TO: Honorable Members and Consultants, Assembly Budget Subcommittee #1 on Health and Human Services

FROM: Jessica Cruz, CEO, National Alliance on Mental Illness - California

DATE: December 5, 2019

SUBJECT: **NAMI-CA Positions on Key Mental Health Services Act (MHSA) Issues**

On behalf of the National Alliance on Mental Illness California (NAMI-CA), I am writing to share our perspective on key issues pertaining to the Mental Health Services Act (MHSA) in anticipation of the Assembly Budget Subcommittee #1 hearing scheduled on December 9, "*The Promise of Proposition 63 and the Future of Mental Health Funding in California*."

NAMI-CA is the statewide affiliate of the country's largest mental health advocacy organization, the National Alliance on Mental Illness. Our 19,000 members and 62 affiliates include many people living with serious mental illnesses, their families, and supporters. NAMI-CA advocates on their behalf, providing education and support to its members and the broader community.

We appreciate the legislature's ongoing interest in both the accomplishments achieved and challenges posed by Proposition 63 of 2004, the Mental Health Services Act (MHSA). Today, nearly $2 billion in personal income tax revenues from the MHSA are provided to California communities each year to meet the needs of people living with a serious mental illness. Additionally, the MHSA's orientation to recovery and empowerment helped spur a culture shift in public mental health. Under the banner, "**Nothing about us with out us," clients and families now have more choice and more voice** in the policy and treatment decisions that affect them.

As such, we are particularly concerned that substantial changes to the MHSA are currently being seriously contemplated by some advocates, which could be pursued in a speedy manner and without adequate time to consider the views of people for whom MHSA means the most – clients and their families. Additionally, since neither the Mental Health Services Oversight and Accountability Commission (MHSOAC) or Department of Health Care Services (DHCS) have published outcome data about whether and how MHSA-funded programs have led to improving Californians' lives, making drastic reforms to the MHSA today would be based only on speculation and guesswork. Therefore, **NAMI-CA urges the Legislature to deliberate the future of MHSA in a measured and thorough fashion, and to robustly seek the perspectives of NAMI-CA and other organizations representing people whose access to care relies heavily on MHSA-funded programs.**

Below, please find NAMI-CA's perspective on a number of specific MHSA issues that may be contemplated during the Committee's hearing. We look forward to continuing a dialogue with this Committee and other policy makers over the coming year and welcome any questions you may have. I can be reached at (916) 567-0163 or jessica@namica.org.

NAMI California
National Alliance on Mental Illness

1. **The #1 priority for MHSA revision and reform must be implementation of collection, analysis, and broad dissemination of MHSA program outcomes.** Specific and **measurable benchmarks and goals** must be set and measured over time (e.g., reduce suicide by 10% per year). The California Department of Health Care Services should be required to provide an **annual report to the Legislature** describing the outcomes and progress toward achieving MHSA goals. Currently, the report the Department provides describes MHSA revenues and expenditures – but does not describe its impacts on people and our state as a whole.

   These outcomes sought for all MHSA spending should be based on the current statutory purpose of MHSA Prevention and Early Intervention programs, which are intended to **achieve reductions** in all of the following:
   - Suicide
   - Incarceration
   - School failure or dropout
   - Unemployment
   - Prolonged suffering
   - Homelessness
   - Removal of children from their homes

   In addition to the outcomes listed above, NAMI-CA believes the following three additional outcomes should be measured for all MHSA spending:
   - Improved quality of life
   - Improved treatment engagement and adherence
   - Improved life expectancy

   The role of various state agencies in administering and overseeing the MHSA should also be clarified. For instance, the Mental Health Services Oversight and Accountability Commission should reduce its currently broad array of special projects in order to more effectively provide oversight and accountability.

2. **All statewide and local MHSA funded programs must be client and family driven.**
   - State agencies and counties must collect client and family members' input in a meaningful and sincere fashion, with final financial and program design decisions reflecting that input.
   - The MHSA requires the state and counties to utilize MHSA funds to carry out their responsibilities to build and sustain client and family voice in the decision-making process.
   - MHSA state administrative funds provided as "stakeholder contracts" should fund statewide organizations that can assist local organizations to empower client and family member participation in MHSA decision-making processes.

