure that services to global minorities and cultures are enhanced.
- Review and critique materials generated at the state and local levels, including but not limited to proposed legislation, state plans, policies, and other documents.
- Embed cultural and ethnic competence into system reform opportunities, managed care, recovery model performance outcomes, and State Quality improvement Committee.
- Assure appropriate training in cultural competency is being provided at the county, state and federal levels.

http://www.cmhda.org/committees/com_esm.html

In 1998 the State Department of Mental Health created the Office of Multicultural Services to provide “…leadership direction to the Department of Mental Health (DMH) in promoting culturally competent mental health services within California’s Public Mental Health System. The Chief of the Office of Multicultural Services serves as a member of the executive staff in developing policies and procedures to ensure that cultural and linguistic competence guidelines are incorporated within all facets of the Department of Mental Health. Mental health care providers and managers must understand the importance of language and culture in delivering appropriate mental health care. Culturally and linguistically sensitive mental health services improve outcomes and are cost-effective. The Office of Multicultural Services is charged with a leadership role in the development of the Cultural Competency Plan, ensuring culturally appropriate treatment intervention, services, and assessment in each of California’s diverse counties. These elements are fundamental to the successful implementation and delivery of managed mental health services. Each county Mental Health Plan (MHP) is responsible for providing an annual Cultural Competency Plan to DMH that enumerates the planned strategies for providing cultural and linguistically competent care.

http://www.dmh.ca.gov

Informing you of the existence of Web sites, as referenced within this document, is not a representation or warranty of the accuracy of the material they may contain. Any information claims regarding efficacy, safety, or of a comparative nature of multiple products, is simply information in their materials, which may change from time to time, and is not part of this publication. The authors of this program do not have control over these Web sites.
values, and institutions of racial, ethnic, religious or social groups. "Competence" implies having the capacity to function effectively as an individual and an organization within the framework of cultural beliefs, behaviors and needs presented by consumers and their communities. In addition, they describe a culturally competent system as one that "acknowledges and incorporates - at all levels - the importance of culture, the assessment of cross cultural relations, vigilance toward the dynamics that result from cultural differences, the expansion of cultural knowledge, and the adaptation of services to meet culturally unique needs."

Cross and colleagues also developed a conceptual model that describes where a given mental health system falls along a continuum of cultural competence, ranging from "Cultural Destructiveness," described as outright discrimination and even genocide, to "Cultural Proficiency," described as a position of holding culture in high esteem. Cultural Proficiency is defined as five essential elements that must function at every level of a system. They include:

2. Cultural self-assessment - Understanding the existing culture to better interface with other cultures.
3. Dynamics of difference - Recognizing the perspectives of the cultures to integrate appropriate interventions.
4. Institutionalizing cultural knowledge - Reaching out to community partners to gain a deeper understanding of cultural perspectives and beliefs and building services based on the community partners' perspectives.
5. Adaptation to diversity - Creating a better fit between the needs of the minority groups and the services available.

California’s advances in promoting cultural competence

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1991 Mental health legislation (AB 1288, AB 1491) mandates cultural competence
1993 First cultural competence summit
1997 California Department of Mental Health establishes cultural competence plan requirements
1998 California Department of Mental Health creates Office of Multicultural Services

Excerpted from "Proceedings from the California Mental Health Directors Association Conference, 2002."

In 1998 the Mental Health Association in California (MHAC) spearheaded an unprecedented effort to learn "what works" in reducing recidivism among mentally ill offenders. The need for such an initiative had become crystal clear. The MHAC partnered with the California State Sheriffs’ Association (CSSA) after commissioning a study with the Pacific Research Institute that showed that mental health spending in corrections equaled increased state spending for the entire public health system.

The MHAC sponsored and CSSA supported legislation that created the Mentally Ill Offender Crime Reduction (MIOCR) grant program (Chapter 501, Statutes of 1998) which was designed to create relationships between county mental health departments, sheriffs, the courts and additional stakeholders that didn’t previously collaborate to provide services to mentally ill offenders. The State Legislature ultimately invested over $75 million in this program over two years, which supported the implementation and evaluation of 30 projects addressing service needs identified by counties. Most projects involved a combination of in-custody services (e.g., discharge planning) and intensive community-based mental health treatment and support services (i.e., Integrated Services Agencies), including assistance in securing disability entitlements, housing, vocational training, and employment; counseling; life skills training; substance abuse education; medication management and support; and crisis intervention.

The statewide evaluation of this initiative indicated that the enhanced services provided by the MIOCR projects had a significant and positive impact on recidivism. For example, individuals participating in these projects, when compared to individuals receiving treatment as usual, were booked into jail less often and when they did re-offend, they committed less serious offenses. The MIOCR projects also made a statistically significant, positive difference on homelessness, economic self-sufficiency and other “quality of life” outcomes.

The MIOCR demonstration grant program came to an end in June 2004. However, in July 2006, as a result of efforts by the CSSA, the State Legislature re-established the MIOCR program and expanded it to include juvenile offenders with mental illnesses (Chapter 48, Statutes of 2006). Following a competitive Request for Proposal process and an evaluation of 75 proposals by 12 subject-matter experts, the Corrections Standards Authority awarded available funds (nearly $45 million) to 22 projects targeting adult mentally ill offenders and 22 projects targeting juvenile offenders with mental illness. All of these projects are anchored in practices that have proved effective in helping persons with mental illness function productively and independently within the community.
CHAPTER 4. SETTING SAIL: 21st CENTURY PROGRESS

After being in and out of jail for most of his adult life, D. joined Butte County’s Forest Project, an effort that combined a mental health court with intensive treatment and case management offered by a multidisciplinary team. Diagnosed with schizophrenia, the 37-year-old D. also had a 20-year addiction to methamphetamine, which presented a real challenge to the Forest Team.

While in this project, D. went through a rehabilitation program, started counseling and never once relapsed into drug use. When he “graduated” from the program, Judge Stephen Benson presented D. with a special plaque during a ceremony in the courtroom. D.’s mother and 16-year-old daughter, whom he had not seen since she was an infant, were beaming proudly in the audience. “It was the best program,” said D. “I got a head start on life again.”

Adult Systems of Care/Integrated Services for Homeless Adults

With the passage of AB 34 (Steinberg – D-Sacramento) in 1999, $10 million in state funds were allocated by the Department of Mental Health (DMH) for a three-county pilot program directed at serving homeless individuals, parolees and probationers with serious mental illness. County mental health agencies in Sacramento, Stanislaus and Los Angeles used the funding to expand and improve their existing homeless programs. Continued eligibility for state funding depended on demonstrated, positive client results and system outcomes within the first year in all three counties.

A report to the Legislature compiled in May 2000 clearly showed that the programs were not only cost-effective, but successful in procuring needed services for homeless individuals. Participants in the program experienced:

- A 65.6 percent drop in the number of hospital days
- An 81.5 percent drop in the number of days spent in jail
- A 79.1 percent drop in the number of days spent homeless
- An increased level of employment

When the bill was initially proposed, many in the advocacy and criminal justice communities anticipated that only a fraction of homeless individuals with mental illness approached would accept services because that had been their experience in the past. However, the success of AB 34 was so profound because programs included housing and other supports necessary to enable people to get off the streets. This totally changed the response rate, and the number of people who were willing to engage jumped to 90 percent, and most stayed in treatment. The collaboration with law enforcement to implement programs, along with the focus on wraparound services that included housing, led to a complete shift in the service delivery model and created the impetus for an expansion through AB 2034 in 2000.

When then-Assembly Member Steinberg (Steinberg was termed out of the Assembly in 2004 and was later elected to the State Senate in 2006) introduced AB 2034 as an expansion program, it was recognized as a valuable program and funding was expanded to $55 million for an additional 35 counties despite significant state budget shortfalls that year. AB 2034 programs provide outreach and comprehensive services to adults and older adults with severe mental illness who are homeless or at risk for becoming homeless. The program is now funded through the State General Fund (SGF) with oversight by the DMH. Flexible funding allows counties to provide whatever services are necessary to help homeless individuals secure needed resources.

In 2003, an estimated 50,000 Californians with severe mental illness were homeless. Many of these individuals had no access to needed mental health services.

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**Nontraditional Partners Unite**

When Assembly member Darrell Steinberg introduced AB 34 in 1999 it not only laid the foundation for a revolutionary reconstruction of California’s mental health system but it also created a common goal for traditionally divergent interests. An estimated 50,000 individuals with mental illness were living on the streets, and about 15 percent of incarcerated prisoners were mentally ill.

Because so many had financial, professional and personal interests in addressing California’s mental health crisis, AB 34 received widespread bipartisan support from lawmakers and the mental health community, as well as veterans, the business community and law enforcement.

This collaborative effort created a political will that was unprecedented, resulting in the passage of AB 34 and approval of funding for the three pilot programs that were to create the impetus for significant and sweeping systematic transformation.
or other community services and were ending up in the criminal justice system for minor crimes, most of which could likely have been prevented with appropriate mental health services. This population also experienced frequent, high-cost inpatient hospitalizations because their mental health needs were only being addressed when they reached crisis levels.

State funding under AB 2034 provided for a comprehensive range of services, including assessment of the individual's needs; establishing identification and legal assistance needs; and providing shelter/housing, food, clothing, showers, medical, psychiatric and dental care, alcohol/drug treatment, and social rehabilitation. Both policymakers and stakeholders recognized the therapeutic value of having a stable place to live and basic health care needs met, and how important these factors are to seeking employment.

This legislation was the first to focus on homeless people with serious mental illness, mandate immediate housing, provide flexibility of funding, and collect and report "real-time" client and system outcomes. The programs under AB 2034 have reduced recidivism in psychiatric hospitalizations, incarcerations, emergency department visits, and homeless days. This success has provided the impetus to continue funding for this program and the target population.

**Little Hoover Commission Report**

In 2000, the Little Hoover Commission, an independent state oversight agency, issued a report called *Being There: Making a Commitment to Mental Health*. The Commission, which had been created in 1962 to investigate state government operations and make recommendations to "promote efficiency, economy and improved service," determined that California had failed to deliver on its earlier promise to serve people with mental illness through community programs. In fact, the report stated that "California’s mental health policy lacks something fundamental: a clear commitment to provide mental health services to people who need assistance." The Commission's report:

- Noted that California was spending billions of dollars dealing with the consequences of not treating mental illness (e.g., jail space, court costs).
- Called for additional mental health reform based on both a "moral imperative" and "fiscal imperative."
- Focused on the need to help the thousands of Californians whose mental illness had robbed them of self-esteem, productivity and hope.
- Appealed to Californians to build upon previously enacted reforms and the dedication of policymakers and stakeholders to provide higher quality, compassionate mental health care.
Surgeon General's Report on Mental Health: Culture, Race and Ethnicity

In response to a concern that the Surgeon General's Report on Mental Health (see Page 16) did not adequately address the mental health of communities of color, U.S. Surgeon General Dr. David Satcher undertook a second report, one that focused on the United States' four main ethnic and racial minority groups: African-Americans, American Indians/Alaska Natives, Asian-Americans/Pacific Islanders, and Hispanic-Americans. Four main points were raised by the Surgeon General:

- Mental illnesses were real, disabling conditions affecting all populations, regardless of race or ethnicity.
- Ethnic and racial minorities were receiving less services and poorer quality of care than the general population.
- As a result of receiving less and poorer quality of care, ethnic and racial minorities have more unmet mental health needs than the general population.
- The sociocultural context must be taken into account to ensure that all Americans, especially minorities, received mental health care tailored to their needs.

"The cultures from which people hail affect all aspects of mental health and illness, including the types of stresses they confront, whether they seek help, what types of help they seek, what symptoms and concerns they bring to clinical attention, and what types of coping styles and social supports they possess. Likewise, the cultures of clinicians and service systems influence the nature of mental health services," the report pointed out. State and local governments, who had primary oversight responsibility for public mental health spending, must therefore ensure equal access to high-quality mental health services for racial and ethnic minorities to create real mental health care parity.

