Behavioral Health Transformation
Public Listening Session

BHSA and Substance Use Disorder Services

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Department of Health Care Services

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DHCS
CALIFORNIA DEPARTMENT OF
HEALTH CARE SERVICES

MENTAL HEALTH FOR ALL

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Q&A

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Public Listening Session Format

For each topic, DHCS will:

1. Present the information specified in the County Integrated Plan for Behavioral Health Services and Outcomes.
2. Solicit stakeholder feedback via the prompt(s).

Please note: DHCS is ***gathering information*** and will not be responding to questions during the public listening session. We will only offer points of clarification.

How to Provide Feedback

1. Type your feedback/comments in the Q&A box (click the icon located on your control panel).
2. Send an email to BHTinfo@dhcs.ca.gov with the subject line "Public Listening Session." Feedback will be accepted through **August 6, 2024**. Feedback received after this date will still be considered, but not included in the summary document.

Marlies Perez,
Project Executive

Behavioral Health Transformation
Department of Health Care Services

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Behavioral Health Transformation

In March, California voters passed Proposition 1, a two-bill package to modernize the state's behavioral health care system, including substantial investment in housing for people with behavioral health care needs.

Behavioral Health Services Act

- Reforming behavioral health care funding to provide services to those with the most serious mental illness & to treat substance use disorders.
- Expanding the behavioral health workforce to reflect and connect with California's diverse population.
- Focusing on outcomes, accountability, and equity.

Behavioral Health Infrastructure Bond Act

- Funding behavioral health treatment beds, supportive housing, and community sites.
- Directing funding for housing for veterans with behavioral health needs.

