Behavioral Health Community Blog by Rusty Selix

Congressional Budget Office Slams Republican Healthcare Proposal: More People Lose Health Insurance than Gained Under the Affordable Care Act

The analysis that came out Monday confirms the views of healthcare experts and state officials. Moreover, it only covers impacts through 2026. My analysis suggests that over the next 20 years most states will find it impossible to continue the Medicaid program as the block grant federal spending gap between Medicaid costs and federal funding grows. If that happens, the number of individuals who lose insurance could eventually be double the numbers in this estimate.

Nonetheless, these numbers are sufficiently large enough to destroy the illusion that the proposal is a legitimate replacement for what is being repealed. Members of Congress of both parties are more interested than ever in understanding how this impacts patients and healthcare providers within their districts. State legislators are also interested, even though there is no pending state issue.

So, this is a good time for our behavioral health agencies to make the effort to familiarize their legislators with behavioral health programs and the value that they have in our communities and the consequences of funding cuts. (Editor's note: CCCBHA sent out a Members Alert on 3/15/17 with a list of facts and detailed action steps our members can take to let their Congressional Representative's know they oppose the proposal. It's just one of the benefits of being a member.)

Governor's Budget In-Home Supportive Services Proposal Will Reduce Mental Health Realignment Growth by Tens of Millions Annually, and Grow to Hundreds of Millions Over Time

The 1991 Realignment Law was intended to give health, mental health, and social services each one-third of dedicated state sales tax and vehicle license fee revenues. However, a feature added late in its development provided that the social service share would be determined by caseload, and health and mental health would get a larger or smaller share based on caseload growth for social services. The IHSS program had been a fairly small program at that time, but over the next 20 years it became a $2 billion program and took all of the sales tax growth. This costs the behavioral health system about $500 million annually as we went from one-third of the total to less than one-quarter. The state took the IHSS program back from the counties and ended this pattern several years ago. However, in implementing the Medicare/Medi-Cal Coordinated Care Initiative, legislation provided that if the program did not result in savings, the IHSS program would go back to the counties.

The impact on county behavioral health is estimated at $25 million for the first year. This loss will grow every year unless the legislature acts to stop this proposal from going into effect.

This is a high priority budget issue for CCCBHA and counties, and we hope other behavioral health advocates will join in our efforts to prevent this from happening.

Proposition 64 Marijuana Legalization - Funding for Substance Use Disorder Services Likely Delayed until 2019

Last month, the Department of Health Care Services announced, and then canceled, a Stakeholder Advisory Committee meeting regarding this significant new substance use disorder funding opportunity. We have learned that the reason for the cancellation is that other state agencies do not want this funding to even be discussed until all of the complicated regulatory issues regarding the sale of

marijuana are resolved. They expect that to take all of 2017, and that means the stakeholder process will not begin until the following year. That likely means that funding won't be available until 2019. The delay to 2019 is significant because we will have a new governor inaugurated that January, which could lead to delays in putting key officials in place to lead state departments and set policy priorities. It is too early to know exactly what the time frames will be. But there is no longer a sense of urgency in getting our policy priorities before state officials and the legislature. However, CCCBHA is holding a meeting on 3/22/17 to determine our position on a number of key issues with regards to the funding. This will help guide our efforts going forward.

No Place Like Home Advisory Committee Begins Meeting March 23 - Schedule of Implementation Presented

This PowerPoint presentation describes the steps toward implementation of the No Place Like Home program. It identifies the outstanding issues, such as the definition of at-risk for chronic homelessness, which we hope will include people who are losing time-limited housing or are transitioning from institutional placements without a permanent home.

The first round of funding will be $200 million that will go out to all counties by formula. We have heard that a few county behavioral health directors believe that funding comes off the top of Mental Health Services Act funding. However, as the PowerPoint explains, it is part of the $2 billion in bonds and each year only one-thirtieth of the costs will be charged against the Mental Health Services Act.

The total for this first round of funding is $263 million. The total statewide cost annually charged against the MHSA will be less than $20 million or about 1% of MHSA funds.

Counties will be able to utilize this funding for small stand-alone projects that do not have to be leveraged with other funds. However, it is expected that larger counties will use these funds as part of the match to make their proposals more competitive in seeking funds in later rounds.

Visit to Granville Youth Center in Vancouver BC - A New Model for Youth Engagement

I was contacted over a year ago by Stanford professor Steve Adelsheim, who had a Robert Wood Johnson grant to study the Australia Headspace program and assess its feasibility in the United States, particularly in California under the Mental Health Services Act.

The Headspace program in Australia now consists of 100 youth centers which offer primary care mental health, substance use disorder services, and sexual health support aimed at young people, ages 13 to 24. The premise is that people in this age group are the least likely to seek healthcare or behavioral healthcare in a traditional setting. The concept is a storefront in a youth friendly design where only young people will be admitted, and the concept is now expanding around the world. In California, Santa Clara County is planning to use MHSA innovations funds to help establish a facility.

I was fortunate to have had a chance to see the only existing North America operating program in Vancouver BC. It is a pilot for 10 that will soon be operating throughout that province. Eighty percent of the youth who come to the facility have substance use disorder problems. Most impressive, is that this method of engaging them is successful in getting virtually all of them to acknowledge the problem and take action. Member agencies have often told me that engaging a transitional age youth with a

substance use disorder was the most difficult challenge. This new model appears to make a big difference and could provide an alternative to the current approaches.

The Australian facilities were started primarily as a way to catch early psychosis cases. One of the programs in BC will have a co-located early psychosis treatment program. These facilities are small, about 5000 sq ft., and it seems most of the cost would be reimbursable through Medi-Cal or private insurance, as long as the staff have appropriate network participation. I would envision no full-time clinical staff at this location, but rather it would be served by individuals from nearby primary care and behavioral health providers spending limited hours there each week.

It is hard to compare healthcare costs from Canada to California, but the estimated annual operating cost in Canada is $800,000. We don't yet have cost-benefit analyses to determine what savings this early engagement will yield, but the potential is enormous.

Joining me on my visit was Mental Health Services Oversight and Accountability Commission Executive Director, Toby Ewing, and Commissioner and Sutter Health Executive, John Boyd. The Commission plans to invite Foundry to present at a future meeting. Foundry is the organization leading the efforts in Canada, and the name that will eventually be on the facilities, based upon youth response.