Strategies to Build Competence and Measure Outcomes

In 2002 the California Mental Health Directors Association, California Department of Mental Health, and the California Council of Community Mental Health Agencies convened a conference, "Many Voices, One Direction: Building a Common Agenda for Cultural Competence in Mental Health," to facilitate an exchange of ideas among the many stakeholders involved in administering and receiving local mental health services. "Collectively, they addressed the task of identifying the steps needed to move cultural competence from concept to operation and from isolated practice to an embedded systemwide standard of practice." The group also continued to develop strategies to build competence and measure outcomes.

The attendees heard from four of the science editors of the Surgeon General's Report on Culture, Race and Ethnicity who recommended the following:

- Counties must continue to strengthen their efforts to promote cultural competence.
- Effective engagement of clients and communities are core components of culturally competent systems and organizations.
- Collaboration among system stakeholders is essential.
- Efforts of researchers and practitioners must become more collaborative.
- Addressing stigma must be given high priority.
- The role of Ethnic Services Managers [liaisons in county organizations] must be strengthened.

Additionally, attendees organized into work groups and recommended the following:

- Embed cultural competence into mental health systems and programs.
- Ensure client and community engagement and participation.
- Assess clinical tools and organization.
- Create a diverse staff that reflects the diversity of the population served.
- Incorporate cultural competence into all training programs.

The conference created the impetus for dialogue and action. Even prior to release of the community report, the California Institute for Mental Health secured funding from The California Endowment for a project to address several of the recommendations outlined.
Laura's Law (AB 1421)\textsuperscript{68}

AB 1421, also called Laura's Law, was sponsored by Assembly Member Helen Thomson and became effective on January 1, 2003. The statute allowed court-ordered community-based outpatient commitment of mental health clients under certain circumstances by friends, relatives, police, or mental health care professionals.

The impetus for the measure was the tragedy of Laura Wilcox, a 19-year old college student who was working at a Nevada City public mental health clinic during a winter break from college when she was shot to death by Scott Harlan Thorpe, a client of the county mental health department. However, the motivation for the law was the belief among many that the extreme standards of the Lanterman-Petris-Short Act did not satisfy the concerns of families with loved ones whose illnesses actually caused them to resist treatment, although their condition may not have risen to the level to require forced treatment. Throughout the country there as a move to create involuntary outpatient care because many individuals didn't need inpatient care per se, but families felt that their loved ones needed involuntary intervention to become stable.

While AB 1421 received wide bipartisan support in the State Legislature, it was only after significant compromises were made because of the extreme division within the mental health community. Generally, psychiatrists and families of individuals with mental illness supported the measure and consumer organizations, counties and outpatient provider organizations opposed it. Psychologists and social workers also opposed the measure.

Enforcement of the law was voluntary for the counties, and because AB 1421 did not include state funds for implementation (estimated at more than $300 million for the state), counties could decide whether or not to underwrite the costs. Counties wanting to implement the law could not use funds already set aside for outpatient treatment, and in fact they are required to ensure no reduction in voluntary services. This created a major obstacle to implementation. As of 2004, Los Angeles County was the only county to implement Laura's Law, and only on a limited basis as a jail diversion program.

If counties choose to adopt outpatient commitment, AB 1421 ensures that medications are administered only to patients determined to be severely disabled, who have been referred by family members, law enforcement or another agency and provided with community treatment, housing and medication monitoring. According to the law, an individual who is over 18 and suffers from a mental illness may be placed in assisted outpatient treatment if, after a hearing, a court finds that the following criteria have been met:

- It is unlikely that the person can survive safely in the community without supervision, based on a clinical determination.
- The person has a history of noncompliance with treatment that has either: (1) been a significant factor in the person being hospitalized, imprisoned or jailed at least twice within the last 36 months; or (2) resulted in one or more actual, attempted or threat of serious violent behavior toward himself or others within the last 48 months.
- The person has been given an opportunity to voluntarily participate in a treatment plan, but has not participated in treatment.
- The person is substantially deteriorating.

Supporters of Laura's Law maintained that some people with mental illness, especially the most severely disabled, could not recognize their own symptoms and posed an unacceptable threat to their communities. Critics of AB 1421 asserted that coerced treatment could interfere with recovery, destroy trust between clients and providers, and violate human and civil rights. The California Network of Mental Health Clients (CNMHC) opposed the legislation as a regressive plan to force drug treatment on patients and more easily place them into psychiatric hospitals against their will. CNMHC acted as a plaintiff in a lawsuit against Los Angeles County regarding AB 1421. When the suit was settled in 2005, the county proceeded with its implementation.

President's New Freedom Commission — 2003\textsuperscript{69}

President George W. Bush announced his New Freedom Initiative on February 1, 2001. The Commission's report identified three obstacles preventing Americans with mental illnesses from getting the quality care they deserved:

- Stigma surrounding mental illnesses.
- Unfair treatment limitations and financial requirements placed on mental health benefits by private health insurers.
- Fragmented mental health service delivery systems.
In April 2002, the President's New Freedom Commission on Mental Health received a mandate to: (1) study the U.S. mental health system, including both private and public sector providers; (2) identify innovative mental health treatments, services and technologies that had demonstrated success and could be widely duplicated in a variety of settings; and (3) make solid policy recommendations that could be immediately implemented at the local, state and federal levels to improve systems and ensure that adults with serious mental illness and children with serious emotional disturbances could live, work and participate fully in their communities.

Twenty-two members served as commissioners, including Stephen W. Mayberg, Ph.D., Director of the California Department of Mental Health.

The President's Commission was the first comprehensive study of the nation's mental health service delivery system in nearly 25 years. The Commission's evaluation included visits to innovative model programs across the country; testimony from stakeholders, including consumers of mental health care, families, advocates, public and private providers, administrators, and mental health researchers; feedback, comments and suggestions from nearly 2,500 people from all 50 states; and consultations with nationally recognized experts in many areas of mental health policy. The 1999 Report of the Surgeon General on Mental Health provided the scientific basis for much of the Commission's work.

In the Commission's final report, submitted to the president in May 2003, the Commissioners found that mental illnesses were shockingly common; they impacted almost every American family and touched every community, school and workplace. Mental illness affected people from all backgrounds and could occur at any stage of life, from childhood to old age. And mental illness presented serious health challenges that were not being met because the country's mental health delivery system was "fragmented and in disarray ... lead[ing] to unnecessary and costly disability, homelessness, school failure, and incarceration." Other report conclusions included the following:

- In any given year, about 5 percent to 7 percent of adults have a serious mental illness, and about 5 percent to 9 percent of children had a serious emotional disturbance, indicating that millions of adults and children were disabled by mental illnesses every year.
- Many barriers were impeding care for the mentally ill, including fragmentation and gaps in care for children and adults with serious mental illnesses, high unemployment for people with serious mental illnesses, inadequate care for older adults with mental illnesses, and lack of national priority for mental health and suicide prevention.
- State-of-the-art treatments, based on decades of research, were not being transferred from research to community settings. Access to quality care was poor, resulting in wasted resources and lack of support.
- The country's mental health system was not focused on the single most important goal of the people it served - the hope of recovery.

To improve access to quality care and services, the Commission recommended a fundamental transformation of how mental health care was delivered in America. The goal of this transformed system was, in a word, recovery. The new system would
ensure community living for everyone and service delivery that would give every American easy, continuous access to the most current treatments and best support services. In this transformed mental health system:

- Americans would understand that mental health was essential to overall health.
- Mental health care would be driven by consumers and families.
- Disparities in mental health services would be eliminated.
- Early mental health screening, assessment and referral to services must be common practice.
- Excellent mental health care would be delivered and research accelerated.
- Technology would be used to help people access mental health care and information.

The Commissioners mentioned several California programs as models, specifically highlighting AB 34 programs throughout the state. While the report findings were solid and the recommendations valid, very little resulted from the report in terms of improving services for individuals with mental illness.

**California’s Mental Health Master Plan**

*The California Mental Health Master Plan,* published in March 2003 by the California Mental Health Planning Council, was an update to the plan developed in the 1990s. This plan confirmed the responsibility of the state’s public mental health system to provide services for adults with serious mental illnesses and children with serious emotional disturbances who were eligible for publicly funded mental health programs. The Master Plan espoused the fundamental tenet of the President’s Commission report: When the public mental health system did not provide such services to children and youth, adults, and older adults in need, these individuals experienced needless human suffering and lost the opportunity to achieve their full potential.

The intent of the Master Plan was to do for California what the President’s Commission and the Surgeon General’s reports had done for the nation - offer a vision for the public mental health system in which Californians of all ages, ethnicities and cultures with serious mental illness or serious emotional disturbance would receive high-quality, culturally competent, effective services. The Master Plan set forth a fundamental set of values to guide the development and implementation of the state’s mental health system. The goal would be to enable all individuals “to access services from a seamless system of care,” and the services, support and rehabilitation they received would enable them “to lead happy, productive and fulfilling lives.” Priorities included:

- A “client-directed approach to services in which all services for children and their families and for adults and older adults should be guided by an individual’s goals, strengths, needs, concerns, motivation, and disabilities.”
- Treatment plans that focused on “wellness, recovery and resilience.”
- Commitment to cultural competence, including culturally and linguistically appropriate services for mental health clients of all ethnic, racial, cultural, and linguistic backgrounds.
- Programs to address the unmet need for mental health services among children and youth with serious emotional disturbances and adults and older adults with serious mental illnesses in California.
- Improvements in access to mental health care for indigent individuals and increased funding for organizations that had previously turned away thousands of indigent clients because of insufficient fiscal resources.

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**The Case for Cultural Competence**

According to the California Institute for Mental Health (CIMH), culturally competent mental health services are essential to providing all Californians with access to quality mental health care.

- California’s cultural and linguistic diversity continues to increase rapidly due to immigration and population growth. More than 50 percent of the state’s population is made up of individuals of color.
- Culture plays an essential role in how clients and families view mental illness and respond to mental health services. Treatment must take into account the complex interrelationships among client culture, gender, age, sexual orientation, race, ethnicity, and language.
- Substantial disparities in access to and the effectiveness of mental health services exist for racial and ethnic populations.
- Individual and institutional racism continue to exist in today’s society, greatly impacting the provision of mental health services.
- California’s cultural and linguistic diversity is substantially underrepresented in the state’s mental health workforce, especially in rural areas.
- Increasing evidence confirms that culturally competent practices result in better mental health outcomes.
Greater provision of services that reflected advancements in the understanding of mental illness over the last two decades, including medications; psychosocial rehabilitation; innovative wraparound programs; and strengths-based, family focused treatment planning.

The Master Plan pointed out that California had “confront the challenge of improving the capacity and effectiveness of its [public mental health] system in a time of unparalleled fiscal crisis. However, framers of the Master Plan encouraged mental health stakeholders not to lose hope in the face of anticipated, “unprecedented spending reductions in state programs,” but instead to “embrace the vision … provided by the California Mental Health Master Plan and … plan how to implement this vision when sufficient fiscal resources … [became] available.”

**Recognizing the Barriers**

The following were identified by attendees at the California Mental Health Directors 2002 conference, “Many Voices, One Direction: Building a Common Agenda for Cultural Competence in Mental Health,” as “Issues in serving” African-American, Latino, Asian and Pacific Islander, and American-Indian clients:

- Mental health issues are complicated with overlapping social and physical health problems.
- There is a significant heterogeneity among ethnic populations (i.e., Latinos from varying cultures).
- Language barriers are significant.
- Cultural and ethnic differences exist in approaching mental health services (i.e., issues of race, shame and stigma).
- Sovereignty must be recognized (i.e., federally recognized Indian tribes) in collaborative efforts to provide services.

**Mental Health Services Act (Proposition 63)**

On November 2, 2004, the voters of California enacted Proposition 63, now known as the Mental Health Services Act or MHSA. The Act was designed to fully fund California’s children’s system of care program and adult and older adult system of care program (AB 34). As an Assembly Member, Senator Darrell Steinberg provided much of the vision and leadership necessary to pass the measure.