Current Substance Use Disorder Services County Funding

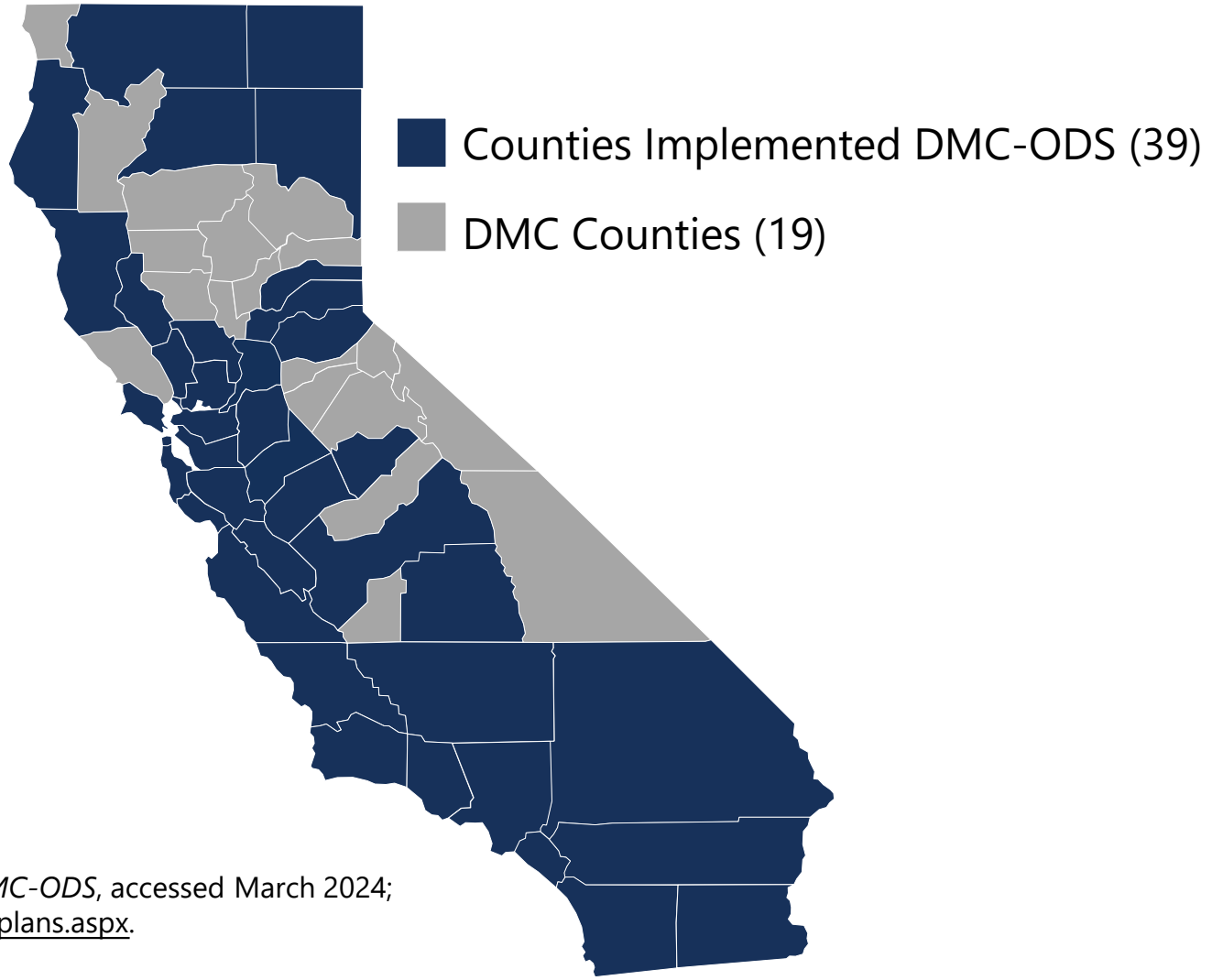
DHCS

Current County SUD Funding Sources

- County behavioral health departments receive state, federal and other sources of funding to provide Substance Use Disorder (SUD) services at the local level.
- Each funding source has different requirements counties must follow including:
  - Eligibility of individuals served
  - Allowable expenses
  - Timeframes for expenditure
  - Application and reporting requirements
- Counties utilize the different funding sources to 'braid' funding to meet the needs of individuals at the local level.

Drug Medi-Cal

- Drug Medi-Cal provides SUD treatment services for Medi-Cal members and is administered by California counties.
- Most Californians live in a county that has chosen to operate an expanded program, known as the Drug Medi-Cal Organized Delivery System (DMC-ODS). They operate as a managed care plan for SUD services.
- DMC-ODS counties support more than **96%** of the State's Medi-Cal population.



Source: California Department of Health Care Services, *Counties Participating in DMC-ODS*, accessed March 2024; available at: https://www.dhcs.ca.gov/provgovpart/Pages/county-implementation-plans.aspx.

Drug Medi-Cal Organized Delivery System

The Drug Medi-Cal Organized Delivery System (DMC-ODS) is a program for the organized delivery of SUD treatment services by providing a continuum of care modeled after the American Society of Addiction Medicine (ASAM) Criteria for SUD treatment services.

DMC Benefits

- Outpatient treatment services
- Intensive outpatient treatment services
- Medications for addiction treatment
- Narcotic treatment programs
- Perinatal and youth residential
- Peer support services*
- Mobile crisis services
- Early intervention (youth under 21 years)

All DMC and DMC-ODS services are covered pursuant to EPSDT.

DMC-ODS Benefits

- Outpatient treatment services
- Intensive outpatient treatment services
- Medications for addiction treatment
- Narcotic treatment programs
- Residential – all populations
- Peer support services*
- Mobile crisis services
- Early intervention (youth under 21 years)
- Withdrawal management
- Recovery support services
- Care coordination
- Clinician consultation
- Partial hospitalization*
- Recovery Incentives*
- Inpatient treatment/withdrawal management

* Optional services

Opioid Settlement

The table illustrates funding and uses resulting from opioid settlements and bankruptcies.

Fund Type	Allocation	Allowable Uses
Settlement Funds		
California Abatement Accounts Fund (70%)	All Participating Subdivisions	Future Opioid Remediation (in one or more of the areas described in Exhibit E of the Settlement Agreements)
		High Impact Abatement Activities (No less than 50% of funds)
California Subdivision Fund (15%)	Cities and counties from Initial Plaintiff Subdivisions	Future Opioid Remediation Reimburse past opioid-related expenses (i.e. litigation fees)
California State Fund (15%)	State of California	Future Opioid Remediation
Bankruptcy Funds		
Local Government Share (60%)	All participating cities and counties	Future Opioid Remediation (in one or more of the uses listed in Exhibit 4 of the Mallinckrodt Bankruptcy Plan)
State Share (40%)	State of California	Future Opioid Remediation

Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUBG)

