California Behavioral Health Planning Council
Legislation & Public Policy Committee Agenda

Friday, August 4, 2023
10:00 am to 11:30 am
1700 K Street, Sacramento, CA 95814

Dial-in: (669) 900-6833
Meeting ID: 867 8962 1249
Passcode: 012159

Zoom

10:00 am	**Welcome and Introductions** *Veronica Kelley, Chairperson*	
10:05 am	**Discussion of SB 326 The Behavioral Services Act** *Veronica Kelley, Chairperson and All Committee Members*	**Tab 1**
10:35 am	**Public Comment**	
10:45 am	**Behavioral Health Services Act Public Forums Update** *Jenny Bayardo, Executive Officer* *Susan Wilson, Council Member*	
10:55 am	**Discussion of Council Recommendations** *Veronica Kelley, Chairperson and All Committee Members*	
11:25 am	**Public Comment**	
11:30 am	**Adjourn**	

The scheduled times on the agenda are estimates and subject to change.

Committee Members

Veronica Kelley, Chairperson Barbara Mitchell, Chair-Elect

Karen Baylor, Stephanie Blake, Monica Caffey, Erin Franco, Steve Leoni, Catherine Moore, Javier Moreno, Noel O'Neill, Liz Oseguera, Vandana Pant, Darlene Prettyman, Marina Rangel, Joanna Rodriguez, Daphne Shaw, Deborah Starkey, Tony Vartan, Susan Wilson, Uma Zykofsky

TAB 1

California Behavioral Health Planning Council
Legislation & Public Policy Committee

Friday, August 4, 2023

Agenda Item: Discussion of SB 326 The Behavioral Services Act

Enclosures: SB 326 (Eggman)The Behavioral Services Act
DHCS June 2023 Webinar Slides
Fact Sheet on Governor Newsom's Transformation of BH Services
Behavioral Health Task Force June 29th Workshop
Assembly Committee on Health SB 326 Analysis
LAO Analysis of the Behavioral Health Modernization Proposal
DRC SB 326 Summary
CBHA Member Survey on MHSA Service

How This Agenda Item Relates to Council Mission

To review, evaluate and advocate for an accessible and effective behavioral health system.

The Mental Health Services Act was designed to expand and transform California's behavioral health system to better serve individuals with, and at risk of, serious mental health issues, and their families.

Background/Description:

At the June 2023 Legislation & Public Policy Committee (LPPC) meeting members discussed SB 326 (Eggman), however since the bill was still in its early form there were minimal details to consider. On June 19, 2023 the bill was amended to 233 pages, which proposed a transformation of the behavioral health system and particularly the Mental Health Services Act (MHSA). During this agenda item LPPC members will have an opportunity to discuss the amendments to this legislation.

To maximize the discussion time for members, please review the resources linked as enclosures to assist you in becoming more familiar with the legislation prior to the LPPC meeting.

For a copy of the CBHA Member Survey on MHSA Service, please contact Naomi Ramirez at naomi.ramirez@cbhpc.dhcs.ca.gov.

Summary of CBHA Member Survey on the Mental Health Services Act

CBHA surveyed 70 agencies who provide services through programs that are funded by the Mental Health Services Act (MHSA).

Programs Funded by the MHSA

- **76% of survey respondents have programs that are funded by Community Services and Support (CSS)**, which is the largest component of the MHSA. This funding is used to provide essential direct services to adults and older adults with serious mental illness and children and youth with serious emotional disturbances.

- **76% of respondents have programs that are funded by the Prevention and Early Intervention (PEI)** component of the MHSA. Designed to prevent mental illnesses from becoming severe and disabling, this program enhances timely access to services for underserved communities.

- **30% of respondents have programs that are funded by the Innovation (INN)** component of the MHSA, which allows agencies to implement novel approaches in the mental health system that strengthen community collaboration to increase the quality of services.

- **23% of respondents have programs that are funded by the Workforce Education and Training (WET)** component of the MHSA. These programs address the ongoing behavioral health professional shortage and in growing the workforce, help expand services to underserved communities.

Funding Utilized to Address Behavioral Health Disparities in Underserved Communities

Several members reported that they rely on MHSA funding to provide **client-centered activities** that empower the client throughout their mental health treatment plan.

Various members indicated that they utilize CSS funding to provide **wraparound services** that are not considered traditional mental health services under Medi-Cal. The flexibility to leverage these dollars helps agencies provide services to low-income families in underserved communities.

Another member uses CSS funding to provide **mental health services to veterans**. This population is at risk for suicide, self-harm and domestic violence. Further, untreated behavioral health issues can put individuals at greater risk for becoming unhoused and increase the potential for law enforcement involvement.

Multiple members attested that **partnerships with schools** have been significant in addressing behavioral health concerns. For example, one member described that their agency links families to housing, shares information about food banks, and even provides services on school campuses, regardless of the academic calendar.

Several members highlighted that their **PEI funding** is vital in addressing behavioral health concerns before they become debilitating. For example, one member uses PEI funding to **support older adults' cognitive and physical development**. We know that older adults are more likely to experience isolation and early signs of mental health challenges, so programs that invite collaboration and enrich their well-being are instrumental for people to thrive across their lifespan.