The legislation imposes a 1 percent surtax on personal incomes over $1 million to expand mental health services. The MHSA provided the first opportunity in many years for expanded funding to support California’s public mental health programs.

The MHSA has been hailed as a complete transformation to a new system. Some believe the MHSA will provide enough funding to eventually enable the state to serve all Californians who face disabling mental illness, including the defined target populations of only children with serious emotional disturbances and adults with severe mental illnesses. The legislation envisions a new approach to keep mental illness from becoming so severe by addressing a broad continuum of prevention, early intervention and service needs as well as the necessary infrastructure, technology and training elements to effectively support the system. The MHSA’s main purpose is to promote recovery for individuals with serious mental illness by:

- Defining serious mental illness as a condition deserving priority attention.
- Reducing long-term, adverse impact from untreated serious mental illness.
- Expanding successful, innovative service programs.
- Providing funding to adequately meet system needs.
- Ensuring that funds are expended in a cost-effective manner.
- Providing services consistent with best practices.

Under the old “fail first system,” under which people with mental illness had to hit rock bottom and hospitalizations, incarcerations, out-of-home placements, and other unsuccessful treatments were customary, an estimated 50 percent of those who needed services received any and many more didn’t get all the services they needed. The MHSA was designed to move California’s mental health system from “fail first” to “help first.” The Act seeks to end delays in obtaining services must be ended, since when people have access to programs earlier in the onset of a mental illness, disabilities can be reduced. The vision of the MHSA encapsulates this approach:

- Reduce stigma and discrimination of mental illness.
- Expand access to underserved and underserved populations to successful service programs.
- Focus on effective services and cost-effective expenditures, including prevention and early intervention.
- Ensure accountability.
According to the Act, no funds may be provided from the state to the counties unless such spending complies with a plan developed in accordance with numerous requirements, including the provision for significant local stakeholder input and involvement.

- Local plans must be approved by the State Department of Mental Health, after review and comment by the MSHA Oversight and Accountability Commission.
- Each plan is a three-year arrangement that must be updated annually, and each update must also be submitted for state review.
- MSHA funds must be used to expand, not replace, existing services.

Efforts to build this model system have been directed by the Department of Mental Health (DMH), led by Dr. Stephen Mayberg, who has stated, "Proposition 63 presents a once-in-a-lifetime opportunity to transform our mental health system to one that is based on principles of recovery and programs that work and involvement of all of our stakeholders, especially consumers and family members. California can lead the way by developing a system that keeps individuals in their communities with treatment and support from a variety of sources, rather than in institutions or on the street. A satisfying quality of life in the community is possible with integration, proven programs, accountability, and, most of all, better and earlier access."

The strategy behind the MSHA incorporates four elements:

1. Focusing on system transformation rather than just expansion so that there will only be one system of care that focuses on "Help First" rather than "Fail First" by having prevention and early intervention and taking approaches to serve everyone under the Children's and Adult Systems of Care model.
2. Using the specifics of the President's Commission Report and the California Mental Health Master Plan to supplement the vision of the initiative.
3. Employing an inclusive stakeholder process for design, including participation of clients and family members.
4. Determining measures of accountability (outcomes/indicators) prior to local plan development.

According to the Act's proponents, the MSHA will expand access to mental health care to those who have been unserved and underserved due to a lack of funding.

- Comprehensive community mental health services to adults with severe mental illness, including transition age youth 18-25, in accordance with the standards of the Adults System of Care will increase the Californians who can be served.
- Comprehensive community mental health services to children and adolescents with serious emotional disturbances will be provided in accordance with Children's System of Care standards for those youths who do not qualify for services under one of the existing entitlement programs such as Medi-Cal (mostly funded through EPSDT), foster care (which creates Medi-Cal eligibility), and Special Education (mental health services funded through the AB 3632 program). This will significantly increase the number of such children who are served.
- Prevention and early intervention programs will offer help early in the onset of a potentially severe mental illness to prevent these conditions from becoming disabling and life-threatening. Currently the leading cause of disability, mental illness affects 35 percent of people who receive Social Security benefits due to disability. Suicide, nearly always caused by mental illness, is the third leading cause of death among teenagers. MSHA monies can fund successful programs like "Teen Screen," which recognize and prevent suicide. New programs that connect primary care and mental health services will help recognize and treat mental illness in primary care settings.

**MHSA and Wraparound Services for Children, Youth and Families**

The MHSA includes a specific requirement that all California counties develop a Wraparound Program for children and their families unless certain conditions exist. As of August 2006, 31 of California's 58 counties opted to participate in the program. Wraparound had been established in 1997 under Senate Bill 163 (Selles), which allowed counties to develop the Wraparound Model with state and county Aid to Families With Dependent Children - Foster Care (AFDC-FC) funds that had previously been used to place children and youth in high-end group homes.

Under Wraparound, these monies would fund development of expanded family based services to provide an alternative to group home care – to return children in group homes to their own homes and communities or help children at imminent risk of being placed in a group living situation remain at home. In January 2001, AB 2706 (Cardoza),
extended the Wraparound legislation to children placed in lower-level group homes or at risk of such placement. Wraparound may also be applied to placements under AB 3632 (although funding for services differs for these children). Wraparound services are required by law to be family centered, culturally relevant, and community-based. Children must be placed in the least restrictive environment, and counties must track and evaluate outcomes and reinvest cost savings into child welfare programs.

The Wraparound process embraces the philosophy of eliminating barriers to services and strengthening and supporting families. Wraparound reduces the risk of out-of-home placement and recidivism by bringing individuals, agencies and the community together on decision-making teams whose responsibility is to meet the needs of each child and his or her family through a strength-based intervention plan. The goal is to provide intensive, individualized services and support to families that facilitate the ability of children to live and grow up in safe, stable, permanent family environments.

**Medicare Part D**

In 2003, Congress passed and the President signed into law the Medicare Prescription Drug, Improvement and Modernization Act of 2003, often referred to as MMA. MMA established a privatized prescription drug program called Medicare Part D. Prior to the implementation of Medicare Part D, individuals who were dually eligible (eligible for both Medicaid and Medicare) received their prescriptions through Medi-Cal, operated in California through Medi-Cal.

On January 1, 2006, the Medicare Part D program went into effect and significantly changed the way beneficiaries receiving Medi-Cal and Medicare received their prescriptions. These beneficiaries no longer would receive their medications through Medi-Cal, but rather through privatized prescription drug plans which contract with the federal Centers for Medicare and Medicaid Services (CMS).

When Medicare Part D went into effect the CMS-approved 48 plans to operate in the state of California. However, only 11 of the Prescription Drug Plans (PDPs) contracted with CMS to provide basic coverage to dual eligible beneficiaries. The CMS then randomly assigned dual eligible beneficiaries who had traditional fee-for-service health coverage into these basic plans through “auto enrollment.”

Each of these privatized plans has its own drug formulary, which differs from plan to plan. As a result, some or many medications that mental health consumers were taking may or may not have been covered in the plans, and the auto enrollment process did not cross-reference specific medications with Medicare Part D plans to ensure that plans actually covered the medicines enrollees were currently taking. However, dually eligible beneficiaries were permitted to change plans as often as once a month if desired.

Realizing the enormous impact the new Part D program would have upon consumers and their family members, county mental health plans educated staff, consumers and family members about the changes the new program would bring. Some counties were able to use data provided by state and federal agencies to cross reference client records with plan coverages and in some cases, they were able to counsel consumers to change plans for improved access to the medicines they needed.

Mental health consumers, family members and county mental health plans faced a number of changes as implementation of Medicare Part D began:

- **Formulary coverage** – Many plans didn’t cover the medicines prescribed for beneficiaries, or they required a high co-pay.
- **Data** – Extensive delays in the exchange of data resulted in confusion, coverage denials and high co-pays.
- **Quantity limits** – Some plans placed unreasonable quantity limits, such as covering only 30 pills for one month when a consumer needed to take the medicine twice each day (for a total of 60 pills needed).
- **Prior Authorizations** – Plans requested a huge number of prior authorizations, with each plan having different requirements and different forms, often for different medications.
SECTION II: California’s Mental Health System

CHAPTER 5. STATE ROLES AND RESPONSIBILITIES

“The Mission of California’s Mental Health System shall be to enable persons experiencing severe and disabling mental illness and children with serious emotional disturbances to access services and programs that assist them, in a manner tailored to each individual, to better control their illness, to achieve their personal goals, and to develop skills and supports leading to their living the most constructive and satisfying lives possible in the least restrictive available settings.”

— Welfare & Institutions Code 5600.1

California Department of Mental Health

The California Department of Mental Health (DMH) is the state department which has oversight of the state’s public mental health system. As a department of the California Health and Human Services Agency, DMH represents the Administrative Branch of government. DMH employs a combined 10,000 at its state headquarters in Sacramento and the five state mental hospitals it oversees. DMH’s responsibilities include:

• Leadership for local county mental health departments.
• Evaluation and monitoring of public mental health programs.
• Administration of federal funds for mental health programs and services.
• Treatment of the severely mentally ill at the five state mental hospitals and Acute Psychiatric Programs.
• Development of regulations and oversight of county plans through implementation of the Mental Health Services Act (Proposition 63).

Mission

The California Department of Mental Health, entrusted with leadership of the California mental health system, ensures through partnerships the availability and accessibility of effective, efficient, culturally competent services. This is accomplished by advocacy, education, innovation, outreach, understanding, oversight, monitoring, quality improvement, and the provision of direct services.

Department of Mental Health Organization Chart
Highlights of Major DMH Programs

The following overview of Department of Mental Health programs was summarized from the Department's Web site at http://www.dmh.ca.gov. (Informing you of the existence of these Web sites is not a representation or warranty of the accuracy of the material they may contain. Any medication claim regarding efficacy, safety, or of a comparative nature of multiple products, is simply information in their materials, which may change from time to time, and is not part of this publication. The authors of this program do not have content control over these Web sites.)

1. **Program Compliance** – Oversees the licensing and certification of facilities such as psychiatric health facilities (PHF) and Mental Health Rehabilitation Centers. The department also administers the Pre-Admission Screening and Resident Review (PASRR) program for appropriate placement of individuals in nursing facilities. DMH administers federal funding for local departments in support of mental health services and conducts program and provider reviews and financial and management audits of state and federal funds for compliance with various laws, regulations and policies.

2. **Systems of Care** – Develops, evaluates, monitors and supports an array of coordinated services, that deliver care to California's adults and older adults who are severely mentally ill, and children who are seriously emotionally disturbed. Systems of Care provides planning, research, development, and evaluation efforts for all public mental health programs as follows:
   a. **Evaluations, Statistics and Support** – Caregiver Resource Centers; Disaster Assistance to Counties; Performance Outcomes & Quality Indicators; Statistics and Data Analysis; Traumatic Brain Injury
   b. **Program Policy and County Operations** –
      i. **Adult and Older Adult Policy** – California AIDS Project; Supported Employment; Dual Diagnosis; Integrated Services (AB 34 and AB 2034); Olmstead, New Freedom Commission; Projects for Assistance in Transition from Homelessness; Substance Abuse and Mental Health Services Administration (SAMHSA); Supportive Housing Initiative
      ii. **Children and Family Program Policy, County Operations, Early Mental Health Initiative** – Mental Health Services for Children in Special Education (AB 3632); Infant-Preschool Family Mental Health Initiative; Children's System of Care Initiative
      iii. **County Operations** – Assists and supports county community mental health programs in meeting programmatic goals to provide high quality public mental health care.
      iv. **Early Mental Health Initiative** – Provides funding for school-based early intervention and prevention services to kindergarten through third grade students who have mild to moderate school adjustment issues and would benefit from additional support.
   c. **Medi-Cal Mental Health Policy (MCMHP)** – Specialty mental health care provided by counties in a managed care model of service delivery
   d. **Ombudsman Services for Medi-Cal Beneficiaries** – Provides information and assistance to Medi-Cal Mental Health Plan beneficiaries
   e. **State Quality Improvement Council** – Identifies and monitors system performance indicators to improve quality of care within the Medi-Cal mental health managed care program
   f. **Long-Term Care Services** – Oversees operations at California's state hospitals, two psychiatric programs and four units:
      i. **Forensic Services** – Supervises the California Forensic Conditional Release Program (CONREP – community outpatient program for mentally ill offenders) and performs evaluations of prison inmates who meet statutory criteria as mentally disordered offenders.
      ii. **Hospital Operations** – Provides administrative and operational oversight for California's state hospitals.
      iii. **Program Policy and Fiscal Support** – Provides direction on licensing, certification and accreditation; contracts and interagency agreements relating to state hospital services and hospital fiscal operations.
      iv. **Sex Offender Commitment Program** – Reviews, assesses and evaluates inmates referred after pre-screening as potential Sexually Violent Predators.
   g. **Administration** – Strategic planning, policies, budget, labor relations, personnel, health and safety, accounting, support services and rate and allocation setting and reimbursements for the DMH.