- California's annual SUBG allocation from the Substance Abuse and Mental Health Administration to counties is ~$230M, which is allocated based on population size to provide SUD related activities and services.
- To prevent and treat SUDs, the SUBG Program funds prevention, treatment, recovery support, and other services independently or with Medi-Cal funded services.
- The SUBG program includes the following "set-asides" defined by federal statute and state priorities:
  - Discretionary – for programs specific to local needs, funded at the county's discretion (i.e. residential treatment, recovery support services)
  - Perinatal – services for pregnant women and women with dependent children
  - Prevention – for primary prevention services
  - Adolescent/Youth – youth treatment programs

Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUBG)

The SUBG program prioritizes programs that provide SUD prevention, treatment, and recovery services, specifically for the following populations and service areas:

- Pregnant women and women with dependent children
- Intravenous drug users
- Tuberculosis services
- Early intervention services for HIV/AIDS
- Primary prevention services

2011 Realignment

SB 1020 (Statutes of 2012) created the permanent structure for 2011 Realignment. It codified the Behavioral Health Subaccount, which funds:

- Specialty Mental Health
- **Drug Medi-Cal**
- **Residential perinatal drug services and treatment**
- **Drug court operations**
- Other non-Drug Medi-Cal programs (Government Code Section 30025 (f)(16)(B))
- Allocations of Realignment funds run on a fiscal year of October 1 – September 30. They are monthly allocations to counties from the State Controller's Office.

Feedback
(Please Use Q&A Feature)

1. How can DHCS assist stakeholders in understanding the requirements, limitations and opportunities of the various county funding sources for SUD?

Integrating SUD in BHSA

DHCS

BHSA Intent Language and SUD

SECTION 1.

» The people of the State of California hereby find and declare all of the following

(b) One in 10 Californians meet the criteria for a **substance use disorder**.

(c) The number of amphetamine-related emergency department (ED) visits increased nearly 50 percent between 2018 and 2020, while the number of non-heroin-related opioid ED visits, including fentanyl ED visits, more than doubled in the same period. Data shows a 121% increase in opioid deaths between 2019 and 2021.

SECTION 2

(b) The time has come to modernize the MHSA to focus funds where they are most needed: expanding services to include treatment for those with **substance use disorders** and ……

BHSA Definition of Substance Use Disorder

» "Substance use disorder means an adult, child, or youth who has at least one diagnosis of a moderate or severe substance use disorder" from the most current version of the Diagnostic and Statistical Manual of Mental Disorders for Substance-Related and Addictive Disorders with the exception of tobacco-related disorders and non-substance-related disorders.

» "Substance use disorder treatment services" include **harm reduction, treatment**, and **recovery services**, including federal Food and Drug Administration approved **medications**.

Harm Reduction

DHCS is exploring the utilization of the SAMHSA harm reduction definition which includes:

- Connect individuals to overdose education, counseling, and referral to treatment for infectious diseases and SUDs.
- Distribute opioid overdose reversal medications (e.g., naloxone) to individuals at risk of overdose, or to those who are likely to respond to an overdose.
- Lessen harms associated with drug use and related behaviors that increase the risk of infectious diseases, including HIV, viral hepatitis, and bacterial and fungal infections.
- Reduce infectious disease transmission among people who use drugs (including those who inject drugs) by equipping them with sterile supplies, accurate information and facilitating referrals to resources.
- Reduce overdose deaths, promote linkages to care, facilitate co-location of services as part of a comprehensive, integrated approach.
- Reduce stigma associated with substance use and co-occurring disorders

Recovery Services

DHCS is exploring aligning the BHSA definition of Recovery Services with the Drug Medi-Cal Organized Delivery System (DMC-ODS) definition.

- Effective January 1, 2022, as described in State Plan Amendment 21-0058 and Behavioral Health Information Notices 21-075 and 22-025, Recovery Services include the following service components:
  - Assessment
  - Care Coordination
  - Counseling (individual and group)
  - Family Therapy
  - Recovery Monitoring
  - Relapse Prevention

SUD in BHSA

- Counties will utilize data to allocate BHSA funding between mental health and **substance use disorder** treatment services.
- If counties are not utilizing a proportionate amount of BHSA funding to support **substance use disorders** based on the needs identified by the data in the Integrated Plan, the county will demonstrate what other BH funding sources are being utilized to cover SUD services.
- Counties will identify strategies to address **SUD disparities** in their Integrated Plan.
- In counties with **separate** mental health and **SUD departments**, both departments will work together to utilize BHSA funding in line with local data needs and reflected in their single Integrated Plan.