One member agency uses their **INN funding** to support individuals who experience a serious mental health illness while being **justice-involved**. The program aims to reduce recidivism, time in custody and improve coordination across multiple systems. Several of our members have different programs that aim to **decrease the stigma** around mental illness in underserved communities. This type of education is critical to increasing awareness of behavioral health disorders that can disrupt their everyday lives.

Member Concerns with MHSA Modernization

Our members expressed concern about the diversion of MHSA funds because they witness how impactful the funding is for the communities they serve. One member noted that **50% of their funding comes from the MHSA, so any significant changes will impact their ability to provide services that are not limited to case management, medical support and outreach, and crisis intervention**.

The MHSA currently supports disenfranchised low-income families. Several members shared the idea that **PEI reductions would exacerbate behavioral health issues in underserved and unserved families and communities.** One member expressed that reductions to PEI would mean that more children and youth will not receive critically needed treatment, thus increasing the pressure among families, schools and other systems. Several members feel that several of their programs would be eliminated if there was a reduction and/or diversion in MHSA funding.

Other agencies noted that the **infusion of individuals with substance use disorders without providing additional funding will inevitably put members in a position where they are not able to fund existing services fully**. Those who provide substance use disorder and mental health services are concerned they may have to divert funding from existing mental health programs to fund SUD services.

Many of our members provide full service partnership programs (FSPs). These innovative programs are critical to supporting individuals with high needs. With the restrictions on the amount of MHSA funding that is allotted to FSP, there are **concerns that there will be reductions in the amount of FSP programs that can be funded**.

CBHA members were significant funders and supporters of Proposition 63 which our founder, Rusty Selix, co-authored. Our members continue to be invested in the MHSA and support a well-informed and inclusive decision-making process about how the MHSA should be modernized.

TAB 2

California Behavioral Health Planning Council
Legislation & Public Policy Committee

Friday, August 4, 2023

Agenda Item: Discussion of Council Recommendations

Enclosures: CBHPC SB 326 Amendments Cover Letter
CBHPC SB 326 Amendments
Coalition SB 326 Letter to Assembly Health
CCMH Joint Statement on Proposed BHSA
CALBHB/C SB 326 Request for Amendments
DRC CB 326 Letter of Concern
CBHA SB 326 Neutral with Recommendations Letter
The Children's Partnership SB 326 Letter of Support if Amended
Children Now SB 326 Oppose Unless Amended Letter
REMHDCO SB 326 Oppose Unless Amended Letter
Steinberg Institute SB 326 Letter of Strong Support
CA Alliance SB 326 Letter of Concerns
Multiple Organizations SB 326 Letter of Concerns

Background/Description:

During this agenda item members will have an opportunity to discuss any further action the committee would like to take at this time. The enclosures are intended to inform LPPC members of the positions other organizations have taken since our June 2023 meeting.

The Council has been utilizing the input the LPPC Members provided at the June 2023 meeting to lead the Council's advocacy. Below you will find a summary of this input:

Actions:

- Sign on the coalition letter with a focus on PEI
- Submit a separate letter stating that the Council has reviewed the proposal and provided our concerns and suggestions.
    - The Committee agreed with the letter being approved by Council leadership to ensure it can be submitted timely.
- Plan at least one public forum before the October meeting and inform the administration on what we have heard.

LPPC Member's Input for Council Letter

- Concerned there has not been a robust stakeholder process that honors the purpose of the MHSA.
    - Needed before the initiative is placed on the ballot
    - Nothing about us, without us
    - Members suggested the Council offering to facilitate the stakeholder process
        - Within our mandate
        - We can afford to do this within our existing budget
- Concerned about using MHSA funds for housing.
    - Not appropriate way to fund housing
    - Money was already previously taken from MHSA to fund housing without consent
    - There may not be this level of housing need in every county
    - Counties will have to decided which services will need to be cut to shift money for housing and it will heavily impact PEI programs (example: $100M in OC)
- Concerned about the emphasis on homeless veterans.
    - The percentage of homeless veterans in CA is very low and the funding for services for that target population is already over-proportioned to the percentages for the general population.
        - 10,395 homeless veterans in CA
        - 115,000 total homeless in CA
- Support Substance Use Disorders being included, as the Council believes in system-wide Behavioral Health integration
    - Concerned the population will be expanded without any additional funding
        - Recommend the administration & Legislature also continue to provide additional funds for SUD
    - Expansion of funds needed, not a redirection of funds
- Concerned about the formulas being so rigid.
    - Creates competition between counties because every county has different local priorities
    - May not allow for the flexibility needed at the county level when there are shifts in the community environment, such as a reduction in the number of homeless individuals, increased
- Extremely concerned about PEI funds.
    - The restructuring will be a disservice to the MHSA and puts more individuals at risk of becoming homeless
    - Would heavily impact peer run organizations and services for marginalized communities and communities of color
    - Support the flexibilities with Innovations timeline.

