

## A Long Strange Trip... and About to Get Stranger

I have been lobbying since 1977, and with CCCBHA since 1986, and in all of those years there has never been one like 2017. One where Sacramento is totally consumed by what will, or will not, happen in Washington DC and what it might mean.

Our agencies are impacted by what it means for Medicaid, and the state and counties will act with that looming shadow. Immigration policies create threats for many families we serve. For many of us and our staff, we have personal concerns that go beyond any of these specific issues.

These fears and uncertainties are so big that they are now part of every meeting and conversation. What we can do about it must take precedence over everything else. So, all of my blogs this year will start with this subject and my latest thinking.

### **Governor's Budget, Legislature, Education of Members of Congress**

In his January budget introduction, the governor appeared to adopt unusually conservative revenue estimates. This caused cuts in one time programs funded in the current year that would not have been required with the estimates provided by the Legislative Analyst. It is widely speculated that this is not just due to his fears of a recession, but also due to fears of reductions in federal financial support. This will trickle down to counties, so don't be surprised to see counties wanting to keep larger than usual amounts of unspent funds or reserves.

Mobilizing to **educate members of Congress** about what is at stake in making changes to federal support for health care is a priority for members of the legislature. Especially as the State Senate Health Committee held a hearing in Bakersfield, home district of the highest ranking California House Republican Kevin McCarthy, and also home of some of the highest numbers of MediCal beneficiaries who gained coverage through the Affordable Care Act. See op-ed articles by [Senator Ed Hernandez](#) and [Congressman McCarthy](#).

There are weekly events and discussions about how to get the message out. We are working with other health care organizations, and also hope to involve law enforcement leaders who know first-hand the importance of behavioral health funding.

Each of you should be actively engaged in these educational outreach efforts. Let us know how we can **support you in developing relationships** with your Congressional Representatives. While the National Council has provided guidance and talking points for member agencies, we are ready to also help in any way we can.

At this point in time, there are several **competing approaches** among Republican members of Congress. They expect a proposal from the President, who promises to have one shortly after his Secretary for Health and Human Services, Tom Price, is confirmed. That is expected to happen in late February, but he has avoided providing any hints during his confirmation hearings so far.

This all means that there is **still time to influence** the eventual action, and while we all have good **reason to fear** significant cuts, we also have **reason to be hopeful** that there are not enough votes for some of the more draconian proposals.

In the Senate, it only takes three votes to block action if all democrats are opposed. It is significant that two republican senators proposed a state option to retain all current funding and coverage.

In the end, it will be a negotiated settlement between both houses and the White House. Democratic members of Congress also matter because some approaches require 60 votes in the Senate and some “compromises” may be unacceptable to very conservative Republicans, so they may seek democratic votes.

It is not our place nor yours to figure out exactly what will happen. It is our job and yours to make sure that all California members of Congress know what services you provide, who you serve, and what is at risk if there are cuts in funding or eligibility for services. Your representatives want to know, so it is an opportunity to develop a relationship.

### **California Legislative Session Starts**

With this background, we start the California legislative session with democratic 2/3 supermajorities in both houses of the legislature working to resist deportation of immigrants and support sanctuary status for local governments. SB 54 is a bill introduced by Senate President Pro Tem Kevin de Leon which would prohibit state and local law enforcement, including school police and security departments, from using their resources for immigration enforcement.

[Senate Bill 54](#) would also create “safe zones” at public schools, hospitals and courthouses where immigrant enforcement would be banned, and require state agencies to update their confidentiality policies so that information on individuals’ immigration status is not shared for enforcement purposes.

[Read more here](#)

### **Proposition 64 (marijuana tax) Implementation: Our Biggest Opportunity**

In behavioral health, our most important work will be the implementation of the new marijuana tax funding from Proposition 64, which our committees are now developing policy on. The Department of Health Care Services receive 60% of the funds starting in 2018-19 for youth substance use education, prevention early intervention and treatment. What those funds are allocated for, and how their use is governed, represents an unprecedented one-time opportunity to address policy and funding shortfalls.

- The issues in Prop 64 implementation are many of the same ones we faced in writing and implementing the 2004 Prop 63 Mental Health Services Act.
- How big is the unmet need? What happens to people who do not get fully served?
- How do we finance and build facilities to have the capacity to adequately meet all needs at all levels of the continuum of care?
- How do we attract and retain an adequate workforce?
- How do we educate and intervene early to prevent life threatening and disabling severity?
- How do we divert people from hospitals and jails?
- How do we integrate all behavioral health and coordinate physical and behavioral healthcare?
- How do we ensure that funds will be most effectively expended to produce the best possible outcomes and integrated to best leverage other funds?
- What oversight is needed of local decision making and budgeting?

CCCBHA is not only developing policy, but also coordinating with the CBHDA, Steinberg Institute, California Alcohol and Drug Program Executives (CAADPE) and the California Consortium of Addiction Programs and Professionals (CCAPP) and engaging other interests to forge a broad consensus. The process is complicated because the legislature's lawyers have ruled that the **legislature cannot direct where the funds go through legislation this year, but possibly can through budget approval in 2018-19**. Legislation is not required by law but may be needed to get funds earmarked for the programs, type of oversight, and approval process that we want.

