

### **2021-22 Children and Youth Behavioral Health Initiative – Legislative Adjustments**

In the May Revision, the Administration proposed \$4.4 billion of expenditures over a five year period to transform California’s behavioral health system so that all children and youth age 25 and younger, regardless of payer, are screened, supported, and served for emerging and existing behavioral health needs. These investments build on legislative augmentations and other proposals adopted in the past few years, such as the Mental Health Student Services Act, the Early Psychosis Intervention (EPI) Plus Program, and investments in youth drop-in centers. While the Administration’s proposal provides a welcome allocation of resources for the enormous task of ensuring a full continuum of behavioral health services is available to all children and youth, many of these proposals lack specific detail or require more analysis and consideration. The Legislature would propose the following changes to the Administration’s proposed Children and Youth Behavioral Health Initiative.

<b>Children and Youth Behavioral Health Investments – Legislative Adjustments</b>			
<i>(total funds over five years, dollars in millions)</i>			
<b>Investment</b>	<b>Governor</b>	<b>Legislature</b>	<b>Difference</b>
Mental Health Student Services Act Partnerships	\$50	\$250	\$200
School-Linked Behavioral Health Partnerships <sup>1</sup>	\$550	\$550	\$-
Student Behavioral Health Medi-Cal Plan Incentives <sup>2</sup>	\$400	\$400	\$-
Evidence-Based Behavioral Health – DHCS	\$429	\$0	(\$429)
Evidence-Based Behavioral Health – MHSOAC	\$0	\$429	\$429
Behavioral Health Workforce Capacity	\$426.8	\$426.8	\$-
Behavioral Health Counselors and Coaches	\$428.3	\$228.3	(\$200)
Behavioral Health Services and Supports Platform <sup>3</sup>	\$634.7	\$561.7	(\$73)
Behavioral Health Infrastructure – Children/Youth <sup>4</sup>	\$245	\$245	\$-
E-consult Services and Provider Training	\$165	\$165	\$-
CalHOPE Student Support Program	\$45	\$45	\$-
New Medi-Cal Benefit – Dyadic Services	\$800	\$800	\$-
Public Education and Change Campaign - DPH	\$100	\$100	\$-
Public Education on ACEs and Trauma – OSG	\$25	\$25	\$-
Various State Operations and Other Adjustments	\$186.5	\$186.5	\$-
<b>TOTAL</b>	<b>\$4,485.3</b>	<b>\$4,412.3</b>	<b>(\$73)</b>

<sup>1</sup> Allocates \$300 million for counties, \$50 million for higher education, and \$200 million to address disparities.

<sup>2</sup> Requires three-party partnerships between the plan, county, and schools as a condition of participation.

<sup>3</sup> Rejects first year funding until certain project milestones are achieved.

<sup>4</sup> From Governor’s proposed \$2.5 billion for infrastructure, the Legislature allocates \$150 million for mobile crisis, (\$100 million for youth and \$50 million for adults).

**Detailed Adjustments to Administration's Proposal**

- **Mental Health Student Services Act Partnerships Expansion - \$200 million Coronavirus Fiscal Recovery Fund (CFRF) one-time (in addition to Administration's proposed \$50 million from Mental Health Services Fund)**
  - The \$200 million augmentation to the Mental Health Student Services Act (MHSSA) would allow the Mental Health Services Oversight and Accountability Commission (MHSOAC) to provide non-competitive grants to all counties that did not receive funds in the first round of funding of the program, as follows:
    - \$2.5 million, \$4 million, or \$6 million for counties based on size, with an additional amount for large counties (\$12 million per county) and \$20 million allocated for Los Angeles. These additional resources would cover all unfunded applications and provide increased support for large counties already participating.
    - Grants would be non-competitive as funds would be available for all counties. However, counties would still be required to submit an application that meets the MHSSA statutory requirements to the MHSOAC. Counties would be required to submit a letter of intent to apply and complete an application within a specified time frame or funds would be forfeited.
    - Forfeited funds could be reallocated to counties on a competitive basis to provide additional grants to participating counties.
  - According to MHSOAC and counties, many of the unsuccessful projects from the first round of MHSSA funding could be implemented in time to provide services for children returning to full-time instruction in the fall.
  