California
Behavioral Health
Planning Council
ADVOCACY • EVALUATION • INCLUSION

CHAIRPERSON
Deborah Starkey
EXECUTIVE OFFICER
Jenny Bayardo

July 13, 2023

Assemblymember Jim Wood, Chair
Assembly Health Committee
1020 N Street, Room 390
Sacramento, CA 95814

CBHPC Amendment Justification for 2023-2024 SB-326 (Eggman (S))

Dear Senate Health Committee:

- Advocacy
- Evaluation
- Inclusion

The California Behavioral Health Planning Council (CBHPC) is a majority Consumer and Family member advisory body to state and local government, the Legislature, and residents of California on behavioral health services in California. The CBHPC is mandated in Public Law 103-321 to exist as a condition of Mental Health Block Grant Funds received by the state and has additional statutory requirements outlined in Welfare and Institutions Code (5771, 5772, 14045.17).

The requested amendments are in alignment with the Council's Policy Platform and our vision of a behavioral health system that makes it possible for individuals to lead full and purposeful lives.

Amendments to Sec 4 99277. (b), Sec 20 5614. (a), Sec 62 5849.3. (a)

> The California Behavioral Health Planning Council is mandated in Welf. & Inst. Code §5772(a)(b) to advocate for effective, quality mental health and substance use disorder programs, and to review, assess, and make recommendations regarding all components of California's mental health and substance use disorder systems, and to report to the Legislature, the Department of Health Care Services (DHCS), local boards, and local programs. Our 40-member composition, in accordance with Welf. & Inst. Code §5772(b), includes adults and family members of adults with serious mental illness and co-occurring substance use disorder, parents of children with serious emotional disturbance, state representatives from 8 various departments, and representatives of consumer-related advocacy and direct service providers from both the public and private sectors. We are fundamentally well-suited to be included in the existing Advisory body of the Behavioral Health Services Act.
>
> Our Council Members are appointed by the Department of Health Care Services (DHCS) to advise the Department and Legislature on California's Behavioral Health system (Welf. & Inst. Code §5772(e)). Our areas of priority include Public Policy and Legislation, Housing and Homelessness, Patients' Rights, Workforce and Employment, Systems and Medicaid, and Performance Outcomes. We have existing committees around these key priority areas, all of which align

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with components of the BHSA. For this reason, we believe we should be included in all of the committees established in the act. Including the Council ensures state resources are used appropriately and advisory groups work collaboratively toward the same goal without establishing new advisory committees that compete with or have no connection to already existing bodies doing the same work.

In addition, services must continue to be driven by consumers/clients, family members, and those with lived experience. The mission, vision, and guiding principles of the Council are consistent with this which means we can help ensure there is a continued focus on consumer and family member-centered services in the implementation of the BHSA.

Amendments to Section 41 5840. *(4) (A)(C)*

The Council supports the inclusion of Community Defined Evidence-Based Practices (CDEPs) in approved services delivered statewide as Evidence-Based Practices alone are not always sufficient for the diverse populations represented in California.

- We would like to see CDEPs included in the list counties are required to create for providers in ***Section 5840.*** *(C)*
- The use of CDEPS should not be limited to the 5% prevention funds category.

We are concerned that if CDEPS are not added as suggested above their use may be limited. We do not believe this is the intent of the proposed bill as there is sufficient language throughout to support the use of CDEPs but not including them in the list with Evidence-Based Practices may unintentionally limit their use at the county level making them allowable only under the prevention funds.

Amendments to Sec 50 5845. (b)(2), (F)(i) (I) (II)

Consumers of the public behavioral health system should have an equal voice to that of parents. Better outcomes are achieved when the voices of recipients of services are valued and included in decision-making. We recommend adding two consumers to the list of appointees.

Amendments to 5892. (a) (1) (A) (ii)

As to prevent the loss of services to individuals currently accessing programs funded by the MHSA, we propose a reduced amount spent

on Housing. A range that allows counties to determine the amount spent within the required percentage (15-20) would allow counties to ensure critical services currently provided continue. Counties should be required to include community/stakeholder input and use this to determine spending amounts. Since there is no analysis on the prevention and early intervention programs that would/could be lost statewide and no data on how much counties are spending currently or need to spend on housing, it would be prudent to, at least initially, allow for more funds to be spent on behavioral health services than the current proposal allows. The peer community is fearful that they will be negatively impacted by this proposal and even a perceived cut to the services they depend on does not honor the people we serve and is inconsistent with the philosophy, principles, and practices of the Recovery Vision for mental health consumers set forth in Welfare & Institutions Code Section 5813.5, paragraph(d)(1)-(4).

Amendments to 5892. (c)

Each community in California is unique and requires services and programs tailored to the individuals served in their local area. We encourage you to take this opportunity to strengthen the community planning process. Counties should be required to create a plan that is approved by the local behavioral health board for how they will conduct the required stakeholder engagement component of the development of their three-year plans and annual plan updates. Currently, the up to 5% allowable costs are to include supports for consumers, family members, and other stakeholders to participate in the process. We would like to see a minimum percentage spent on this component of the BHSA to ensure counties make efforts to strengthen and improve their practices in this area. We also believe that counties will have much better outcomes if they include the individuals served by our system **before** their plans are created versus getting input on already developed plans. Section 5963.03 of this proposal specifies the local stakeholders that each integrated plan must be developed in collaboration with, this list is extensive suggesting a real commitment to encouraging and enforcing a comprehensive and effective stakeholder process. Attaching minimum spending requirements will strengthen this requirement.

Amendments to Sec 86 5892. (j)(4)(G)

There is great linguistic diversity among CA's population, particularly for communities of color who receive services in the Public Behavioral

Health System. We must have a workforce that reflects the linguistic needs of those we serve.

