

Summary of the Mental Health Services Act

(The following is a compilation of material from several sources, mostly from Protection and Advocacy Inc.'s Proposition 63 analysis, plus additional material.)

On November 2, 2004, the voters of California enacted Proposition 63, the Mental Health Services Act. The Act is designed to fully fund California's children's system of care program, and California's adult and older adult system of care program (AB 34). By imposing a 1% surtax on personal incomes over \$1 million it will raise between \$600 million and \$800 million per year. This represents about a 26% increase in funding for all public mental health services in this State. The intent of the Act is to provide new money for new services.

Overview of Proposition 63

Proposition 63 provides funding for the following services:

- Children's system of care.
- Adult and older adult systems of care.
- Prevention and early intervention.
- Education and training programs to address the shortage of qualified mental health service providers.
- Capital facilities and technology needed to provide mental health services.

Proposition 63 also requires that 5% of the funds for children's system of care, adult and older adult systems of care, and prevention and early intervention be used for innovative programs. Innovative programs include:

- services that increase access for underserved groups,
- increase access to services, increase the quality of services,
- promote interagency collaboration.

Description of the Services

Children's system of care.

Proposition 63 is designed to provide funding for services identified in a child's system of care treatment plan that are not funded through any other source.

Under current law, the children's system of care program is designed so that families can be preserved and unnecessary out-of-home placements can be avoided. The key to this is interagency collaboration and a coordinated service delivery system. Welfare and Institutions Code section 5852.5(d). Under this approach, the primary child-serving agencies, such as social services, probation, education, health, and mental health agencies are supposed to collaborate to provide a coordinated, goal-directed system of care for children and their families. *Id.* Case management is provided to ensure that each child receives the following services:

1. A comprehensive mental health assessment.
2. Case planning with all appropriate interagency participation.
3. Linkage with all appropriate mental health services.
4. Service plan monitoring.
5. Client advocacy to ensure the provision of needed services.

The problem is that even if all available services are identified, and linkages to the services are provided, the child and family still might not receive all of the services that the child and family need in order to preserve the family and avoid out-of-home placement. This is because necessary services may not be available under private insurance or public programs, or because the child does not have private insurance or is not eligible for public programs such as Medi-Cal that otherwise would provide the service. Wraparound services are an example of a service that could help to keep children in their homes but that is not available to everyone who needs it.

Proposition 63 fills the gap by providing the services that are not currently available. It does not provide extra funding for the existing system of care coordination or case management functions.¹ It does not provide extra funding for services currently available under private or public insurance, Medi-Cal, child welfare services, or special education. It does provide for services that a child is not eligible for, or that are not provided, under other programs or by private insurance. Welfare and Institutions Code section 5878.3(a) provides as follows:

Proposition 63 also seeks to expand the availability of wraparound services by requiring that the Department of Social Services apply for federal approval to make the maximum number of children under the program eligible for federal financial participation, and by requiring that such services be provided for children who need them.

Adult and older adult systems of care.

Proposition 63 is designed to expand funding for existing AB 34/2034 programs (adult and older adult systems of care). AB 34/2034 programs have been successful in providing services to avoid homelessness by providing an array of services including case management, supportive and transitional housing, and employment services that are not available under other programs. Proposition 63 seeks to change the AB 34/2034 programs from pilot programs serving limited numbers of individuals into fully funded programs that will provide services to all individuals who need them.

The approach here is different from the approach to children's system of care services. While the children's system of care funds are intended to provide services not otherwise available, the adult and older adult system of care funds are designed to fund the existing array of services available under current law. Welfare and Institutions Code section 5813.5, 5801, 5802 and 5806. The new funding expands the availability of services so that services can be provided to individuals who are not currently receiving them.

Client priorities within the adult and older adult systems of care.

For the purposes of consumer run services, the Mental Health Services Act

references Welfare and Institutions Code 5806 when it describes the services that are included for this funding. Within 5806 (a) (5) is specific reference to provision for peer support or self-help group support where appropriate for the individual.

The adult and older adult system of care must also be based on voluntary services. The Mental Health Services Act references Welfare and Institutions Code 5801 as the underlying philosophy upon which the services must be based. Welfare and Institutions Code section 5801 (b) (5) provides:

(5) The client should be fully informed and volunteer for all treatment provided, unless danger to self or others or grave disability requires temporary involuntary treatment.

In addition, planning for services (for the adult and older adult system of care) “must be consistent with the philosophy, principles and practices of the Recovery Vision for mental health consumers.” Section 7, 5813.5 (d)

- (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.

Prevention and early intervention.

The initiative provides funding for new programs designed to prevent mental illnesses from becoming severe and disabling. The program must emphasize improving timely access to services for underserved populations. The program must include the following components:

1. Outreach to families, employers, primary care health care providers, and others to recognize the early signs of potentially severe and disabling mental illnesses.
2. Access and linkage to medically necessary care for individuals with severe mental illness as early in the onset of these conditions as practicable.
3. Reduction in stigma associated with being diagnosed with a mental illness or seeking mental health services.