- **School-Linked Behavioral Health Partnerships and Capacity – Specify allocations for Administration's proposed investment of \$550 million CFRF over two years (\$100 million in 2021-22 and \$450 million in 2022-23)**
  - The Administration proposes to invest \$550 million CFRF over two years for a competitive grant program to build partnerships, capacity, infrastructure, provider networks, and enhance coordination and partnerships for behavioral health prevention and treatment for children and youth. Eligible entities would be counties, tribal entities, local educational agencies, health care service plans, Medi-Cal managed care plans, community-based organizations, and behavioral health providers.
  - DHCS would be required to determine the eligibility criteria, grant process, and methodology for distribution.
  - The Legislature's action is more specific about the allocations of these funds, including:
    - \$300 million provided exclusively to county behavioral health departments that enter into partnerships with school districts, or county offices of education, to provide behavioral health services for students. Each county would have a specific allocation

- of the \$300 million and would be able to claim its share after submitting an application to the department describing the services it would provide under its partnership agreement. Each county could only claim a proportion of its share equal to the proportion of all students in the county covered by the partnership or partnerships.
- \$50 million would be allocated to institutions of higher education to support behavioral health services on campus.
  - \$200 million would support a competitive grant program for tribal entities, local educational agencies, community-based organizations, and behavioral health providers to address mental health disparities and provide linguistically and culturally competent services for children, youth, and young adults that lack access to adequate behavioral health care or are otherwise difficult to reach.
- **Student Behavioral Health Medi-Cal Managed Care Plan Incentives – Approve the Administration’s proposed investment of \$400 million (\$200 million General Fund and \$200 million federal funds) one-time, and modify the terms of participation by plans**
    - The Administration’s proposal to provide incentive payments to Medi-Cal managed care plans to provide behavioral health services to students is essential to ensuring access to the full continuum of behavioral health services. While county mental health plans provide specialty mental health services, Medi-Cal managed care plans provide services for mild to moderate mental health needs.
    - However, it is essential that these plans are part of a partnership with county mental health plans and school districts or county offices of education, so care can be comprehensive and coordinated across delivery systems and students do not fall through the cracks.
    - The Legislature’s action requires Medi-Cal managed care plans, as a condition of participation in the incentive payment program, to enter into three-party partnerships to ensure delivery of the full continuum of behavioral health services to students.
  - **Development and Enhancement of Evidence-Based Behavioral Health Programs – Transfer Administration’s proposed one-time investment of \$429 million CFRF in 2022-23 to MHSOAC**
    - The Administration’s proposal to develop and scale up age appropriate behavioral health evidence based programs is a worthwhile goal, but builds on programs the MHSOAC has been administering for several years. The Administration proposes to prioritize for funding the following:
      - First break or first episode psychosis programs
      - Efforts tailored and focused on disproportionately impacted communities and communities of color
      - Youth drop-in wellness centers
      - Intensive outpatient programs for youth
      - Prevention and early intervention services for youth

- MHSOAC administers the Early Psychosis Intervention Plus program, the youth drop-in centers program, and administers local expenditures of Mental Health Services Act funding for prevention and early intervention. In addition, MHSOAC has attempted to address disproportionately impacted communities and communities of color through its stakeholder contracts. These programs are already in place and could be scaled up with this one-time investment of federal relief funds.
- **Behavioral Health Workforce Capacity – Approve Administration’s proposed investments of \$426.8 million over five years in workforce capacity, including.**
  - Psychiatry and social workers
  - Substance use disorder services providers
  - Behavioral health workforce pipeline
  - “Earn to Learn” apprenticeship models
  - Training to serve justice- and system-involved youth
  - Train New Trainers Psychiatry Fellowship for Primary Care Providers
  - Peer Training and Placement Programs
  - Existing Loan Repayment, Scholarship, and Stipend Programs for Behavioral Health
- **Behavioral Counselors and Coaches – Reduce Administration’s proposed investments of from \$428.3 million to \$228.3 million for developing behavioral health counselors and coaches.**
  - Reduce allocation for behavioral health counselors and coaches by \$200 million.
  - Reallocate the remaining \$228.3 million to expand the resources for other workforce initiatives.
- **Behavioral Health Services and Supports Platform – Approve positions and other state operations for the Administration’s proposed behavioral health services and supports platform, but reject first-year funding for the system until the project has fulfilled the appropriate requirements in the California Department of Technology’s Project Lifecycle Approval process.**
- **Behavioral Health Continuum Infrastructure Program – Allocate \$150 million of \$2.455 billion proposal for mobile crisis support teams for youth and adults.**
  - As part of the Administration’s \$2.455 billion proposal to support behavioral health continuum infrastructure, the Legislature’s action specifically allocates \$150 million to support the development of mobile crisis support teams to address youth and adults in crisis.
  - \$100 million would be allocated for youth and could respond to schools or families with youth experiencing a behavioral health crisis. These funds would be prioritized to ensure availability of these services when children return to full-time instruction in the fall.

- \$50 million would be allocated for adults and could respond to behavioral health crisis situations that would ordinarily result in an encounter with law enforcement.
- **Other Components of the Initiative** – Approve remaining components of the Administration’s proposal, including:
  - E-consult services and provider training – \$165 million
  - CalHOPE Student Support Program – \$45 million
  - New Medi-Cal Benefit – Dyadic Services – \$800 million
  - Public Education and Change Campaign – DPH – \$100 million
  - Public Education on ACEs and Trauma – OSG – \$25 million
  - Various State Operations and Other Adjustments – \$186.5 million

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