If you have any questions regarding our suggested amendments please contact our Executive Officer, Jenny Bayardo, at Jenny.Bayardo@cbhpc.dhcs.ca.gov or by phone at (916) 750-3778.

Sincerely,

Deborah Starkey
Chairperson

cc: Members, Assembly Health Committee
Office of Senator Eggman
Judi Babcock, Principal Consultant, Assembly Health Committee
Lisa Murawski, Princpal Consultant, Assembly Health Committee

Amended Mock-up for 2023-2024 SB-326 (Eggman (S))

Mock-up based on Version Number 97 - Amended Assembly 6/19/23
Submitted by: Jenny Bayardo, California Behavioral Health Planning Council

SEC. 4. Section 99277 is added to the Education Code, to read:

99277. ~~(a) Upon receiving funding for purposes of this chapter, UCSF, the UC college named in Section 92200, and the UC/CSU California Collaborative on Neurodiversity and Learning shall each appoint one member from the respective institutions. This group shall be charged with the development and oversight of the initiative and shall function as the institute's management committee. The management committee shall be permitted, but not obligated, to retain a program director to assist in the implementation of the initiative.~~

(b) (1) An advisory board, with its title and members to be named by the institute, shall be established to serve as an oversight body for the initiative in order to monitor progress and provide leadership from the perspectives of their respective participating organizations, departments, and divisions and to facilitate collaboration among researchers, practitioners, administrators, legislators, and community stakeholders.

(2) The advisory board shall provide expertise and support to the management committee.

(3) The advisory board shall be a check on accountability to ensure that the initiative is meeting its goals.

(4) The advisory board shall conduct a fiscal review of the distribution of funds to ensure alignment with the goals of the initiative.

(5) The membership of the advisory board shall be constituted as set forth in subdivision (c).

(c) The members of the advisory board shall be representatives from the following institutions, organizations, agencies, and groups:

(1) UCSF.

(2) UC college named in Section 92200.

(3) The UC/CSU California Collaborative for Learning and Neurodiversity.

(4) The Behavioral Health Services Oversight and Accountability Commission.

(5) A Member of the Assembly selected by the Speaker of the Assembly.

(6) A Senator selected by the President pro Tempore of the Senate.

(7) Community representatives, including formerly justice-involved persons and their family members, selected by the Governor, the Speaker of the Assembly, and the President pro Tempore of the Senate.

(8) A representative from the California Behavioral Health Planning Council

SEC. 20. Section 5614 of the Welfare and Institutions Code is amended to read:

5614. (a) The department, in consultation with the Compliance Advisory Committee that shall have representatives from relevant stakeholders, including, but not limited to, local behavioral health departments, local behavioral health boards and commissions, the California Behavioral Health Planning Council, private and community-based providers, consumers and family members of consumers, and advocates, shall establish a protocol for ensuring that local behavioral health departments meet statutory and regulatory requirements for the provision of publicly funded community mental health services provided under this part.

SEC. 27. Section 5806 is added to the Welfare and Institutions Code, to read:

5806. (a) The State Department of Health Care Services shall establish service standards so that adults and older adults in the target population are identified and receive needed and appropriate services from qualified staff in the least restrictive environment to assist them to live independently, work, and thrive in their communities. The department shall provide annual oversight of counties for compliance with these requirements that shall include, but are not limited to, all of the following:

(1) Determination of the numbers of clients to be served and the programs and services that will be provided to meet their needs.

(2) The local director of behavioral health shall consult with the sheriff, the police chief, the probation officer, chief of emergency medical services, the behavioral health board, Medi-Cal managed care plans, as defined in subdivision (j) of Section 14184.101, child welfare departments, contract providers and agencies, and family, client, ethnic, and citizen constituency groups, as determined by the director.

(3) (A) Outreach to adults with a serious mental illness or a substance use disorder to provide coordination and access to behavioral health services, medications, housing interventions pursuant to Section 5830, supportive services, as defined in subdivision (g) of Section 5887, and veterans' services.

(B) Service planning shall include evaluation strategies that consider cultural, linguistic, gender, age, and special needs of the target populations.

(C) Provision shall be made for a workforce with the cultural background and linguistic skills necessary to remove barriers to mental health services and substance use disorder treatment services due to limited-English-speaking ability and cultural differences.

(D) Recipients of outreach services may include families, the public, primary care physicians, hospitals, including emergency departments, behavioral health urgent care, and others who are likely to come into contact with individuals who may be suffering from either an untreated serious mental illness or substance use disorder, or both, who would likely become homeless or incarcerated if the illness continued to be untreated for a substantial period of time.

(E) Outreach to adults may include adults voluntarily or involuntarily hospitalized as a result of a serious mental illness.

(4) Provision for services for populations with identified disparities in behavioral health outcomes.

(5) Provision for full participation of the family in all aspects of assessment, service planning, and treatment, including, but not limited to, family support and consultation services, parenting support and consultation services, and peer support or self-help group support, where appropriate for the individual in alignment with HIPAA.