Navigating the Currents: A Guide to California's Public Mental Health System
3. Administrative Services – The department licenses facilities and certifies programs that provide care to individuals with major mental disorders. DMH licenses psychiatric health facilities and mental health rehabilitation centers and certifies the mental health programs of community residential treatment systems and special treatment programs in skilled nursing facilities.

4. Mental Health Services Act – The passage of Proposition 63, now known as the Mental Health Services Act or MHSA, in November 2004, provided the first opportunity in many years for DMH to provide increased funding, personnel and other resources to support county mental health programs and monitor progress toward statewide goals for children, youth, adults, older adults, and families. The Act addresses a broad continuum of prevention, early intervention and service needs and the necessary infrastructure, technology and training elements to effectively support the system.

**DMH Services and Programs**

Information about each of these programs can be found at www.dmh.ca.gov/Services_and_Programs/default. (Informing you of the existence of these Web sites is not a representation or warranty of the accuracy of the material they may contain. Any medication claim regarding efficacy, safety, or of a comparative nature of multiple products, is simply information in their materials, which may change from time to time, and is not part of this publication. The authors of this program do not have content control over these Web sites.)

- Adult and Older Adult Program Policy (AOAPP)
- California AIDS Project
- California Mental Health Cooperative Programs Employment with Support
- Caregiver Resource Centers (CRCs)
- Children and Family Program Policy (CFP)
- Children's System of Care (CSOC) Initiative
- Conditional Release Program (CONREP)
- County Operations
- Disaster Assistance to Counties
- Dual Diagnosis (Co-Occurring Disorders)
- Early Mental Health Initiative (EMHI)
- Evaluation, Statistics, and Support (ESS)
- Federal Grants
- Forensic Services
- Infant-Preschool Family Mental Health Initiative (IPFMI)
- Integrated Services for Homeless Adults with Serious Mental Illness (AB 34 & AB 2034)
- Mental Health Services Act (MHSA)
- Medi-Cal Mental Health Policy (MCMHP)
- Mental Health Services for Children in Special Education (AB 3632 Program)
- Older Adult Systems of Care Demonstration Projects
- Olmstead, New Freedom Initiative
- Ombudsman Services for Medi-Cal Beneficiaries
- Performance Outcomes and Quality Improvement (POQI)
- Preadmission Screening and Resident Review (PASRR)

**State Hospitals**

The California Department of Mental Health (DMH) currently operates five state hospitals with a combined average daily census of 678 individuals. Two facilities are located in Southern California (Metropolitan State Hospital in Los Angeles County and Patton State Hospital in San Bernardino County), one facility near the Central Coast (Atascadero State Hospital) and one in Northern California (Napa State Hospital). A fifth facility, Coalinga State Hospital in the Central Valley, opened its doors in September 2005.

Each of California’s state hospitals is staffed by professionally trained clinicians and administrative support team who provide full-time inpatient care to the most serious mentally ill and those incapable of living in the community. These referrals come from county mental health departments, the courts, the Department of Corrections and Rehabilitation and the California Youth Authority. In recent years, the population of the state mental hospitals has shifted to a majority (approximately 90 percent) of forensic patients, and DMH has met this challenge by prioritizing and balancing state-of-the-art treatment and public safety.

DMH also operates two psychiatric programs located at correctional facilities under contract with the California Department of Corrections and Rehabilitation (CDCR): Salinas Valley Psychiatric Program (SVPP) is located at Salinas Valley State Prison and the Vacaville Psychiatric Program (VPP) is located at the Correctional Medical Facility at Vacaville.
• Program Compliance/System of Care Advisory Team (formerly Staff Work Advisory Team)
• Project for Assistance in Transition from Homelessness (PATH)
• Sex Offender Commitment Program (SOCP)
• State Quality Improvement Council (QIC)
• Statistics & Data Analysis (SDA)
• Substance Abuse and Mental Health Services Act (SAMHSA)
• Supportive Housing Initiative Act (SHIA)
• Traumatic Brain Injury (TBI)

Department of Mental Health – Additional Responsibilities

The California Mental Health Planning Council
California’s Department of Mental Health has had an independent, statewide advisory board providing public input for mental health policy development and planning since the 1960s. The current entity, the California Mental Health Planning Council (CMHPC), was established in 1993 by state and federal statute in response to the realignment of mental health program responsibility and funding back to the counties. Specifically, the Welfare and Institutions Code (WIC) Section 5772(b) authorizes the CMHPC to review and assess all components of the mental health system and issues affecting adults and older adults with serious mental illness and children with serious emotional disturbances.

CMHPC is a multicultural consumer, family, provider, and advocacy organization that:
• Provides oversight to the DMH regarding accessibility, availability and accountability of the state public mental health system.
• Reviews, assesses and makes recommendations to the DMH, the administration, the Legislature, and local mental health boards and commissions (MHB/Cs) on priority issues.
• Supports and promotes accessible, timely, appropriate, and effective services that are culturally competent, age- and gender-appropriate, strengths-based, and recovery-oriented.
• Educates the public and the mental health constituency about current needs for public mental health services and ways to better meet those needs.

The CMHPC also participates in statewide planning development and provides MHB/Cs with technical assistance.

CMHPC Vision Statement
The CMHPC envisions a public mental health system that offers excellent, effective, and affordable consumer and family driven mental health services that are timely, accessible, and appropriate for all of California’s diverse populations.

Mental Health Services Oversight and Accountability Commission
The Mental Health Services Act (MHSA) called for the establishment of the Mental Health Services Oversight and Accountability Commission (MHSOAC) under Section 5845(a) of the Welfare and Institutions Code. The MHSOAC was charged with oversight responsibility for the portions of the new law covering the Adults and Older Adults Systems of Care Act, Human Resources, Innovative Programs, Prevention and Early Intervention Programs, and Children’s Mental Health Services Act.

The Commission consists of 16 voting members as follows:
• The attorney general or his or her designee.
• The superintendent of public instruction or his or her designee.
• The chairperson of the Senate Health and Human Services Committee or another member of the Senate selected by the president pro tempore of the Senate.
• The chairperson of the Assembly Health Committee or another member of the Assembly selected by the speaker of the Assembly.
• Two individuals with a severe mental illness; a family member of an adult or senior with a severe mental illness; a family member of a child who has or has had a severe mental illness; a physician specializing in alcohol and drug
### Major Sources of Public Mental Health Funding Prior to the MHSA

The following chart was developed by the Senate Committee on Budget and Fiscal Review in 2000.

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Realignment</th>
<th>Medi-Cal</th>
<th>CalWORKS</th>
<th>EPSDT</th>
<th>Children's System of Care</th>
<th>Healthy Families</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provides mental health services to target population, to the extent resources are available.</td>
<td>Realignment funds – Mental Health Subaccount – which consists of state sales tax and vehicle licensing fee.</td>
<td>Provides medically necessary psychiatric inpatient hospital, rehabilitative services and case management.</td>
<td>Reduces mental health barriers to employment.</td>
<td>Early Periodic Screening, Diagnosis, and Treatment (EPSDT) provides medically necessary specialty mental health services, such as behavior management modeling, medication monitoring, family therapy, and crisis intervention.</td>
<td>Provides mental health services to children who are seriously emotionally disturbed.</td>
<td>Provides supplemental mental health services to children who are seriously emotionally disturbed.</td>
</tr>
<tr>
<td>Age Limits</td>
<td>None.</td>
<td>None.</td>
<td>16 (if not through school) through 59 years; voluntary after 59.</td>
<td>Under age 21 years.</td>
<td>Under age 21 years.</td>
<td>Birth to 19 years.</td>
</tr>
<tr>
<td>Severity of Disability</td>
<td>Focuses mainly on people with serious and/or persistent mental illness or serious emotional disturbance.</td>
<td>Requires a diagnosis of severe impairment in life functioning and not responsive to physical health care based on treatment. Includes episodic users as well as people with serious disabilities.</td>
<td>Based on whether mental health is barrier to employment rather than severity of mental illness. Expect broad range of disability.</td>
<td>Requires determination of being &quot;medically necessary&quot; to correct or ameliorate a mental health condition. Includes episodic users as well as people with serious disabilities.</td>
<td>Serious emotional disturbance.</td>
<td>Serious emotional disturbance.</td>
</tr>
<tr>
<td>Type of Funding</td>
<td>County Realignment funds – Mental Health Subaccount – which consists of state sales tax and vehicle licensing fee.</td>
<td>Depending upon the service being provided, either Realignment funds or state General Fund monies are used to draw a federal match.</td>
<td>For Medi-Cal eligible services, State General Fund monies from an annual allocation amount are used to draw a federal match.</td>
<td>Realignment funds are used up to a baseline amount established for each county and then State General Fund monies are used beyond the baseline. These funds are used to draw a federal match.</td>
<td>State General Fund.</td>
<td>Realignment funds are used to draw a federal match.</td>
</tr>
</tbody>
</table>
treatment; a mental health professional; a county sheriff; a superintendent of a school district; a representative of a labor organization; a representative of an employer with less than 500 employees and a representative of an employer with more than 500 employees; and a representative of a health care services plan or insurer, all appointed by the governor. In making appointments, the governor will look for individuals who have had personal or family experience with mental illness.

**The Office of Multicultural Services**

Established in December 1997, the Office of Multicultural Services (OMS) provides leadership direction to the Department of Mental Health (DMH) in promoting culturally competent mental health services within California's public mental health system. The chief of the OMS serves as a member of the executive staff in developing policies and procedures to ensure that cultural and linguistic competence guidelines are incorporated within all DMH programs and services. The OMS is charged with ensuring that:

- Cultural and linguistic sensitivity remains fundamental to the successful implementation and delivery of cost-effective, managed mental health services.
- Mental health care providers and managers understand the importance of language and culture to delivering appropriate mental health care and securing improved outcomes.

The OMS also has a leadership role in ensuring culturally appropriate treatment intervention, services and assessment in all of California's diverse counties. Each county mental health plan (MHP) is responsible for providing an annual cultural competency plan to DMH that outlines the county's intended strategies for providing cultural and linguistically competent care.

**CHAPTER 6. FUNDING AND BUDGET ALLOCATION**

Funding for the public mental health system is somewhat complex. It consists of a blending of funding sources, including state General Fund, County Realignment funds, county match funds, federal Medicaid funds (Title XIX), federal Substance Abuse and Mental Health Services Administration block grant funds, federal State Children's Health Insurance Program (SCHIP) (Title XXI) funds, Temporary Assistance for Needy Families (TANF) and CalWorks funds, and even some Proposition 98 General Fund monies. Beginning in 2005, the Mental Health Services Act also began to generate funds for the state's mental health system.

**Mental Health Services Act**

Proposition 63, the Mental Health Services Act (MHSA), imposes a 1 percent income tax on the personal income of Californians in excess of $1 million. Statewide, the Act was projected to generate approximately $254 million in fiscal year 2004-05, $690 million in 2005-06 and increasing amounts thereafter from the new tax. Thus far, the actual revenues from the tax have substantially exceeded the earlier estimates by about 40 percent. Much of the funding will be provided to county mental health programs to fund programs consistent with their local plans.

