Briefing:
An Introduction to California’s Public Mental Health System
September 23, 2019
An Introduction to California’s Public Mental Health System

Catherine Teare
Associate Director, High-Value Care
September 23, 2019
Today’s briefing

- Adriana Ramos-Yamamoto, CBPC
- Jennifer Kent, DHCS
- Michelle Cabrera, CBHDA
- Sarah Arnquist, Beacon Health Options
- Q&A
We need to understand the public mental health system better

• Increasing attention to mental health policy – health care, homelessness, corrections, education
• Increased funding for mental health
• Delivery system innovations in primary and specialty care in counties, clinics, and plans
People with behavioral health disorders die far too young

- People with serious mental illness **die 25 years earlier**
- People with a substance use disorder **die 22.5 years earlier**
- Many of these deaths are from preventable physical illnesses
Mental illnesses are common, chronic health conditions

Incidence of Mental Illness, Adults and Children, California, 2014

4.2% Adults with Serious Mental Illness

15.4% Adults with Any Mental Illness

7.6% Children with Serious Emotional Disturbance

Prevalence varies by income

INCIDENCE, BY INCOME, 2014

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Adults with SMI</th>
<th>Children with SED</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;100% FPL</td>
<td>9.0%</td>
<td>10.0%</td>
</tr>
<tr>
<td>100%–199% FPL</td>
<td>6.3%</td>
<td>8.0%</td>
</tr>
<tr>
<td>200%–299% FPL</td>
<td>3.6%</td>
<td>7.0%</td>
</tr>
<tr>
<td>300%+ FPL</td>
<td>1.9%</td>
<td>6.0%</td>
</tr>
</tbody>
</table>

Definitions: SMI = Serious Mental Illness; SED = Serious Emotional Disturbance; FPL = Federal Poverty Level
Prevalence varies by region

Adults with SMI and Children with SED, by Region, California, 2014

Many people with mental illnesses also have substance use disorders (SUDs)

Adults with SMI and SUD and Children with SED and SUD
California, 2015

PERCENTAGE USING COUNTY MENTAL HEALTH SERVICES, 2015

34.4% 9.2%
Adults with SMI and SUD Children with SED and SUD

Many California adults with mental illness do not receive treatment

Treatment for Mental Illness
Adults with Any Mental Illness, California, 2011 to 2015

Percentage who . . .

- Received Mental Health Services: 37.2%
- Did Not Receive Mental Health Services: 62.8%

Access for adolescents reporting major depression is particularly limited

Percentage reporting MDE in the past year who . . .

- **Received Treatment for Depression**: 32.1%
- **Did Not Receive Treatment for Depression**: 67.9%

Adriana Ramos-Yamamoto, MPH, Director, Health Policy Analyst
Understanding California’s Public Mental Health Delivery System

@RamosYamamoto
@CalBudgetCenter

ADRIANA RAMOS-YAMAMOTO, POLICY ANALYST

A PRESENTATION TO:
CALIFORNIA HEALTH CARE FOUNDATION
BRIEFING: AN INTRODUCTION TO CALIFORNIA’S PUBLIC MENTAL HEALTH SYSTEM
SEPTEMBER 23, 2019
Goals of the Presentation

• Review the entities that administer and oversee public mental health services

• Provide a high-level overview of California’s public mental health delivery system

• Describe the funding sources for public mental health services

• Highlight the recent funding trends for public mental health services
California’s public mental health services are governed by federal, state, and local entities.
Governance of California’s Public Mental Health Services

**Federal**
- Centers for Medicare & Medicaid Services
- Substance Abuse and Mental Health Services Administration

**State**
- Department of Health Care Services (DHCS)
- Mental Health Services Oversight & Accountability Commission
- California Behavioral Health Planning Council

**County**
- County boards of supervisors
- Local mental health advisory boards
California’s public mental health system provides services to people with and without Medi-Cal coverage.
Frequently Used Terms for Mental Health Conditions

- **Mild-to-Moderate**: applies to adults with a condition that causes mild to moderate distress or impairment of mental, emotional, or behavioral functioning.

- **Serious Emotional Disturbance (SED)**: applies to children and youth 17 and under who have, or during the past year have had, a mental, behavioral, or emotional disorder resulting in functional impairment that substantially limits functioning in family, school, or community activities.