SEC. 28. Section 5813.5 of the Welfare and Institutions Code is amended to read:

5813.5. Subject to the availability of funds from the Mental Health Services Fund, the state shall distribute funds for the provision of services under Sections 5801, 5802, and 5806 to county mental health programs. Services shall be available to adults and seniors with severe illnesses identified in the categories in subdivisions (b) and (c) of Section 5600.3. For purposes of this act, "seniors" means older adult persons identified in Part 3 (commencing with Section 5800) of this division.

(a) Funding shall be provided at sufficient levels to ensure that counties can provide each adult and senior served pursuant to this part with the medically necessary mental health services, medications, and supportive services set forth in the applicable treatment plan.

(b) The funding shall only cover the portions of those costs of services that cannot be paid for with other funds, including other mental health funds, public and private insurance, and other local, state, and federal funds.

(c) Each county mental health program's plan shall provide for services in accordance with the system of care for adults and seniors who meet the eligibility criteria in subdivisions (b) and (c) of Section 5600.3.

(d) Planning for services shall be consistent with the philosophy, principles, and practices of the Recovery Vision for mental health consumers:

(1) To promote concepts key to the recovery for individuals who have mental illness: hope, personal empowerment, respect, social connections, self-responsibility, and self-determination.

(2) To promote consumer-operated services as a way to support recovery.

(3) To reflect the cultural, ethnic, and racial diversity of mental health consumers.

(4) To plan for each consumer's individual needs.

(e) The plan for each county mental health program shall indicate, subject to the availability of funds as determined by Part 4.5 (commencing with Section 5890) of this division, and other funds available for mental health services, adults and seniors with a severe mental illness being served by this program are either receiving services from this program or have a mental illness that is not sufficiently severe to require the level of services required of this program.

(f) Each county plan and annual update pursuant to Section 5847 shall consider ways to provide services similar to those established pursuant to the Mentally Ill Offender Crime Reduction Grant Program. Funds shall not be used to pay for persons incarcerated in state prison. Funds may be used to provide services to persons who are participating in a presentencing or postsentencing diversion program or who are on parole, probation, postrelease community supervision, or mandatory supervision. ~~When included in county plans pursuant to Section 5847, funds may be used for the provision of mental health services under Sections 5347 and 5348 in counties that elect to participate in the Assisted Outpatient Treatment Demonstration Project Act of 2002 (Article 9 (commencing with Section 5345) of Chapter 2 of Part 1), and for the provision of services to clients pursuant to Part 8 (commencing with Section 5970).~~

SEC. 41. Section 5840 is added to the Welfare and Institutions Code, to read:

5840. (a) (1) The State Department of Health Care Services, in coordination with counties, shall establish an early intervention program designed to prevent mental illnesses and substance use disorders from becoming severe and disabling.

(2) Early intervention programs shall be funded pursuant to clause (ii) of subparagraph (A) of paragraph (5) of subdivision (a) of Section 5892.

(b) The program shall include the following components:

(1) Outreach to families, employers, primary care health care providers, behavioral health urgent care, hospitals, inclusive of emergency departments, and others to recognize the early signs of potentially severe and disabling mental health illnesses and substance use disorders.

(2) Access and linkage to medically necessary care provided by county behavioral health programs for children and youth who have a serious emotional disturbance, as defined in Section 5600.3, for adults and older adults with a serious mental illness, as defined in Section 5600.3, and for

individuals with a substance use disorder, as early in the onset of these conditions as practicable. This includes the scaling of and referral to the Early Psychosis Intervention (EPI) Plus Program or other similar evidence based early psychosis and mood disorder detection and intervention programs.

(3) (A) Mental health and substance use disorder treatment services, similar to those provided under other programs that are effective in preventing mental health illnesses and substance use disorders from becoming severe, and components similar to programs that have been successful in reducing the duration of untreated serious mental health illnesses and substance use disorders and assisting people in quickly regaining productive lives.

(B) Mental health treatment services may include services to address first episode psychosis.

(4) (A) The State Department of Health Care Services shall establish a biennial list of evidence-based practices and community-defined evidence practices.

(B) Evidence-based practices may focus on addressing the needs of those who decompensate into severe behavioral health conditions.

(C) Counties shall utilize the list to determine which evidence-based or community-defined evidence practices to implement locally.

SEC. 50. Section 5845 is added to the Welfare and Institutions Code, to read:

5845. (a) The Behavioral Health Services Oversight and Accountability Commission is hereby established to administer grants, identify key policy issues and emerging best practices, and promote high-quality programs implemented pursuant to Section 5892 through the examination of data and outcomes.

(b) (1) The commission shall replace the advisory committee established pursuant to Section 5814.

(2) The commission shall consist of ~~20~~ 22 voting members as follows:

(A) The Attorney General or the Attorney General's designee.

(B) The Superintendent of Public Instruction or the Superintendent's designee.

(C) The Chairperson of the Senate Committee on Health, the Chairperson of the Senate Committee on Human Services, or another member of the Senate selected by the President pro Tempore of the Senate.

(D) The Chairperson of the Assembly Committee on Health or another Member of the Assembly selected by the Speaker of the Assembly.

(E) A county behavioral health director.

(F) (i) The following individuals, all appointed by the Governor:

(I) ~~One~~ Two persons who has or who has had a serious mental illness.

(II) ~~One~~ Two persons who has or who has had a substance use disorder.

(III) A family member of an adult or older adult with a serious mental illness.

(IV) A family member of an adult or older adult who has or has had a substance use disorder.