SUD in BHSA

- Counties can utilize BHSA funding as the match for Drug Medi-Cal and Drug Medi-Cal Organized Delivery System prior to expending BHSA-only funds for **SUD services**. Counties spend ~12% of their total Medi-Cal behavioral health treatment dollars on SUD (i.e., through DMC/DMC-ODS), suggesting a significant opportunity exists to increase access to lifesaving treatment.
- For **SUD services** not covered by Medi-Cal, BHSA funding can be utilized for individuals with moderate to severe conditions.
- BHSA funds can be utilized as the match for federal dollars of DMC and DMC-ODS services.
- DHCS may utilize the SAMHSA Harm Reduction definition as a framework for BHSA.
- DHCS may utilize the DMC-ODS definition for BHSA Recovery Services.

Feedback
(Please Use Q&A Feature)

2. Do the 'SUD in BHSA' items resonate with you? What would you add or change?

BHSA and SUD Integration

DHCS

SUD and the BHSA Planning Process

Input from various SUD stakeholders is a new requirement in BHSA. The Welfare and Institutions Code (WIC) requires the following:

- Addition of SUD stakeholders into the community planning process as outlined in WIC 5963.03.
- Change of local mental health boards into the behavioral health board by adding the required SUD representatives in WIC 5604.2.
- Additional SUD membership to the Behavioral Health Services Oversight and Accountability Commission (BHSOAC).

Integrated Plan for Behavioral Health Services and Outcomes

	Three-Year County Integrated Plans (IP)
Purpose	Prospective data-driven plan and budget for all county BH services.
Goal	Standardize strategic planning to increase transparency, foster cross-system alignment, reduce disparities, eliminate fragmentation, and promote stakeholder engagement.
Frequency	Developed every three years.
Timing	First due June 30, 2026.

See Welfare and Institutions Code 5963.02 (SB 326 Sec. 109)

Expanded Focus of Integrated Plan

The expanded scope for the Integrated Plan will support the state in achieving the following goals:

- Collect local and aggregate information on all behavioral health services delivered statewide.
- Increase transparency and accountability in county reporting and ensure counties are efficiently using behavioral health funding.
- Conduct robust data analysis across counties, services, and funding streams and identify gaps in service delivery.

Capturing Behavioral Health Funding

- BHSA requires counties to submit three-year Integrated Plans for Behavioral Health Services and Outcomes (IP) that outline planned county activities and projected expenditures for all county mental health and **substance use disorder services** funded under the following behavioral health funding streams[1]
  - Bronzan-McCorquodale Act (1991 and 2011 realignment);
  - Medi-Cal behavioral health, including Specialty Mental Health Services, Drug Medi-Cal (DMC), and Drug Medi-Cal Organized Delivery System (DMC-ODS);
  - Federal block grants;
  - Opioid settlement funding; and
  - BHSA.

[1] 5963.02 (c)(1)

BHSA Specifications for SUD

Per WIC 5891.5, the programs, services, and support funded with BHSA may include SUD treatment services for children, youth, adults, and older adults.

- Counties providing substance use disorder treatment services **must provide** all forms of federal Food and Drug Administration approved medications **for addiction treatment.**
- Counties may use BHSA funding to assess whether a person has a substance use disorder and **treat** the individual **prior to a diagnosis** of a substance use disorder.
- Counties must include substance use disorder treatment services in the Integrated Plan and/or Annual Update.

BHSA Funding of SUD Services

- Allows funding of SUD services **across all three funding categories**; Housing, Full-Service Partnership and Behavioral Health Services and Supports.
- BHSA enables counties to fund these services alone or in combination with other state and federal funds to support expansion of **SUD services**.
- **SUD** may be included in state-directed responsibilities (e.g. Population-based Prevention overseen by California Depart. of Public Health, Workforce overseen by Dept. of Health Care Access and Information, Innovation Partnership Fund overseen by Behavioral Health Services Oversight and Accountability Commission).

Behavioral Health Outcomes, Accountability, and Transparency Report (BHOATR)

The BHSA requires counties to submit Behavioral Health Outcomes, Accountability, and Transparency Reports (BHOATRs) to DHCS on an annual basis.

The BHOATR provides information on county implementation of their Integrated Plans, including reporting on actual mental health and **substance use disorder** expenditures and activities undertaken during the reporting period.

DHCS will use county BHOATRs to develop a statewide BHOATR outlining activities and gaps in mental health and **substance use disorder** delivery across California.