To provide an orderly implementation of each of these complex elements, the MHSA is being put into operation in phases. An extensive stakeholder process of advisory committees and workgroups has been developed to help improve the state's implementation of the MHSA. More than 100,000 people have participated in the planning process. Estimated expenditures under MHSA for Fiscal Year 2006-07 are $494.4 million. Improvement in client outcomes remains a fundamental expectation throughout the implementation process.

**Components of the MHSA**

The intention of the MHSA is to provide a better program of mental health services in California by addressing six components, which were designed to work in tandem and eventually lead to a transformed, culturally competent mental health system for California.

- **Community Planning** provides an inclusive local process involving clients, families, caregivers, and local agencies to identify community issues related to mental illness and resulting from a lack of programs and services. The process will assess capacity to provide services, define populations to be served, outline strategies for delivering services, and develop work plans and funding requests. Funding for this component comes out of Community Services and Supports allocations.

Navigating the Currents: A Guide to California’s Public Mental Health System
- **Community Services and Supports (CSS)** make up the programs, services and strategies being identified by each county through the stakeholder process outlined above, with a focus on improving access and outcomes within the systems of care. Seventy percent of MHSA funding is dedicated to this component, which are the children's and adult systems of care.

- **Capital Facilities and Technological Needs** addresses the capital infrastructure needed to implement the CSS and Prevention and Early Intervention programs, including funding to improve or replace existing technology systems.

- **Education and Training** funding will provide workforce development programs to remedy the shortage of qualified professionals needed to provide services for people with mental illness. Funding for this component comes out of CSS allocations.

- **Prevention and Early Intervention** programs will strive to prevent mental illness from becoming severe and disabling through more timely, enhanced services for individuals who are currently in unserved or underserved populations. A minimum of 20 percent of MHSA funding is dedicated to this component.

- **Innovation** funds will be used to develop and implement promising practices designed to improve service quality and outcomes, promote interagency collaboration, and increase access to services for underserved groups. Five percent of MHSA funding is dedicated to this component.

**Community Services and Supports**

Community Services and Supports (CSS) refers to “System of Care Services” as required by the MHSA in WIC Sections 5813.5 and 5878.1-3. The change in terminology will differentiate MHSA Community Services and Supports from existing and previously existing System of Care programs funded at the federal, state, and local levels.

The MHSA requires that “each county mental health program shall prepare and submit a three-year plan which shall be updated at least annually and approved by the Department of Mental Health (DMH) after review and comment by the Oversight and Accountability Commission.” The MHSA further requires that “the department shall establish requirements for the content of the plan.” Annual updates of this plan will be required pursuant to MHSA requirements. Community Services and Supports was the first MHSA component to be implemented, under a defined set of requirements.

- Mental health programs that receive MHSA funds must be voluntary in nature (i.e., people can choose the services and supports they want and need).

- All individuals who meet the qualifications for receiving services can obtain those services, even if they are in jail or juvenile hall, if they are under permanent or temporary conservatorship, or if they temporarily considered to be dangerous to themselves or others.

- Mental health services and supports provided in a jail or juvenile hall setting must be for the purpose of helping the individual to get out of this setting and to live and receive any additionally needed treatment in the community.

All county plans under the CSS program must include the following five concepts: (1) community collaboration that includes all stakeholders (e.g., agencies, organizations, individuals); (2) cultural competence; (3) client/family driven services that allow those who receive services a voice in decisions concerning programs and policies that affect them; (4) a focus on wellness; and (5) integrated service experiences in which people get all of the kinds of services they need at the same time and in a coordinated manner.

**State and County Roles**

The Department of Mental Health (DMH) is a “designated partner” in the implementation of the MHSA. In the agency’s Vision Statement and Guiding Principles for the DMH Implementation of the Mental Health Services Act,” DMH made the commitment to “dedicate its resources and energies to work with stakeholders to create a state-of-the-art, culturally competent system that promotes recovery/wellness” for individuals with mental illness and their families. The department further pledged to look beyond “business as usual” and help build a system that provides easier access, more effective services, less out-of-home and institutional care, and reduced stigma toward those with severe mental illness or emotional disorders. The state’s role is that of providing leadership, technical assistance, contract monitoring, advocacy, and quality assurance with regard to outcomes within the DMH.

Through the passage of Proposition 63, the DMH was provided the first opportunity to provide increased funding, personnel and other resources to support county mental health programs and monitor progress toward statewide goals for children, transition age youth, adults, older adults, and families through the imposition of a 1 percent income tax on personal income in excess of $1 million.
California's counties are another critical sector of involved stakeholders. They have been charged with developing mental health programs that reflect and respect cultural diversity and are based on the “recovery model,” or the premise that people with mental illness can indeed get better and live happier, more productive lives. In other words, individuals with serious mental disabilities and children with mental or emotional problems are capable of “wellness” and “resilience,” which means they can be helped, can obtain help, can grow to be healthy, and can learn to manage their problems successfully.

Three Types of Funding. Counties could request three different kinds of funding to make changes and expand their mental health services and supports:

- **Full-Service Partnership Funds.** This money will provide all of the mental health services and supports an individual wants and needs to reach his or her goals.

- **General System Development Funds.** This money will improve mental health services and supports for people who receive mental health services.

- **Outreach and Engagement Funds.** This money will help counties reach out to people who may need services, but who are not getting them.

County Funding Requests

The purpose of Community Program Planning is to provide a structure and process counties can use, in partnership with their stakeholders, in determining how best to utilize funds that will become available for the MHSA Community Services and Supports component. Draft plan requirements for Community Services and Supports were developed and made available for stakeholder review and comment, through an extensive and expensive stakeholder process that took many counties up to one year to complete. Counties were asked to submit a Funding Request to the DMH in order to receive MHSA funding to develop their local Community Program Planning Process by March 15, 2005. DMH has committed to working in partnership with counties and stakeholders to ensure a broad, effective community planning process in every county and will continue to provide technical assistance to monitor the planning processes.

Additionally, framers of the MHSA hoped the law would change the public mental health system in a number of important ways:

- Greater participation from people with mental illness and their families.

- More mental health services organized and run by people who have or have had mental illness and their families.

- More culturally appropriate programs and services.

- More variety in the types of mental health programs and services offered.

Funding

California now has three funding streams for mental health services: the dedicated sales tax from Realignment (see Section 1 in this report for a discussion of Realignment funding); Medi-Cal (which includes federal, state and local dollars); and Proposition 63, “the millionaires’ tax,” which imposed a 1 percent surtax on personal incomes over $1 million to fully fund California’s children’s system of care program and the state’s adult and older adult system of care program through the MHSA. Proposition 63 broadened the array of mental health services that could be provided, without the constraints of Medicaid.

To date, tax revenues for the MHSA are exceeding expectations, although experts caution that people should be careful not to assume this trend will continue on an ongoing basis due the historical fluctuations in California’s economy. The MHSA had a predicted 7 percent growth rate in revenue each year, and current estimates project the state’s MHSA revenue will average $800 million over the next few years to exceed $1 billion by year 2008/2009 (more than a 26 percent increase in funding for public mental health services). The following numbers compare the original estimates for the MHSA with the state’s forecasted estimates for May 2007:

<table>
<thead>
<tr>
<th>Year</th>
<th>MHSA Estimate</th>
<th>May 2007 Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005/06</td>
<td>$683 million</td>
<td>$902 million</td>
</tr>
<tr>
<td>2006/07</td>
<td>$690 million</td>
<td>$1.6 billion</td>
</tr>
<tr>
<td>2007/08</td>
<td>$800 million</td>
<td>$1.8 billion</td>
</tr>
</tbody>
</table>
Proposition 63 included language specifically stating that this funding is to be used solely to increase mental health funding and not to be used to replace or "supplant" existing state or county funds. While there have been proposals in several counties, to date none of the counties has violated this requirement. Until the 2007-2008 year, the same was true for the state. However, in the 2007-08 year, Governor Arnold Schwarzenegger "blue penciled" (or used his line item veto authority) to eliminate $55 million in funding for the so-called AB 2034 program for services to homeless adults, thereby shifting to the counties the financial responsibility for the 4,700 people that program had been serving.

This action of the Governor appears to violate the maintenance of effort provision within the statute established by Proposition 63, and mental health advocates have filed a lawsuit seeking to have this action overturned.

However, this language does not protect against a downturn in Realignment revenues which has happened over the last several years resulting in forced cuts in services totaling several hundred million dollars. The losses in realignment funds are due to volatility in sales tax revenues as well as special provisions in the Realignment funding formulas that give certain county social service programs priority over mental health for its share of those revenues when the case loads grow in those programs faster than sales tax revenues increase.

These service reductions caused by realignment revenue shortfall is comparable to the initial new MHSA funding for services so that at present few counties can show an overall improvement in the levels of services from the passage of the Mental Health Services Act. This should change over time as the Proposition 63 revenues are projected to grow at a healthy rate and realignment revenues should eventually stabilize. However, for the next few years county mental health budgets will still be reflecting cuts in some programs in spite of the new funding from Proposition 63 and it may be several years before significant improvements can be seen.

CHAPTER 7. KEY STAKEHOLDERS

The following summaries of statewide advocacy organizations were excerpted from each respective Web site. (Informing you of the existence of these Web sites is not a representation or warranty of the accuracy of the material they may contain. Any medication claim regarding efficacy, safety, or of a comparative nature of multiple products, is simply information in their materials, which may change from time to time, and is not part of this publication. The authors of this program do not have content control over these Web sites.)

California Alliance of Child and Family Services
Web site: www.cacfs.org/

The California Alliance of Child and Family Services is a statewide association of more than 160 private nonprofit child and family serving agencies representing providers of services to children in foster care. The Alliance provides legislative and regulatory advocacy on behalf of its member agencies regarding a wide range of key policy issues. The members of the Alliance are a diverse group of organizations reflecting the racial, ethnic, and cultural diversity of the people of California.

California Association of Local Mental Health Boards and Commissions (CALMHB/C)

The purpose of the Association is to assist local mental health boards and commissions in carrying out their mandated functions; to advocate at the state level as a united voice for local mental health boards and commissions' concerns, and to promote improvement of the quality, quantity and cultural competency of mental health services deliverable to the people of California.

California Association of Social Rehabilitation Agencies (CASRA)
Web site: www.casra.org

CASRA represents providers of adult community care, both in residential and community settings. CASRA is dedicated to improving services and social conditions for people with psychiatric disabilities by promoting their recovery, rehabilitation and rights. CASRA's purposes are:

- To promote and support the development of community-based systems of services which provide choices for consumers and which are based upon the promise of growth and recovery;
- To encourage the development and implementation of community-based mental health programs that are consistent with the philosophy and practice of social rehabilitation;
- To provide leadership and consultation to enhance the development of effective community services which promote self-help and rehabilitation.
• To address legislative and regulatory issues which affect the provision of mental health services.
• To facilitate a network for the sharing of ideas, experiences and expertise among association members.
• To offer educational and training opportunities which address and evaluate the effective use of the social rehabilitation approach to meet human needs.

California Coalition for Mental Health (CCMH)
The California Coalition for Mental Health (CCMH) is made up of 32 organizations with a membership of 115,000 mental health professionals, citizen advocates, clients, and their family members across the state. As an advocacy alliance, CCMH's common goal is to "restore California to a position of leadership as an initiator of state-of-the-art treatment and rehabilitation of people who have mental illness."

CCMH is currently monitoring the implementation of the Mental Health Services Act (MHSA), acting as a forum to ensure that the vision behind the MHSA is being implemented at the local level. The group also offers trainings and other information regarding the MHSA. CCMH also works to protect core funding streams (PSDT, Medi-Cal, SSI, Section 8 and Housing funding), mental health parity and appropriate use of MHSA funds. The organization has several additional roles, which include:

• Serving as an informational forum for member organizations on regulatory or legislative initiatives and as a watchdog to regulations or legislation that threatens community-based mental health services or their funding, including federal government actions.
• Working to reduce stigma and educate policymakers and the public about a recovery vision of mental health care and mental illness.
• Promoting model programs and policies, including human resource development for mental health professionals.
• Protecting against the criminalization of individuals with mental illness.