(V) A family member of a child or youth who has or has had a serious mental illness.

(VI) A family member of a child or youth who has or has had a substance use disorder.

(VII) A physician specializing in substance use disorder treatment, including the provision of medications for addiction treatment.

(VIII) A mental health professional.

(IX) A professional with expertise in housing and homelessness.

(X) A county sheriff.

(XI) A superintendent of a school district.

(XII) A representative of a labor organization.

(XIII) A representative of an employer with less than 500 employees.

(XIV) A representative of an employer with more than 500 employees.

(XV) A representative of a health care service plan or insurer.

SEC. 62. Section 5849.3 of the Welfare and Institutions Code is amended to read:

5849.3. (a) There is hereby established the No Place Like Home Program Advisory Committee. Membership on the committee shall be as follows:

(1) The Director of Housing and Community Development, or their designee, who shall serve as the chairperson of the committee.

(2) The Director of Health Care Services, or their designee, and an additional representative.

(3) The Secretary of Veterans Affairs, or their designee.

(4) The Director of Social Services, or their designee.

(5) The Treasurer, or their designee.

(6) The Chair of the Mental Health Services Oversight and Accountability Commission, or their designee.

(7) A chief administrative officer of a small county or a member of a county board of supervisors of a small county, as provided by subdivision (d) of Section 5849.6, to be appointed by the Governor.

(8) A chief administrative officer of a large county or a member of a county board of supervisors of a large county, as provided by subdivision (b) of Section 5849.6, to be appointed by the Governor.

(9) A director of a county behavioral health department, to be appointed by the Governor.

(10) An administrative officer of a city, to be appointed by the Governor.

(11) A representative of an affordable housing organization, to be appointed by the Speaker of the Assembly.

(12) A resident of supportive housing, to be appointed by the Governor.

(13) A representative of a community mental health organization, to be appointed by the Senate Committee on Rules.

(14) A representative of a local or regional continuum of care organization that coordinates homelessness funding, to be appointed by the Governor.

(15) A representative from the California Behavioral Health Planning Councils' Housing and Homelessness Committee.

SEC. 63. Section 5849.3 is added to the Welfare and Institutions Code, to read:

5849.3. (a) There is hereby established the No Place Like Home Program Advisory Committee. Membership on the committee shall be as follows:

(1) The Director of Housing and Community Development, or their designee, who shall serve as the chairperson of the committee.

(2) The Director of Health Care Services, or their designee, and an additional representative.

(3) The Secretary of Veterans Affairs or their designee.

(4) The Director of Social Services or their designee.

(5) The Treasurer or their designee.

(6) The Chair of the Behavioral Health Services Oversight and Accountability Commission or their designee.

(7) A chief administrative officer of a small county or a member of a county board of supervisors of a small county, as provided by subdivision (d) of Section 5849.6, to be appointed by the Governor.

(8) A chief administrative officer of a large county or a member of a county board of supervisors of a large county, as provided by subdivision (b) of Section 5849.6, to be appointed by the Governor.

(9) A director of a county behavioral health department, to be appointed by the Governor.

(10) An administrative officer of a city, to be appointed by the Governor.

(11) A representative of an affordable housing organization, to be appointed by the Speaker of the Assembly.

(12) A resident of supportive housing, to be appointed by the Governor.

(13) A representative of a community behavioral health organization, to be appointed by the Senate Committee on Rules.

(14) A representative of a local or regional continuum of care organization that coordinates homelessness funding, to be appointed by the Governor.

(15) A representative from the California Behavioral Health Planning Councils' Housing and Homelessness Committee.

SEC. 85. Section 5892 is added to the Welfare and Institutions Code, to read:

5892. (a) To promote efficient implementation of this act, the county shall use funds distributed from the Mental Health Services Fund as follows:

(1) Twenty percent of funds distributed to the counties pursuant to subdivision (c) of Section 5891 shall be used for prevention and early intervention programs in accordance with Part 3.6 (commencing with Section 5840).

(2) The expenditure for prevention and early intervention may be increased in a county in which the department determines that the increase will decrease the need and cost for additional services to persons with severe mental illness in that county by an amount at least commensurate with the proposed increase.

(3) The balance of funds shall be distributed to county mental health programs for services to persons with severe mental illnesses pursuant to Part 4 (commencing with Section 5850) for the children's system of care and Part 3 (commencing with Section 5800) for the adult and older adult system of care. These services may include housing assistance, as defined in Section 5892.5, to the target population specified in Section 5600.3.

(4) Five percent of the total funding for each county mental health program for Part 3 (commencing with Section 5800), Part 3.6 (commencing with Section 5840), and Part 4 (commencing with Section 5850) shall be utilized for innovative programs in accordance with Sections 5830, 5847, and 5848.

(b) (1) Programs for services pursuant to Part 3 (commencing with Section 5800) and Part 4 (commencing with Section 5850) may include funds for technological needs and capital facilities, human resource needs, and a prudent reserve to ensure services do not have to be significantly reduced in years in which revenues are below the average of previous years. The total allocation for purposes authorized by this subdivision shall not exceed 20 percent of the average amount of funds allocated to that county for the previous five fiscal years pursuant to this section.