State Auditor Report

- The State Auditor shall issue a comprehensive report on the progress and effectiveness of implementation of BHSA by December 31, 2029, and every 3 years thereafter until 2035. All entities with BHSA funding, including DHCS and the counties, will be audited.
- **Shall include:**
  - BHSA policy impact
  - Timeliness of guidance and technical assistance
  - Progress toward goals and outcomes
  - Gaps in service and trends in unmet needs
  - **Inclusion and impact of SUD services and personnel**
  - Effectiveness of reporting requirements
  - DHCS oversight of plans and reports
  - Coordination and collaboration areas of improvement
  - Recommendations of changes or improvements

Feedback
(Please Use Q&A Feature)

3. As DHCS is developing the guidance around the Integrated Plan, BHOATR, Planning Process and other BHSA policy, what do you want DHCS to be sure to include pertaining to the delivery of SUD services utilizing BHSA funds?

Housing Intervention Component

Per WIC 5830, counties are required to establish and administer a program for housing interventions.

1. Housing interventions to individuals with a **substance use disorder** are allowable for counties. (WIC 5891.5)
2. Housing interventions must not deny access to housing for individuals that are utilizing **medications for addiction treatment** or other authorized medications.
3. Housing interventions must comply with the core components of Housing First principles and may include **recovery housing**.

Behavioral Health Services and Supports Component

Per WIC 5892, thirty-five percent of the funds distributed to counties must be used for Behavioral Health Services and Supports (BHSS).

- Counties may fund under BHSS may include the addition of **substance use disorder services**.
- Early Intervention Programs are designed to prevent mental illnesses **and substance use disorders** from becoming severe and disabling and to reduce disparities in behavioral health.
- Outreach and Engagement activities may be targeted to individuals and communities in **the behavioral health system**
- Workforce Education and Training activities may target the **behavioral health workforce.**

Full Service Partnership Component

Per WIC 5887, each county must establish and administer a full service partnership program.

- The program must include mental health services, supportive services, and **substance use disorder treatment services**, as needed by the individual.
- The program must include **assertive field-based initiation for substance use disorder treatment services,** including the provision of medications for addiction treatment.

Feedback
(Please Use Q&A Feature)

4. Are there specific areas of guidance that are needed to further develop the use of housing intervention and behavioral health services and supports funding categories to support individuals with a substance use disorder?

Full Service Partnership Component "Whatever It Takes"

Per WIC 5887, each county must establish and administer a full service partnership program.

- The program must include mental health services, supportive services, and **substance use disorder treatment services**, as needed by the individual.
- The program must include **assertive field-based initiation for substance use disorder treatment services,** including the provision of medications for addiction treatment.

Proposed Definition of Assertive field-based initiation for substance use disorder treatment services

Outreach, engagement and initiation of medications for addiction treatment (MAT) in any low-barrier setting, such as on the street, in homeless encampments, and in hospital emergency departments (ED) to reach people wherever they are.

Policy Design Principles

Assertive SUD engagement proposes a "no-wrong door" approach to connect more Californians to MAT and follow-up integrated treatment and support.

- **Voluntary participation**, focusing on field-based MAT initiation for individuals who want to be connected to treatment
- **Outreach and engagement to individuals wherever they are**, (e.g., on the street, EDs, in syringe exchange programs, in homeless encampments)
- **Expand low-barrier, rapid access to all forms of MAT** (buprenorphine, methadone, naltrexone) for individuals with opioid use disorder and alcohol use disorder when they ready for treatment using harm reduction principles
- **Link to ongoing comprehensive treatment and supports with FSP, Medi-Cal and other county programs** (e.g., care coordination, primary care, housing and employment supports)
- Provide **flexibility for counties** to respond to local conditions and populations
- **Build upon and expand** existing SUD treatment models and programs within California
- **Maximize available resources**, including Medi-Cal, to most efficiently use BHSA funding

Potential Field-Based MAT Initiation Models

Examples of current county field-based initiatives for opioid use disorders (Part 1 of 2):

- **Street Medicine Programs with MAT Prescribers**
  - Alameda's Street Health and San Francisco's street medicine teams brings doctors, peers and other health professionals, including MAT prescribers, to provide treatment to people who are homeless
- **Emergency Department (ED)-Initiated MAT**
  - In California, CA Bridge supports 276 hospital EDs to provide MAT
- **Methadone Induction and Maintenance**
  - On July 1, 2024, DHCS awarded $24M to 32 DHCS-licensed NTPs to expand their services via Medication Units (MUs) and mobile narcotic treatment program (MNTPs) More details can be found in the Request for Applications (RFA)
  - **MUs:** treatment facilities from which licensed practitioners dispense medications for opioid use disorder (OUD)
    - Staff associated with an existing brick-and-mortar NTPs can embed in community sites and integrate into medical care
    - In California, Aegis Treatment Centers operates three MUs