California Council of Community Mental Health Agencies (CCCMHA)
Web site: www.cccmha.org
The California Council of Community Mental Health Agencies represents 65 community mental health providers of all types of community mental health care. CCCMHA is dedicated to the proposition that the people of California deserve a rational, comprehensive, community-based mental health system that is adequately funded to serve all of those in need of services. The CCCMHA mission statement reads:

"The California Council of Community Mental Health Agencies (CCCMHA) promotes comprehensive, responsive, and integrated service systems by enhancing the ability of nonprofit member agencies to provide mental health services that empower the people we serve to lead full and productive lives." They achieve this purpose through:

• Shaping and leading public policy.
• Advocating for needed legislation and funding.
• Creating a forum for the exchange of information and expertise.
• Working with all relevant stakeholders.

The California Institute for Mental Health (CIMH)
Web site: www.cimh.org
The California Institute for Mental Health (CIMH) was established in 1993 with a declared mission to "promote excellence in mental health services through training, technical assistance, research and policy development." It was the specific intent of the local mental health directors who founded CIMH that the organization work collaboratively with all mental health system stakeholders. The commitment to that collaboration led the board to expand membership to consumers, family members and other interested individuals representing the public interest.

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GiMH values include the belief that clients, families, providers, and policymakers must work in partnership to ensure that services enhance each individual’s integrity and dignity. Healthy communities are measured by the extent to which individuals with psychiatric disabilities can lead meaningful and productive lives free of stigma and discrimination. The California mental health system must be culturally and linguistically competent in order to be effective, and all people, regardless of resources, must have access to necessary mental health services.

The primary goals of GiMH are to:

- Maintain, develop and strengthen constituent partnerships to eliminate stigma and discrimination and promote integrity, dignity and community involvement in mental health and wellness.
- Support continuous development of a mental health system that sustains effective practices for people who are diverse in age, race, culture, ethnicity, language, gender, and sexual orientation.
- Promote an accountable mental health system that utilizes effective outreach, engagement, treatment, support, and retention practices.
- Support ongoing training and recruitment of culturally competent human resources who are dedicated to improving quality in the workplace.
- Identify priority areas for and provide training, technical assistance, research, and policy analysis to impact and improve the local mental health systems.

The GiMH training mission is “to provide collaborative and progressive/leading-edge training for publicly funded mental health systems.” The organization collaborates with local systems of care (providers and mental health boards and commissions), the California Department of Mental Health (DMH), the California Mental Health Planning Council, and stakeholders groups to define and provide training for mental health constituent groups.

- Staff training categories include clinical skills; translating research into practice; system awareness and policy direction; incorporating change into daily practice; attitude and behavior; and incorporating technology into practice.
- The training needs of mental health boards and commissions include orientation, basic roles and duties, system awareness and policy direction, and advocacy skills.

Center for Multicultural Development (CMD)

Web site: www.cimh.org/services/multicultural.aspx

The Center for Multicultural Development (CMD) was established with the support of California’s county mental health directors. The CMD is designed to promote the cultural competence of publicly funded behavioral health systems and ensure the integration of cultural competence into policy development, research, training, technical assistance, and other activities and products of GiMH. Programs, trainings and materials are being developed to help provide culturally appropriate services that meet the needs of diverse populations. An advisory committee comprised of consumers and professionals with expertise in developing culturally competent mental health services serves the CMD.

California Women’s Mental Health Policy Council (CWMHPC)


The California Women’s Mental Health Policy Council is a statewide nonpartisan membership organization, with a mission to ensure effective, gender-specific culturally appropriate mental health services for women and girls. A project of GiMH, The Policy Council achieves its mission through training, research, and advocacy.

The WMMHPC has five initiative areas:

- Building collaborations for women’s mental health advocacy.
- Transition Age Young Women Initiative.
- Mental health, substance abuse and domestic violence cross-training.
- Closing the disparities gap.
- Girls and juvenile justice.

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California Mental Health Advocates for Children and Youth (CMHACY)
Web site: www.cmhacy.org
CMHACY is a diverse association of citizens dedicated to advancing children’s mental health services in California. CMHACY is the only statewide voice for children’s mental health in California. CMHACY is a strong champion for children in the legislative and public policy areas. They are frequently identified in legislation as an organization with which policymakers should consult, and are increasingly included on task forces and work groups. Through public testimony, newsletters, position papers and an annual statewide conference, we strive to educate and influence decision-makers affecting vulnerable children. CMHACY is committed to a comprehensive mental health system that:

- Promotes prevention and early intervention.
- Provides child-centered, family focused services within a culturally relevant context.
- Emphasizes community-based co-location of services with other agencies (e.g., schools).
- Serves children in the environment least restrictive to the child’s needs.
- Includes a full continuum of care, with residential services within family proximity.
- Requires interagency collaboration and cooperation.
- Advocates for statewide policy and standards for services (allowing for local flexibility and accountability).
- Assures a public/private partnership at all levels.
- Is cost effective, fully funded, and accountable.
- Assures entitlement of service to seriously emotionally disturbed children and youth.

The CMHACY’s diverse membership networks with key decision-makers in legislative, administrative and judicial branches of government. They connect parent groups with state and national advocates, mental health administrators with public policymakers, and service providers with exemplary program innovators.

California Mental Health Directors Association (CMHDA)
Web site: www.cmhda.org
The California Mental Health Directors Association (CMHDA) provides leadership, advocacy, expertise, and support to California’s county and city mental health programs (and their system partners) and assists them in serving individuals with serious mental illness and serious emotional disturbance. CMHDA’s goal is to help build a public mental health system that ensures the accessibility of quality, cost-effective mental health care which is consumer and family driven, resiliency-based and culturally competent.

CMHDA’s philosophical foundation rests on a set of basic values:

- Healthy families require healthy communities; healthy communities are built through the partnership and collaboration of the public and system stakeholders.
- Community collaboration assures that a safety net is in place and no one falls through the cracks of the system of care.
- Consumers, families/caregivers, and advocates are central to the design, operation and governance of the public system.
- Services will be high-quality, evidence-based and best practices-based, and organized to assist consumers to achieve satisfactory outcomes, including goals addressing physical health, housing, education, employment and other activities.
- Providers will treat mental illness clients and their families with dignity, respect and choice, regardless of the setting in which services are provided or the legal status of the consumer.
- Programs and policies must foster public understanding and awareness of mental illness, the damage caused by stigma and discrimination, and the public benefit of quality care.

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CMHDA identifies mental health policy issues and collaborates with other state associations and state agencies, including the Department of Mental Health (DMH). The organization provides assistance, information and training to the public mental health agencies that are its members and supports mental health directors in their work on behalf of multiple constituencies: citizens, elected officials, mental health boards and commissions, consumers, families, advocates, payors, the California Mental Health Planning Council, other service system partners, and the county staff and/or community-based organizations that provide services.

CMHDA works to enhance the resources available to people with mental illnesses, in systems of care that meet the organization’s values. The group supports delivery of quality mental health services through adoption and promotion of best practices and benchmarking of quality measures. CMHDA provides information and technical assistance and also collaborates with the California Institute for Mental Health (CIMH) in developing best practices, new delivery models, research, analysis, and public policy/program operation development options.

California Mental Health Planning Council (CMHPC)

Web site: www.dmh.ca.gov/mental_health_planning_council/default.asp

The California Mental Health Planning Council is mandated by federal and state statute to advocate for children with serious emotional disturbances and adults and older adults with serious mental illness, to provide oversight and accountability for the public mental health system, and to advise the Administration and the Legislature on priority issues and participate in statewide planning.

California Network of Mental Health Clients (CNMHC)

Web site: www.californiaclients.org

“...In this long struggle to achieve true human dignity and personal empowerment for mental health clients ... a new statewide organization composed of individuals whose lives have been dramatically affected by histories of psychiatric diagnoses and treatment comes together in conference to form and build the California Network of Mental Health Clients. This was the first mental health client run state organization in the country.”

Their goals are: (1) To empower clients of the mental health system through self-help groups and networking statewide, (2) To confront discriminating attitudes about mental health clients in the public, the media, the mental health system, and within mental health clients themselves, (3) To provide a strong voice of, by and for mental health clients; to be heard on all issues concerning clients and public policies affecting them in the government, the media, and the community, (4) To promote and instill the rights of clients in and out of treatment situations, with special attention to the right to freedom of choice, and (5) To provide every possible reasonable accommodation to enable person with a psychiatric disability to work; and provide a range of employment opportunities from subsidized pre-vocational training to on-the-job skills development through to employment comparable to non-disabled individuals in similar positions.

- Ensuring access to effective medications and services that reduce the burden of living with mental illness.
- Ending the criminalization of individuals with mental illness.

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Mental Health Association in California (MHAC)

Web site: www.mhac.org

The Mental Health Association in California brings together 18 local chapters of the oldest national mental health consumer organization, the National Mental Health Association. The mission of the Mental Health Association is to provide advocacy, education, information and other assistance necessary to ensure that all people who require mental health services are able to receive the mental health and other services that they need, and are not denied any other benefits, services, rights, or opportunities based on their need for mental health services. The Mental Health Associations have a mission that transcends that of being a provider, recipient or a family member of recipients of services. As the so-called 'glue' that holds the California Coalition for Mental Health together, the Mental Health Association of California must not only have a strong presence in Sacramento, but also must have a strong presence in every community in California.

Access Campaign for Mental Health Care

Web site: www.mhac.org/advocacy/access_background.cfm

The Access Campaign for Mental Health Care is a project of the Mental Health Association in California which works to educate state and local opinion leaders and lawmakers on the importance and cost-effectiveness of mental health care. The Campaign accomplishes these goals through advocacy, education and outreach.

A network of local and state mental health advocacy organizations, the Access Campaign was established in 1995. The Campaign is coordinated by the Mental Health Association in California.

The goals of the Campaign are to eliminate the barriers that keep Californians from accessing the care they need when they need it. The Access Campaign seeks to eliminate barriers to access through:

- Increasing mental health literacy and increasing the understanding of mental illness.
- Reducing the barriers to access imposed by both public and private payers.
- Reducing discriminatory practices within the education system, the workplace, and communities.

Alliance for Better Medicine (ABM)

Web site: http://www.mhac.org/advocacy/alliance_medicine.cfm

Also coordinated by the Mental Health Association in California, the Alliance for Better Medicine is a coalition of:

- Health Advocacy Organizations
- Ethnic Organizations
- Physicians
- Patients

The mission is to educate policymakers and the public to achieve the best and most cost-effective outcomes in health care utilizing the best available science and information developed in consultation with researchers, practitioners and recipients of care, that considers the differences in responses to specific medications or procedures - based upon factors such as age, sex, race, ethnicity and co-occurring disorders.

National Alliance on Mental Illness – California (NAMI-CA)

Web site: www.namicalifornia.org

NAMI California is a grassroots organization of families and individuals whose lives have been affected by serious mental illness. The organization advocates to improve the quality of life and eliminate discrimination and stigma for all its constituents. NAMI California provides leadership in advocacy, legislation, policy development, and education, speaking with the voice of 76 local affiliates and 16,500 people to the California Legislature and Governor, state and county administrators, local mental health directors, health care professionals, and law enforcement and judicial authorities about mental illness issues. The group is dedicated to strengthening local grass roots mental health organizations by providing updated information and support. NAMI California:

(Informing you of the existence of these Web sites is not a representation or warranty of the accuracy of the material they may contain. Any medication claim regarding efficacy, safety, or of a comparative nature of multiple products, is simply information in their materials, which may change from time to time, and is not part of this publication. The authors of this program do not have content control over these Web sites.)
• Educates clients, families and the public about the scientific evidence that shows serious mental illnesses are neurobiological brain disorders.

• Advocates for more research to discover causes of mental illness and new, effective treatments.

• Works to provide a strong, integrated system that offers a continuum of care for the persistent, long-term needs of individuals with mental illness.

• Strives to increase awareness of the needs of people with mental illness.