- **Serious Mental Illness (SMI)**: applies to adults who have, or during the past year have had, a diagnosable mental, behavioral, or emotional disorder resulting in functional impairment that interferes with major life activities.
California’s Public Mental Health System

Medi-Cal Managed Care

Mild-to-Moderate Services (for Adults)*

Medi-Cal Specialty Mental Health Services

Fee-for-Service Medi-Cal

Counties

Uninsured Mental Health Services (Limited)

* Adults refers to people age 21 or older. For children and youth, Medi-Cal Managed Care Plans must provide medically necessary non-Specialty Mental Health Services regardless of the severity of the impairment.
Medi-Cal Managed Care Plans (MCPs) and Fee-for-Service (FFS) Medi-Cal

- Mental health services are provided to:
  - Adults with **mild-to-moderate** mental health conditions
  - Children who qualify for medically necessary **non-Specialty Mental Health Services** regardless of the severity of impairment
- Among the services provided are 1) services within primary care provider’s scope of practice, 2) psychotherapy, 3) psychological testing, and 4) medication management
Public Mental Health Services Provided at the County Level

- County mental health services include:
  - Medi-Cal Specialty Mental Health Services for children and adults
  - Mental Health Services Act (MHSA) programs for children and adults
  - Safety-net mental health services for low-income Californians without health coverage
- Counties deliver services through:
  - County-owned and -operated facilities
  - Contracts with hospitals, clinics, private practitioners, etc.
Counties Provide Medi-Cal Specialty Mental Health Services

- Specialty Mental Health Services are:
  - “Carved out” of the broader Medi-Cal program
  - Administered by DHCS under 1915(b) waiver
- DHCS contracts with county mental health departments
- Services include 1) therapy, 2) crisis intervention and stabilization, 3) psychiatric services, and 4) day treatment and rehabilitation
Mental Health Services Act (MHSA) Programs Delivered at the County Level

- Proposition 63 (2004): Created a 1% surtax on personal income above $1 million to provide increased funding for mental health services
  - Counties have some flexibility in how to use these funds

- Core components:
  - Community services and supports
  - Facilities and technology
  - Workforce education and training
  - Prevention and early intervention
  - Innovation projects
Safety-Net Mental Health Services

- Counties provide safety-net mental health services to uninsured Californians with an **SED** or **SMI**

- Services are similar to Medi-Cal Specialty Mental Health Services and are provided **to the extent resources are available**

- Counties also provide crisis services to **all** residents regardless of insurance status
Safety Net Mental Health Services

- Counties provide safety net mental health services to uninsured Californians

- Services are similar to Medi-Cal Specialty Mental Health Services and are provided to the extent resources are available

- Counties also provide crisis services to all residents regardless of insurance status
Funding for public mental health services comes from multiple sources.
California’s Public Mental Health System

**Medi-Cal**
Mild-to-Moderate Services (for Adults)*

**Medi-Cal**
Specialty Mental Health Services

**Uninsured**
Mental Health Services (Limited)

**Medi-Cal Managed Care**

**Counties**

**Fee-for-Service Medi-Cal**

**Federal Funds**

**State General Fund**

**Realignment Funds**

**Mental Health Services Fund**

*Adults refers to people age 21 or older. For children and youth, Medi-Cal Managed Care Plans must provide medically necessary non-Specialty Mental Health Services regardless of the severity of the impairment.*
Funding Sources for Public Mental Health Services

- Federal funds
  - Medicaid
  - Community Mental Health Services Block Grant
- State funds
  - 1991 and 2011 Realignment
  - Mental Health Services Act (MHSA)
  - General Fund
- County funds
  - Local property taxes, grants, etc.
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Funding for Public Mental Health Services in California Comes Primarily from the State
2017–2018 State and Federal Funding*

State

- 1991 and 2011 Realignment
- Mental Health Services Act (Prop. 63 of 2004)

Federal

- Medicaid
- Community Mental Health Services Block Grant

* Does not include state General Fund support or county funding for public mental health services, which constitute a relatively small share of overall funding. Does not sum to 100 due to rounding.

Source: Mental Health Services Oversight and Accountability Commission
Funding for California’s public mental health services has increased in recent years.
Public Mental Health Funding in California Is on the Rise

Change in Inflation-Adjusted State and Federal Funding Since 2012–2013, Dollars in Billions

* 2018–2019 estimated and 2019–2020 projected as of the governor’s proposed budget.
Note: Does not include state General Fund support or county funding for public mental health services. Figures are inflation-adjusted to 2019–2020 dollars.
Source: Mental Health Services Oversight and Accountability Commission
Jennifer Kent, Director
Michelle Doty Cabrera, Executive Director
Sarah Arnquist, MPH, Vice President of Client Partnerships
QUESTIONS
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