Potential Field-Based MAT Initiation Models

Examples of current county field-based initiatives for opioid use disorders (Part 2 of 2):

- **Methadone Induction and Maintenance**
  - **Mobile NTPs**
    - DHCS BHIN 24-005 issues guidance re: creation of mobile NTPs and streamlines licensure requirements for existing NTPs to implement mobile units
    - San Francisco offers mobile methadone clinics, providing MAT and other harm reduction services
- **Emergency Medical Services (EMS)-initiated MAT/Buprenorphine**
  - EMS agencies participating in CA's First Dose Buprenorphine (FDB) project, an initiative funded through SAMHSA's State Opioid Response grant program, offer MAT to patients and link them to recovery services
  - CA Bridge funded a pilot in Contra Costa county and has expanded it to Monterey, San Benito, Santa Cruz, San Diego, San Bernardino, Inyo, and Mono counties

Preliminary Draft Proposal for Opioid Use Disorder: Outreach and MAT Initiation

DHCS would like to consider requiring that county-run mobile, field-based, and open-access MAT clinics demonstrate they can do both of the following. DHCS recognizes these may be challenging standards to meet, or "stretch" goals in most counties, and welcomes stakeholder feedback and refinements:

1. **Conduct ongoing, targeted outreach** to BHSA eligible individuals with SUD treatment needs
   - **Priority Populations**: Counties should prioritize **individuals who are at-risk or experiencing homelessness and/or justice-involvement**, who are at higher risk of overdose
     - **Note:** Outreach should include not only **current FSP program members**, but also focus on **enrolling new members eligible for FSP**
   - **What**: Outreach should include distribution of **harm reduction kits, naloxone**, and **fentanyl and xylazine testing strips**
   - **Where**: Outreach locations should include **hospital EDs** and be **close to housing encampments, jails, and syringe exchange programs**
2. **Provide rapid access to all forms of MAT**
   - County programs must have an **appropriate number of available MAT prescribers** (e.g., in-person, through telehealth model) to initiate MAT, including methadone
   - Programs must provide or **refer individuals initiated to providers** for maintenance and ongoing SUD treatment, if requested (see next slide)

Preliminary Draft Proposal for Opioid Use Disorder: Connect to Treatment

As counties are preparing to further integrate SUD treatment into FSP and other county-run comprehensive treatment programs, DHCS would also like to consider requiring these key program components:

1. **Provide overdose follow-up engagement services**
   - After someone survives an overdose, programs will provide community-based outreach through a multidisciplinary team to facilitate rapid access to MAT
     - This approach is being piloted in San Francisco, Portland, OR and New Jersey
2. **Ensure linkages of individuals to SUD treatment and comprehensive services and supports** after initiating MAT, such as through warm-handoffs
   - County programs must connect individuals to:
     - Ongoing SUD treatment (e.g., including recovery incentives, residential care); and
     - Comprehensive, integrated treatment (e.g., mental health treatment, primary care, housing, employment provided by a FSP program)
3. **Integrate and embed MAT and SUD treatment into FSP teams**
   - FSP teams will be required to employ or facilitate access to a MAT provider for individuals with SUD or co-occurring SUD/mental health needs
   - FSP programs, across all levels of care, should be equipped with enough trained staff to provide "whatever it takes" to individuals with SUD only or co-occurring SUD/mental health needs

Feedback
(Please Use Q&A Feature)

5. Are there other suggestions of integrating SUD services into full service partnership that DHCS should consider?

Available Resources

Visit the DHCS BHT website for additional information, updates, and resources related to BHT. Below highlights resources which have recently been added to the webpage.

BHTInfo Mailbox

Send questions to and share feedback to ***BHTinfo@dhcs.ca.gov***

Infographic

Behavioral Health Services Act: Maximizing Funding Opportunities (July 2024)

FAQs

1. Proposition 1: An Overview (July 2024)
2. Behavioral Health Services Act (July 2024)
3. Behavioral Health Bond (July 2024)

Thank You

For More Information

BHTinfo@dhcs.ca.gov

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