**United Advocates for Children and Families (UACF)**

**Web site: www.uacfhope.org**

The United Advocates for Children and Families (UACF) is a nonprofit advocacy organization that works on behalf of children and youth with serious emotional disturbances and their families. UACF is a family organization, which means that the majority of the organization’s board and staff are parents of youth who have received services for mental health. UACF provides training and technical assistance to family run organizations, local family partnership programs, county departments, school districts, child welfare agencies, juvenile justice programs, and private mental health agencies. UACF helps those it serves to develop a strong vision that articulates the hopes and dreams of a broad range of family members as well as the leadership necessary to accomplish their personal visions for improved outcomes.

UACF operates with the following core principles:

• Individualized technical assistance tailored to the goals, strengths and needs of each program.

• Focus on multiculturalism and the needs of the entire family.

• Promotion of interagency collaboration and peer-to-peer learning environments.

• Commitment to routine evaluation of outcomes.

*(Informing you of the existence of these Web sites is not a representation or warranty of the accuracy of the material they may contain. Any medication claim regarding efficacy, safety, or of a comparative nature of multiple products, is simply information in their materials, which may change from time to time, and is not part of this publication. The authors of this program do not have content control over these Web sites.)*
SECTION III: Local/County Mental Health Systems

CHAPTER 8. COUNTY GOVERNANCE

County Structure, Duties and Responsibilities
The basic provisions for the government of California counties are contained in the California Constitution and the California Government Code. A county is the largest political subdivision of the state having corporate powers. It is vested by the legislature with the powers necessary to provide for the health and welfare of the people within its borders. The specific organizational structure of a county in California will vary from county to county.

County as Distinguished from a City
There is a fundamental distinction between a county and a city. Counties lack broad powers of self-government that California cities have (e.g., cities have broad revenue generating authority and counties do not). In addition, legislative control over counties is more complete than it is over cities. Unless restricted by a specific provision of the State Constitution, the legislature may delegate to the counties any of the functions which belong to the state itself. The state may also take back to itself and resume the functions which it has delegated to counties.

Types of Counties
The California Constitution recognizes two types of counties: general law counties and charter counties. General law counties adhere to state law as to the number and duties of county elected officials. Charter counties, on the other hand, have a limited degree of “home rule” authority that may provide for the following:

- The election, compensation, terms, removal, and salary of the governing board.
- The election or appointment (except the sheriff, district attorney, and assessor who must be elected).
- The compensation, terms, and removal of all county officers.
- The powers and duties of all officers.
- The consolidation and segregation of county offices.

A charter does not give county officials extra authority over local regulations, revenue-raising abilities, budgetary decisions, or intergovernmental relations.

A county may adopt, amend, or repeal a charter with majority vote approval. A new charter or the amendment or repeal of an existing charter may be proposed by the Board of Supervisors, a charter commission, or an initiative petition. The provisions of a charter are the law of the state and have the force and effect of legislative enactments. There are currently 45 general law counties and 13 charter counties. They are as follows:

**General Law Counties:** Alpine, Amador, Calaveras, Colusa, Contra Costa, Del Norte, Glenn, Humboldt, Imperial, Inyo, Kern, Kings, Lake, Lassen, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Plumas, Riverside, San Benito, San Joaquin, San Luis Obispo, Santa Barbara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Trinity, Tulare, Tuolumne, Ventura, Yolo, Yuba.


County Powers
The California Constitution authorizes a county to make and enforce local ordinances that do not conflict with general laws. A county also has the power to sue and be sued, purchase and hold land, manage or dispose of its properties, and levy and collect taxes authorized by law. Many additional powers have been granted to counties by the legislature. The powers of a county can only be exercised
by the Board of Supervisors or through officers acting under the authority of the Board or authority conferred by law. In addition, the Board must follow the procedural requirements in the statutes or its actions will not be valid. For example, if the legislature has provided a method by which a county may abandon a road, that method must be followed. Also, where state law requires land use zoning by an ordinance, this statutorily prescribed method is binding on the county. On the other hand, where the law does not specifically prescribe a method for accomplishing a task, the county may adopt any reasonably suitable means.

**The Board of Supervisors**

Unlike the separation of powers that characterizes the federal and state governments, the Board of Supervisors is both the legislative and the executive authority of the county. It also has quasi-judicial authorities.

**Board Structure**

Government Code Section 25000 requires each county to have a Board of Supervisors consisting of five members. The section applies to general law counties and to charter counties, except where the charter provides otherwise (e.g., San Francisco City and County has 11 members and one mayor). A board member must be a registered voter of, and reside in, the district from which the member is elected. A county charter can provide a local method for filling vacancies on the Board of Supervisors. In the absence of such a provision, the Governor appoints a successor.

A majority of the members of the Board constitutes a quorum for conducting business. A majority of all the members must concur on any act of the Board. A Board may enact rules governing how abstentions are counted. Some extraordinary actions, like passing emergency ordinances, require four votes.

An official act of the Board of Supervisors can only be performed in a regularly or specially convened meeting. The individual members have no power to act for the county merely because they are members of the Board of Supervisors. Meetings of the Board of Supervisors are subject to the restrictions of the Ralph M. Brown Act (Government Code Section 54950 et. seq.). With limited exceptions, the Brown Act requires that all Board of Supervisors meetings be open and public. The county clerk, whose duty it is to record all proceedings of the Board of Supervisors, is the ex officio clerk of the Board, unless the Board appoints its own separate clerk. The Board must keep a record of its decisions and the proceedings of all regular and special meetings.

**Board of Supervisor Powers**

The Board of Supervisors exercises its power and authority by undertaking the following roles: executive, legislative, and quasi-judicial.

**Executive Role**

The Board performs its executive role when it sets priorities for the county. The Board oversees most county departments and programs and annually approves their budgets; supervises the official conduct of county officers and employees; controls all county property; and appropriates and spends money on programs that meet county residents’ needs.

**Supervision of County Officials —** The Board of Supervisors may supervise the official conduct of county officers and require them faithfully to discharge their duties, but the Board cannot add to those duties or relieve the officers from these obligations. The Board may not direct or control the day-to-day operations of a county department, or otherwise limit the exercise of discretion vested by law in a particular officer.
The supervision of elected officers by the Board of Supervisors is somewhat more limited. The district attorney, as public prosecutor, is a state or quasi-state officer and is under the direct supervision of the attorney general. Consequently, the Board of Supervisors does not have supervisory authority over the district attorney’s prosecutorial duties. On the other hand, the Board has general supervisory authority over the district attorney to the extent that the district attorney functions as a county officer.

The Board of Supervisors may supervise the sheriff to the extent that the sheriff acts as a county officer, and may investigate the officer’s performance of county duties. However, in enforcing state law, the sheriff is acting as a peace officer of the state and is under the direct supervision of the attorney general. In addition to being an officer of the county, the sheriff is also an officer of the courts. While acting in that capacity, the sheriff is not under the supervision of the Board, and the Board may not investigate the sheriff in connection with such duties. The assessor is also under state control in many respects, but not to the same degree as are the district attorney and sheriff.

The Board of Supervisors has a unique relationship with the courts. The Board shares funding responsibility for the courts with the state and cannot fully control their budget or operations. As a court of record (i.e., maintain records of proceedings), the court has all powers (i.e., inherent powers as defined in the law) reasonably required to enable it to perform its judicial functions efficiently, to protect its dignity, independence, and integrity, and to make its lawful actions effective. But inherent powers have limits. The court may not exercise its powers in such a manner as to thwart, nullify, or frustrate legitimate legislative bodies. To this end, there are some conditions on the court’s ability to order the Board of Supervisors to provide funding.

**County Litigation** — The Board of Supervisors also has the power to direct and control the conduct of litigation in which the county or any public entity which the Board governs is a party, and by a two-thirds vote, it may employ outside attorneys to assist the county counsel in conducting such litigation. The decision to hire special counsel is up to the supervisors.

**Relationship of the Board of Supervisors to the Civil Grand Jury** — The Civil Grand Jury, when working in concert with the Board of Supervisors and the county executive, can prove to be a valuable tool to audit county programs and provide constructive recommendations for the improved operation of local government.

The Civil Grand Jury in California serves two basic purposes: “(1) To weigh the allegations of misconduct against public officials and determine whether to present formal accusations(516,146),(861,173) requesting their removal from office; and (2) To act as the public’s watchdog by investigating and reporting upon the affairs of local government. Of these functions, the watchdog role is by far the one most often played by the modern grand jury in California.” (McClatchy Newspapers v. Superior Court (1988) 44 Cal.3d 1162, 1170.)

Statutory authority of the grand jury:

- To investigate all branches of county, city and special district governments to ensure they are being run in an efficient and honest manner, in the best interest of citizens it serves. Reports may be issued anytime during the year.
- To investigate and report on the operational and financial aspects of all offices within its jurisdiction, including an audit. This authorization extends to any incorporated city or joint powers agency. The grand jury may also report on county officials’ records and accounts as ex officio officers of any district.
- To investigate, at its option, any case of an inmate in the county jail on a criminal charge and not indicted. To investigate the condition and management of detention facilities within its jurisdiction.
- To investigate the willful or corrupt misconduct of public officers within its jurisdiction.
- To investigate all sales and transfers of land and matters of land ownership.
- To address the need for salary increases or decreases for county elected officials.

Responsibility of the Board of Supervisors: No later than 90 days after the report is submitted, the Board of Supervisors must comment to the presiding judge of the Superior Court on the findings and recommendations. An elected official or agency head with responsibility pertaining to an area addressed in the report shall respond in writing to the presiding judge, with a copy sent to the Board of Supervisors within 60 days.

**Joint Powers Agreement/Joint Powers Agency-Authority** — A Board of Supervisors may also establish a joint powers agreement and/or joint powers agency with another public agency. A joint powers agreement (JPA) is created where two
or more local governments enter into a cooperative agreement to provide any service which either of them could provide on their own. A joint powers agreement involves mutually agreeing to specific conditions and terms which may limit each agency's ability to act independently, but it does not alter the basic structure of each agency's decision-making processes. These JPAs are fairly common; a sheriff's department may provide police services to a city, or a county and a city may form a JPA to jointly run an emergency dispatching center. A joint powers agency takes the concept of agreement and cooperation to a new level. Under California Government Code Section 65000, counties, cities, special districts, and other public agencies are allowed to enter into agreements, which create new and distinct authorities. The new authorities have a separate operating board of directors which has the powers inherent in all of the participating agencies. The powers of the authority can be general or specific, the term of the authority must be established, and other administrative decisions must be made (e.g., how the board meets and conducts its business). For example, two parties may agree to create a joint transit authority, where both parties contribute the necessary resources and the capital assets. Personnel may become employees of the new authority, and with a new operating board, policies may be independently set to create transportation services for both jurisdictions.

**Legislative Role**

As the legislative body of the county, the Board of Supervisors may act by resolution, by board order, or by ordinance. A resolution of a Board is ordinarily not equivalent to an ordinance; it is usually a declaration about future purposes or proceedings of the Board or a policy statement by the Board. Resolutions are often used when specific findings are made by the Board of Supervisors. A Board order is usually a directive from the Board of Supervisors to its subordinate county officers.

An ordinance is a local law adopted with all the legal formality of a statute. The California Constitution allows a county or city to make and enforce within its limits all local, police, sanitary, and other ordinances and regulations that do not conflict with the state's own general laws. Most legislative acts, including using the police power, are adopted by ordinance. There are, however, numerous exceptions and specific state laws sometimes indicate whether the action requires an ordinance or resolution.

California Government Code Section 25120 et seq. specifies the form, content, and adoption process for county ordinances. For example, there are urgency ordinances (i.e., those required for the immediate preservation of the public peace, health, or safety) and ordinances which are statutorily required to have a noticed public hearing in order to be adopted (e.g., land use zoning or new fees).

**County Revenue Authority**

Boards of Supervisors can raise local revenue by imposing or increasing a tax, an assessment, or a fee. Each of these local revenue sources has its own constitutional and statutory authority and unique laws governing its use. A county can only impose those taxes, assessments, and fees which the legislature or the constitution allow the county to impose and which are approved by either a simple or two-thirds majority of local voters per Propositions 13 and 62.