3. **MHSA funds should not be diverted away from direct supportive services to pay for additional investments in housing**.

- MHSA funds can already be used to provide flexible housing assistance to clients receiving Community Services and Supports.
- MHSA funds are also already poised to be used to finance a $2 billion "No Place Like Home" investment in permanent, supportive housing.
- $400 million in MHSA funds were expended to support the CalHFA Housing Program, which provided over 2,500 new housing opportunities for MHSA-eligible clients. Today, counties can participate in CalHFA's Special Needs Housing Program. As of May 2016, CalHFA anticipated participation by at least 14 counties to assign over $70 million in MHSA funds to CalHFA to administer as the lender on their behalf.[i]

4. **MHSA funds spent on housing should assure clients, caregivers, and family members have access to a variety of housing assistance as their needs change over time.**
    - MHSA funds spent on housing should provide safe and homelike options, when needed, for adults currently residing with aging parents.
    - MHSA funds spent on housing should not be limited to individuals who have been "chronically homeless." Individuals with mental illness have chronic conditions which can mean housing assistance needs change over time.
    - MHSA funds spent on housing should assist clients and caregivers with the unaffordable cost of rent in California, particularly since rental subsidies and room and board costs are not covered by Medicaid.

5. **MHSA funds should not be diverted to supplant other entities' responsibilities for the treatment and housing needs of individuals with a history of criminal justice system contacts.**
    - The MHSA priority population currently requires a focus on individuals with a history of arrest and MHSA programs already must focus on decreasing incidences of arrest and criminal justice contacts.
    - Individuals on probation or parole enrolled in Medi-Cal already have access to the mild/moderate mental health benefit provided by managed care plans, and robust specialty mental health services from county mental health plans if they have a serious and disabling mental illness.

6. **MHSA funds should not be diverted to supplant other entities' responsibilities for children and youth who could benefit from additional mental health screening and treatment.**
    - Children, youth, and young adults enrolled in Medi-Cal already have access to the mild/moderate mental health benefit provided by managed care plans, and robust specialty mental health services from county mental health plans if they have a serious and disabling mental illness.
    - Medi-Cal is now reimbursing providers to screen for Adverse Childhood Events, and managed care plans are already required to screen and address any emotional or behavioral concerns discovered through regular pediatric check-ups.

- Medicaid has already announced the availability of federal matching funds to pay for early psychosis detection and intervention programs. MHSA funds are already making a robust contribution to bringing these programs into communities. However, prevention and screening services are also a covered essential health benefit and private health plans should be required to cover this as well.
- Colleges and universities must be required to provide mental health services as an essential health benefit provided by campus health services and paid for with state revenues and college fees. Additionally, many college students have access to parental insurance coverage through age 26, under the Affordable Care Act.

7. **A larger majority of MHSA funds spent on Community Services and Supports should be required to implement what we already know works: Full Service Partnerships.** These were the basis of the MHSA's passage, which until then, were funded as assertive community treatment (ACT) pilots available only in some counties and only for adults.

8. **State agencies and counties should be required to make – and be monitored for – their efforts in maximizing their use of MHSA funds to draw down federal Medicaid matching Funds.** Many MHSA services and investments are covered in California's Medicaid state plan and waivers, and MHSA funds should be leveraged to draw down all available federal resources to expand their impact.

9. **Programs that are more sensible and efficient to implement statewide should be supported.** As you may know, a series of statewide Prevention and Early Intervention programs were administered using counties' MHSA funds by a statewide joint powers authority (called CalMHSA). These public education programs made major impacts on suicide prevention and stigma and discrimination reduction, but once it became optional that counties provide ongoing funding support, the programs have either been substantially scaled back or eliminated altogether.

[i] https://www.calhfa.ca.gov/multifamily/snhp/MHSA-Lessons.pdf