(2) A county shall calculate a maximum amount it establishes as the prudent reserve for its Local Behavioral Health Services Fund, not to exceed 20 percent of the average of the total funds distributed to the county pursuant to subdivision (c) of Section 5891 in the preceding five years.

(3) A county with a population of less than 200,000 shall calculate a maximum amount it establishes as the prudent reserve for its Local Behavioral Health Services Fund, not to exceed 25 percent of the average of the total funds distributed to the county pursuant to subdivision (c) of Section 5891 in the preceding five years.

(c) The allocations pursuant to subdivisions (a) and (b) shall include funding for annual planning costs pursuant to Section 5848. The total of these costs shall not exceed 5 percent of the total of annual revenues received for the fund. At least 2% must be spent ~~. The~~ on planning costs based on an approved plan developed in collaboration with the local Behavioral Health Boards and Commissions. This shall include funds for county mental health programs to pay for the costs of consumers, family members, and other stakeholders such as travel, meal reimbursements and incentives to participate in the planning process. ~~and~~ Other allowable costs ~~for~~ include the planning and implementation required for private provider contracts to be significantly expanded to provide

additional services pursuant to Part 3 (commencing with Section 5800) and Part 4 (commencing with Section 5850).

SEC. 86. Section 5892 is added to the Welfare and Institutions Code, to read:

5892. (a) To promote efficient implementation of this act, the county shall use funds distributed from the Behavioral Health Services Fund as follows:

(1) (A) (i) ~~Thirty~~ Fifteen to Twenty percent of funds distributed to the counties pursuant to subdivision (c) of Section 5891 shall be used for housing interventions programs pursuant to Part 3.2 (commencing with Section 5830) based on county needs as well as community and stakeholder feedback.

~~(ii) Of these funds, 50 percent shall be used for housing interventions for persons who are chronically homeless, with a focus on those in encampments.~~

(iii) Of these funds, no more than 25 percent may be used for capital development projects pursuant to paragraph (2) of subdivision (b) of Section 5830.

(B) Commencing with the 2032–2035 fiscal years' integrated plan, and ongoing thereafter, the State Department of Health Care Services may establish criteria and a process for approving requests for an exemption from subparagraph (A) that considers factors such as a county's homeless population, the number of individuals receiving Medi-Cal specialty behavioral health services or substance use disorder treatment services in another county, and other factors as determined by the State Department of Health Care Services.

(2) (A) Thirty-five percent of the funds shall be distributed to counties for full-service partnership programs pursuant to Part 4.1 (commencing with Section 5887).

(B) Commencing with the 2032–2035 fiscal years integrated plan, and ongoing thereafter, the State Department of Health Care Services may establish criteria and a process for approving requests for an exemption from subparagraph (A) that considers factors such as county population, client counts, and other factors as determined by the State Department of Health Care Services.

(C) Housing interventions provided to individuals enrolled in full-service partnership programs shall be funded pursuant to subparagraph (A) of paragraph (1).

(3) (A) ~~Thirty~~ Forty to forty-five percent of the funds shall be distributed to counties for the following Behavioral Health Services and Supports:

(i) Services pursuant to Part 4 (commencing with Section 5850) for the children's system of care and Part 3 (commencing with Section 5800) for the adult and older adult system of care, excluding those services specified in paragraphs (1) and (2).

(ii) Early intervention programs in accordance with Part 3.6 (commencing with Section 5840).

(iii) Workforce education and training.

(iv) Capital facilities and technological needs.

(v) Innovative behavioral health pilots and projects.

(vi) A prudent reserve established pursuant to subdivision (b).

(j) For purposes of this section, and elsewhere in law where specified, the following definitions shall apply:

(1) "Experiencing homelessness or are at risk of homelessness" means people who are homeless or at risk of homelessness, as defined in Section 91.5 of Title 24 of the Code of Federal Regulations, or as otherwise defined by the State Department of Health Care Services for purposes of the Medi-Cal program.

(2) "Chronically homeless" means an individual or family that is chronically homeless, as defined in Section 11360 of Title 42 of the United States Code, or as otherwise defined by the State Department of Health Care Services.

(3) "Behavioral health services" means mental health services and substance use disorder treatment services, as defined in Section 5891.5.

(4) "Workforce education and training" includes, but is not limited to, the following for the county workforce:

(A) Workforce recruitment, development, training, and retention.

(B) Professional licensing and/or certification testing and fees.

(C) Loan repayment.

(D) Retention incentives and stipends.

(E) Internship and apprenticeship programs.

(F) Continuing education.

(G) Efforts to increase the racial, ethnic, linguistic, and geographic diversity of the behavioral health workforce.

SEC. 97. Section 5898 is added to the Welfare and Institutions Code, to read:

5898. (a) (1) The State Department of Health Care Services shall develop regulations, as necessary, to implement this act.

(2) Regulations adopted pursuant to this section shall be developed with the maximum feasible opportunity for public participation and comments.

Article 2. Behavioral Health Planning and Reporting

5963. (a) It is the intent of the Legislature that this chapter establish the Integrated Plan for Behavioral Health Services and Outcomes, which each county shall develop every three years to include all of the following:

(1) A demonstration of how the county will utilize various funds for behavioral health services to deliver high-quality and timely care along the continuum of services from prevention and wellness in schools and other settings to community-based outpatient care, residential care, crisis care, acute care, and housing services and supports.