There are important differences between taxes, assessments, and fees. A tax is an involuntary charge against an individual or landowner which pays for public services regardless of the taxpayer's benefit. An assessment is an involuntary charge on land which pays for public improvements or services which directly benefits the taxpayer. All revenue generated by an assessment must be used for the improvements or services specified. A fee is a voluntary charge on an individual which cannot exceed the reasonable cost of providing the service.

**Other Duties — Intergovernmental Relations**

A county supervisor may serve in other capacities on various boards, commissions, or special districts. State statute authorizes, and in some cases mandates, that various services or functions be carried out by entities other than the Board of Supervisors. These entities, in addition to including locally elected officials, seek public participation and technical expertise:

- Councils of Government (COG)
- Local Agency Formation Commissions (LAFCO)
- Special Districts
- Air Quality Management Districts (AQMD)
- Airport Land Use Commissions (ALUC)
- Joint Powers Authorities (JPA)
The roles and functions of these entities primarily relate to planning for future development and the associated service needs (e.g., water, sewer) and impacts (e.g., air quality, airport safety). Board members serving on one of these entities may find themselves making decisions on a variety of issues from regional planning to establishing spheres of influence for new cities or special districts within the county.

**County Health Departments**

**Health Services**

In California, counties have been providing health care services for almost 150 years. With the exception of local health departments operated by the cities of Berkeley, Long Beach, and Pasadena, counties provide a wide variety of health services to all residents of the county, regardless of whether they reside in the unincorporated area or within city limits. In other words, the county health department is also the cities' health department. A County Organized Health System (agency or department) is usually administered by an administrative director who is appointed by either the county administrative officer (CAO) and/or the board of supervisors and is responsible to them for all health-related issues. The board also appoints a public health officer (physician) who serves as the chief medical officer for the county on public health issues. The type of organizational structure and programs offered can vary from county to county, as this is one of the most complex and diverse areas of county government and one which affects every county resident. County health departments are responsible for the following health services, as they relate to mental health:

**Indigent Medical Care** — Provides medical care to indigent persons (those without financial resources of any kind), including Medically Indigent Adults, in a variety of ways including operating a county hospital and/or primary care clinics, or using a wide variety of contracts with providers of care to fulfill their responsibilities.

**Medically Indigent Adults (MIA)** — Counties are separated into two categories in fulfilling state-mandated medical and dental services to eligible persons. Those counties with a population over 300,000 in 1980 are referred to as Medically Indigent Services Program (MISP) counties and are required to administer their medical program. Those counties with a population under 300,000 in 1980 have an option of either contracting with the state to administer their MIA program as a County Medical Services Program (CMSP) or administering it themselves (MISP county).

**Mental Health** — Provides a wide range of mental health services to the public either directly or by contract with providers (to the extent that resources are available). Services typically include acute inpatient care, evaluation of individuals under Welfare and Institutions Code Section 5150 persons (to determine whether they are a danger to themselves, others, or are gravely disabled), State Mental Hospital placements, community long-term care nursing (in institutes for mental disease or IMDs), local crisis services, day treatment, outpatient care, and operation of a conditional release programs for Penal Code offenders in some counties through contracts with the State.

Under Welfare & Institutions Code Sections 5650-5667 mental health departments must give the State Department of Mental Health assurances regarding the following issues in accordance with state law through the development of an annual Performance Contract. Counties must exhibit compliance in:

- The "Maintenance of Effort" requirements, which requires the county to match funds deposited into the mental health account from the Sales Tax Account of the Local Revenue fund.
- Providing mental health services required by state statute.
- Providing for evaluation and treatment to individuals who are a danger to self or others, or are gravely disabled.
- Following requirements necessary for Medi-Cal reimbursement for mental health services under the Medi-Cal mental health managed care program.
- Assuring citizen and professional involvement with planning processes.
- Adhering to applicable laws, regulations and state policies relating to patients' rights.
- Following federal law relating to federally funded mental health programs.
- Providing all data reports and information needed to meet the state's needs.
- Cultural competence of mental health services.
- Using quality assurance techniques to improve mental health services.
Mental Health Directors

“Local mental health services shall be administered by a local director of mental health services to be appointed by the governing body. He shall meet such standards of training and experience as the State Department of Mental Health, by regulation shall require,” according to State Welfare & Institutions Code 5607-5623.5. (See www.leginfo.ca.gov for full text of this code.) (Informing you of the existence of these Web sites is not a representation or warranty of the accuracy of the material they may contain. Any medication claim regarding efficacy, safety, or of a comparative nature of multiple products, is simply information in their materials, which may change from time to time, and is not part of this publication. The authors of this program do not have content control over these Web sites.)

The local mental health director has the following powers and duties, summarized from the State Welfare & Institutions Code 5607-5623.5:

- Serves as chief executive officer of the community mental health service.
- Supervises mental health services.
- Recommends to the governing body the provision of services, establishment of facilities, contracting for services or facilities, after consultation with the advisory board.
- Submits an annual report to the governing body comprising activities, financial accounting and a forecast of anticipated needs.
- Carries on studies appropriate for the discharge of his or her duties, including the control and prevention of mental disorders.
- Possesses authority to enter into negotiations for contracts or agreements to provide mental health services in the county.

Mental health directors must also meet state and federal reporting requirements through development and maintenance of a data system that measures costs and outcomes. An annual Performance Contract comprising these outcome data must be reported and reviewed by the mental health board, which must then comment on the findings and deliver a report to the California Mental Health Planning Council.

County Boards and Commissions

County boards and commissions (these terms are often used interchangeably) are advisory panels established to encourage citizen involvement and expertise to assist the board of supervisors in serving the community. They are created by state or federal law, county ordinance or by the board of supervisors, depending on the commission. Boards of supervisors rely on these groups to advise them on a wide range of issues affecting their constituencies, and to assure they are responsive to community needs.

Local mental health boards are mandated by state law and play an important role in the delivery of public health to Californians. There is also a unique relationship between the board of supervisors in each county and the local mental health board. Because some counties may be arranged differently, mental health commissioners may report to “governing bodies” other than county supervisors.

Placer, Fresno and San Diego counties don’t have freestanding local mental health departments. In these counties, portions of the mental health department related to age-specific services are provided through collaborative agencies. Additionally, there are three mental health boards that don’t work for a “board of supervisors”: Tri-City, Berkeley City and Yuba-Sutter (which use a Joint Powers Agreement).

Source: CALMHB/C Workbook, Page 124

Establishment of Mental Health Boards/Commissions

Mental health boards were created in 1957 when the State of California passed the Short-Doyle Act that made counties responsible for providing treatment and care for the mentally ill through a community-based and community-operated mental health system. These boards remain the primary vehicle for citizens to have oversight of the administration and provision of county mental health services. Under the Short-Doyle Act, the board of supervisors of every county must establish a community mental health service for the county. Each of these community health services must have a mental health board consisting of no more than 15 members (depending on the population and preference of the county), appointed by the governing body, and one member of the board will be a member of that local governing body. Local
mental health boards may recommend appointees to the county supervisors. The ultimate goal of mental health boards is to ensure the development of improved services, access to services and the best mental health department possible.

**Makeup of the Local Mental Health Boards/Commissions**

Counties are encouraged to appoint individuals who have experience and knowledge of the mental health system, and the board’s makeup should reflect the ethnic diversity of the client population in the county. Members serve for three-year terms.

- The local mental health board must develop bylaws, to be approved by the governing body.
- Local boards are required to have at least half consumers and family members (parents, siblings or adult children of consumers) who are receiving or who have received mental health services on their boards.
- Boards created to function as advocates and spokespersons for consumers, families and the larger community in the design and financing of mental health programs.

**Regional Groups of Counties**

California’s local mental health boards are organized by the California Association of Local Mental Health Boards/Commissions into groups of counties and five regions:

- Bay Area Region
- Southern Region
- Los Angeles Region
- Superior Region
- Central Region

**Mental Health Boards and Commissions: Statutory Duties**

Mental health boards and commissions serve as advisors with the following purposes:

- Oversee and monitor the local mental health system.
- Advocate for individuals with serious mental illness.
- Advise the local governing body and the mental health director.

The statutory duties are outlined in the Welfare & Institutions Code 5604.2 as follows. The italicized items are potential opportunities and/or methods to meet the requirements, as suggested in the CALMHB/C Workbook.

1. Review and evaluate the community’s mental health needs, services, facilities and special problems.
   - Have presentations by various agencies, contractors, community groups and program managers.
   - Review facilities and services through site visits.
   - Hold public meetings on various topics.
   - Establish committees to review issues.

2. Review any county agreement entered into pursuant to Section 5650.
   - This refers to the county’s annual Performance Contract required to be submitted to the State Director of Mental Health. The mental health board/commission should review their mental health department’s “county plan” to assure that the county is in compliance with the required elements (see www.leginfo.ca.gov for text of this code.)
   - Proactively monitor and review the budget process.
   - Monitor and review subaccount transfers.

3. Advise the governing body and the local mental health director as to any aspect of the local mental health program.
   - Testify at board of supervisors’ meetings and workshops.
   - Provide written advice.
   - Meet with supervisors individually.
   - Review and comment on the mental health budget.
4. Review and approve the procedures used to ensure citizen and professional involvement at all stages in the planning process.
   • Encourage community input at mental health board meetings.
   • Join department committees.
   • Conduct public meetings.

5. Submit an annual report to the governing body on the needs and performance of the county's mental health system.
   • Provide a summary of the mental health board's membership, attendance and major activities in the past year.
   • Address the mental health board's goals for the coming year.
   • Provide comments on the planning process and citizen involvement.
   • Evaluate the local mental health program (i.e., unmet needs, gaps in services, consumer satisfaction, etc.).
   • Make recommendations for system improvements.

6. Review and make recommendations on applicants for the appointment of a local director of mental health services. The board shall be included in the selection process prior to the vote of the governing body.

7. Review and comment on the county's performance outcome data and communicate its findings to the California Mental Health Planning Council.
   • Appoint a committee to review the process and criteria, and to work with the mental health staff.
   • Seek input from providers and the community.
   • Consult with the mental health director at all stages in compiling the report.

8. Nothing in this part shall be construed to limit the ability of the governing body to transfer additional duties or authority to the mental health board.
   • The board of supervisors may ask the mental health board to take on additional duties which by law they would be required to perform.

CHAPTER 9. CALIFORNIA ASSOCIATION OF LOCAL MENTAL HEALTH BOARDS AND COMMISSIONS

In 1991, the Welfare and Institutions Code had mandated that local mental health boards/commissions re-establish their membership with 50 percent consumer and family members. Although they now had a voice and a vested interest, new members did not receive training to assist them in performing their duties.

The California Association of Local Mental Health Boards and Commissions (CALMHB/C) was created in 1993 by Jean Liechty as a 501(c)3 nonprofit organization. The CALMHB/C was established to educate new mental health board members. The CALMHB/C would also provide a safe forum in which to exchange ideas in a constructive, focused way and a vehicle whereby new members could learn how to: (1) perform their mandated oversight duties; (2) conduct complete and thorough reviews of their departments; (3) provide the necessary funding and tools to do their jobs; and (4) confront other challenges facing local mental health boards around the state.

The organization features a board of directors consisting of five executive officers (president, 1st vice president, 2nd vice president, secretary and treasurer.) Board members represent five regions throughout California, with three directors, three alternate directors and a coordinator, all elected at the regional level.

CALMHB/C is structured with a “bottoms-up” system. Each of the 59 local mental health boards is invited to attend regional meetings to discuss issues, keep informed of legislative issues, state issues, and obtain and share information to evaluate the effectiveness of their own local boards.

The organization’s primary goal is to become an “informational highway” from the local boards to the regional level and then to

CALMH/C Mission Statement

The purpose of the Association shall be to assist local mental health boards and commissions carry out their mandated functions; to advocate at the state level as a united voice for local mental health boards and commissions' concerns, and to promote improvement of the quality, quantity and cultural competency of mental health services deliverable to the people of California.