In developing policy for CCCBHA, we have highlighted these issues and seek funds to be reserved for each of these purposes. I also think that it will be possible to **bond against future revenues to have a massive capital campaign to fully develop the array of facilities and services needed, especially for jail and hospital diversion.**

This program could replace the state general funds just cut in the governor's budget for jail diversion and youth crisis care, although we will also seek other sources to restore those funds.

The need to divert people from jails and hospitals, and the interest in developing comprehensive county systems, with alternative crisis supports is gaining interest in Sacramento and other counties. The state hospital association is hosting a meeting among stakeholders on February 10<sup>th</sup> (during our CCCBHA meeting); 53 of 58 counties attended a "Stepping Up" (National Association of Counties and Council on State Governments program) summit to develop strategies to expand diversion efforts; and at least two counties (Orange and Santa Clara) have sent teams to study the model program in San Antonio, Texas.

We have sent you our specific draft of legislation and an outline of the concepts as part of agenda materials for our SUDs committee call. We are asking for comments by February 6<sup>th</sup> and hope to have a completed stance to share with others at the Policy Forum on February 10<sup>th</sup>.

This is the time of the year when new legislation is in development stages. We have been in contact with legislative staff about proposals for **school mental health**, in relation to our Prop 64 proposal and what we sponsored last year (AB 1025 Thurmond and SB 1113 Beall). Just in - new bill number: [SB 191, Beall. Pupil health: mental health and substance use disorder services.](#)

We also are talking with legislative staff and the legislative analyst about creating greater **transparency and accountability regarding county MHSA expenditures**.

The Mental Health Services Oversight and Accountability Commission created a special committee to focus on school mental health, having held two four hour sessions. CCCBHA children's committee chair Ken Berrick of Seneca was a speaker at the commission's hearing last week. It is recognized that early identification and support on school campus not only prevents development of serious emotional disturbances but also many substance use disorders, so it is an appropriate use of Prop 64 funds. I was able to speak with State Schools Superintendent Tom Torlakson, who is very supportive of more funding and policy to support these programs. A Department of Education RFP for school-based multi-tiered systems and supports will be out in about six weeks and should lead to programs with state evaluation and reports. A CCCBHA intern is completing a study of county MHSA PEI investments in schools, noting that nearly every county has programs that are related to this issue.

#### **Other CCCBHA Priorities Include:**

**Workforce:** both for mental health and substance use disorders. There will be a workforce summit on March 9<sup>th</sup> in Sacramento which should lead to priorities in earmarking Prop 64 funds and guiding development of regulations for MHSA funds. There was a ten year set aside of MHSA funds that is nearly depleted. The state did not write guidelines for county plans which are now expected to address these issues in every MHSA plan. At the very least, CCCBHA will advocate that DHCS be directed to develop these regulations and assign the needed staff. Some have suggested that the law should be amended to re-establish another set aside of funds for this purpose.

**Paperwork Reduction:** This was a CCCBHA led initiative to get clarification that each progress note does not have to re-state all diagnostic information. Finding other ways to eliminate unnecessary documentation requirements has led to the development of a DHCS information notice to counties that will be out soon. We have been discussing the steps for training on implementation once it is out, along with other needed follow up actions.

**Housing:** Draft regulations to implement **No Place Like Home** are out for comment. An advisory committee to review and provide further guidance to counties will be constituted and convene soon. We are also working with cities and counties (including Sacramento Mayor Darrell Steinberg and San Francisco's Director of Homelessness Supports) who now have a state task force to address homelessness. We hope this will lead to more local bond measures, and other funding, to increase the leveraging value of the MHSA funds dedicated for this purpose.

**Early Psychosis:** 37 counties are now operating or developing these programs, including nearly all counties with populations over 400,000. The Steinberg Institute and UC Davis have convened a working group of county representatives to develop best practices that should be supplemented by an MHSOAC study of the twelve counties that began these programs several years ago. The Steinberg Institute is about to present a public/private partnership to infuse significant private funds to supplement MHSA funds so that more people are seen early in the development of schizophrenia.

**There's much work to be done with state departments on many children's mental health issues.**

AB 114 (special education mental health in schools) will have new performance data and evaluation through the passage of SB 884 Beall. This data can also inform the EPSDT performance outcome system. The AB 403 (2015 Mark Stone) continuum of care reform of child welfare is now in the implementation phase with many unresolved issues. These include broader questions of crisis residential licensing that will take legislation (a re-introduction of a variation of AB 741 Williams), getting regulations in place to secure appropriate county payment obligations for youth placed out of county (implementing AB 1299 Ridley-Thomas), and ensuring counties make Katie A services available to all who need them, not just those in child welfare. We will coordinate our efforts on these issues with the California Alliance of Child and Family Services.

**Whole Person Care Pilots, Organized Delivery System for Alcohol and Other Drug Services, Integration of Physical Health and Behavioral Health, Coordinated Care for Dual Eligibles (MediCal/Medicare).**

These DHCS issues are all part of a **Section 1115** Medicaid waiver which is going forward as though there will be no Congressional changes in how Medicaid works in California. Some counties not far along in their planning are waiting to see what unfolds before committing to the Organized Delivery System. However, 18 counties (covering about 80% of the state's population) are going forward with this transformation. These are generally the same counties participating in the Whole Person Care Pilot programs, which brings federal funding to help coordinate care and supportive housing for the highest cost MediCal enrollees. Of those, 70% have mental illness and most have substance use disorders.

This is a long blog, but I wanted you to see the magnitude of what we are working on. It is a year like no other and requires all of us to step up in a way we never have before.