(2) A demonstration of how the county will use Behavioral Health Services Act funds to prioritize addressing the needs of those with the most severe mental illness, serious emotional disturbance, and substance use disorders who are experiencing unsheltered homelessness, are incarcerated or at risk of being incarcerated, or have been hospitalized or institutionalized as a result of their behavioral health condition.

(3) A demonstration of how the county will strategically invest in population-based prevention, early intervention, and innovation.

(4) A demonstration of how the county has considered other local program planning efforts in the development of the integrated plan to maximize opportunities to leverage funding and services from other programs, including federal funding, Medi-Cal managed care, and commercial health plans.

(5) A demonstration of how the county will support and retain a robust county and non-county contracted behavioral health workforce to achieve the statewide and local behavioral health outcome goals.

(6) A development process in partnership with local stakeholders including, but not limited to consumers, family members, and individuals experiencing homelessness.

5963.02. (a) (1) Each county shall prepare and submit an integrated plan and annual updates to the Behavioral Health Services Oversight and Accountability Commission and the department.

(E) Ensure physical access, reasonable accommodations, and accessible equipment for individuals with physical, intellectual and developmental, and mental disabilities including broadband access for telehealth when physical access is not the most appropriate method.

5963.04. (a) (1) Annually, counties and Medi-Cal behavioral health delivery systems, as defined in subdivision (i) of Section 14184.101, shall submit the County Behavioral Health Outcomes, Accountability, and Transparency Report to the department.

(e) (1) The department ~~may~~ shall require a county or Medi-Cal behavioral health delivery system, as defined in subdivision (i) of Section 14184.101, to revise its integrated plan or annual update pursuant to Section 5963.02 if the department determines the plan or update fails to adequately address local needs pursuant to paragraph (2) of subdivision (b) of Section 5963.02.

CCMH

California Coalition for Mental Health

Proposed BHSA Reduces Mental Health Services

FOR IMMEDIATE RELEASE:

July 27, 2023

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CCMH Urges the State to Maintain Critical Mental Health Services

The CA Coalition for Mental Health (CCMH) urges Governor Newsom, CA Health and Human Services and the California Legislature to ensure that the proposed Behavioral Health Services Act (BHSA) does not reduce critical programming for outpatient services, crisis response, prevention services and outreach. All of these mental health programs could be reduced according to recent reports from California's Legislative Analyst's Office (LAO).1

Reducing outpatient services, crisis response, prevention services, and outreach impacts historically unserved and underserved populations and *all* Californians. The financial and social costs are high when access to services and outreach are reduced, leading to increased crisis care, hospitalization, incarceration, homelessness and suicides2. This reduction will be felt throughout California, and will especially be felt by children and youth, older adults and historically unserved and underserved populations (ethnic, culture, race, LGBTQ+). It will also reduce and possibly eliminate ongoing local Mental Health Services Act funding for organizations that provide Community Defined Evidence Practices (CDEPs) that are key to reaching diverse populations3.

Required data and analysis is currently not available to inform

decisions. CCMH appreciates that the proposed BHSA includes provisions to standardize performance outcome data. This will allow the State and local communities to better identify and bring to scale successful programs, and improve or reduce underperforming programs. However, standardized reporting and data is currently not in place. Since the enactment of the Mental Health Services Act (through Proposition 63 in 2004), the State has failed to standardize performance outcome data related to Mental Health Services Act programs. The State, therefore, does not have required data to inform decisions that could potentially cut mental health services.

3 The California Reducing Disparities Project Phase 2 Statewide Evaluation Report, June 2023, Loyola Marymount

University Psychology Applied Research Center

2 Estimating The Impact of Reduced Mental Health Services Act Funding On Suicide Deaths, 2022 Study, CalMHSA

1 Analysis of the Governor's Behavioral Health Modernization Proposal, July 2023, CA LAO

CCMH recognizes that leveraging federal dollars increases overall local funding. Increased leveraging would allow us to expand local dollars, and therefore incorporate additional areas of spending that include increasing supportive housing and substance use services along with ongoing mental health services. Yet, California is still in the early stages of understanding successful models by which small community-based organizations and counties can demonstrate success with braiding in sources of federal funding. At this point in time, the proposed BHSA **percentage buckets that hinge on increased federal matching could result in reduced providers, and reduced mental health services.**

CCMH urges careful review and amendments to sustain and increase timely, accessible, culturally relevant and integrated behavioral health care for all Californians through SB 326 (Eggman), and the related BHSA ballot initiative. It is imperative that Californians are given a choice to vote for increased, *not*

decreased, behavioral health care.

About CCMH

www.californiamentalhealth.org

CCMH is a diverse, broad-based coalition of statewide associations and organizations who seek to improve the delivery of mental health care in California, with a focus on creating better access to care and assuring parity in the delivery of mental health services that is on par with other health care services.

CCMH coalesced around Proposition 63 in 2004, the landmark initiative that significantly bolstered funding of mental health programs through a one-percent tax on individual income over $1 million. One of our core commitments is to ensure adequate funding for mental health programs and care.

Historically, mental health programs are among the first to be cut when California faces economic challenges. This trend leads to a chronically underfunded system; CCMH seeks to safeguard mental health care funding and to support budget decisions that strengthen the delivery of mental health services throughout California.