4. Reduction in discrimination against people with mental illness.

The program must include mental health services effective in preventing mental illnesses from becoming severe, and must include components that have been successful in reducing the duration of untreated severe mental illnesses and assisting people in quickly regaining productive lives.

Education and training program.

Funds are provided over the next few years to address the shortage of qualified mental health service providers. The Department of Mental Health must develop a five-year education and training development plan. The plan must include the following elements:

1. Expansion of the capacity of postsecondary education to meet the needs of identified mental health occupational shortages.
2. Expansion plans for the forgiveness and scholarship programs offered in return for a commitment to employment in California's public mental health system and make loan forgiveness programs available to current employees of the mental health system who want to obtain Associate of Arts, Bachelor of Arts, Masters Degrees, or Doctoral degrees.
3. Creation of a stipend program modeled after the federal Title IV-E program for persons enrolled in academic institutions who want to be employed in the mental health system.
4. Establishment of regional partnerships among the mental health system and the educational system to expand outreach to multicultural communities, increase the diversity of the mental health workforce, to reduce the stigma associated with mental illness, and to promote the use of web-based technologies, and distance learning techniques.
5. Strategies to recruit high school students for mental health occupations, and increasing the prevalence of mental health occupations in high school career development programs.
6. Curriculum to train and retrain staff to provide Proposition 63 services.
7. Promotion of the employment of mental health consumers and family members in the mental health system.
8. Promotion of the meaningful inclusion of mental health consumers and family members and incorporating their viewpoint and experiences in the training and education programs.

9. (i) Promotion of the inclusion of cultural competency in the training and education programs.

Capital facilities and technology needed to provide mental health services.

Over the next few years, money is available for capital facilities and technology. Welfare and Institutions Code section 5892(a) (2).

The capital facilities and technological services must be necessary in order to provide the children's system of care services, adult and older adult system of care services, and prevention and early intervention services. Any plan for proposed facilities with restrictive settings must show why the services cannot be provided in a less restrictive setting.

Fund Allocation.

Revenues generated by the new tax are deposited in the Mental Health Services Fund. Funds will be allocated as follows:

In 2004-05:

- 45 percent for education and training programs;
- 45 percent for capital facilities and technology;
- 5 percent for local planning; and
- 5 percent for state implementation.

In 2005-06 through 2007-08:

- 10 percent for education and training programs;
- 10 percent for capital facilities and technology;
- 20 percent for prevention and early intervention programs; and
- 60 percent for the children's system of care and adult and older adult system of care programs.

In 2008-09 and each year thereafter:

- 20 percent for prevention and early intervention; and
- 80 percent for the children's system of care and adult and older adult system of care programs.

Oversight and Accountability

The Mental health Services Act establishes an Oversight and Accountability Commission to oversee the services of the Act. The Commission consists of 16 voting members and will be part of the California Mental Health Planning Council. The Commission is appointed by the Governor and legislature. Among its duties are to review County plans and to approve county plans for Prevention and Innovation projects.

Among the 16 voting members are “two persons with a severe mental illness, a family member of an adult or senior with a severe mental illness, and a family member of a child who has had a severe mental illness.” In addition, “in making appointments, the Governor shall seek individuals who have had personal or family experience with mental illness.”

County Plans

Counties must develop integrated plans for Prevention, Innovation and System of Care Services. These plans must include the following:

A program for

- Prevention and Early Intervention;
- Services to children based upon the System of Care model, including a program for wraparound services;
- Services to adults and older adults based on the System of Care model (the AB 34 program);
- Innovations;
- Technological needs and capitol facilities;
- Identification of shortages in personnel;
- Establishment of a prudent reserve.

No funds may be provided from the state to the counties unless such spending is in accordance with a plan developed in accordance with numerous requirements. These include stakeholder input, public hearings and meaningful response to comments and approved by the state. In addition, prevention, early intervention and innovative services programs must be approved by the Oversight and Accountability Commission as opposed to the Department of Mental Health. The full plan including the provisions for the programs must be approved by the State Department of Mental Health after review and comment by the Oversight and Accountability Commission.

Each plan is a three-year plan that must be updated annually and each update must also be submitted to the state for review. Up to 5% of the revenues received each year may be allocated to counties for this purpose.

The funding for Adults and Children's System of Care services will not be allocated by a formula. Rather they will be allocated annually based upon each county's demonstration of unmet need and capacity to expand successful programs.

Funds must be used to expand, not supplant services: Funds can "not be used to supplant existing state or county funds utilized to provide mental health services."

Sources

Primary source is "Memorandum, "Description of Proposition 63 Services," November 11, 2004, from Protection and Advocacy Inc. Much of this "Memorandum" is quoted directly.

Other sources:

"From Fail-First to help-First – Proposition 63 Transforms California's Mental Health System"

Preliminary implementation guide prepared for California Council of Community Mental Health Agencies by Rusty Selix, Executive Director, California Council of Community Mental Health Agencies and official co-proponent and co-author of Proposition 63- together with Assemblymember Darrell Steinberg. Fourth Edition, December 31.

California Department of Mental Health, "The Mental Health Services Act Initiative: Proposition 63." Prepared for DMH Preliminary Stakeholder Planning Meeting 9/29/04.

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