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TO: **Angela Calvillo, Clerk of the Board of Supervisors**

FROM: **Jo Robinson, MFT**
Director of Community Behavioral Health Services

THROUGH: **Barbara A. Garcia, MPA**
Director of Health

DATE: **October 22, 2013**

SUBJECT: **Report on the Mental Health Services Act, including Adoption of Program and Expenditure Plans by County Boards of Supervisors - No Action Necessary**

Purpose of Memorandum
This memorandum provides an explanation of the Mental Health Services Act ("MHSA or Act"), discusses San Francisco's compliance with MHSA requirements, and provides a description of your Board's role in the adoption of the San Francisco's MHSA program and expenditure plans.

Overview of the Mental Health Services Act
MHSA is a law enacted by the California electorate through a ballot initiative, Proposition 63, at the November 2, 2004, General Election. The Proposition itself and its implementing regulations are quite clear and specific regarding the intent of the Act, as set forth, below. The Act provides dedicated funds to expand county mental health programs by: (1) imposing a one percent personal income tax surcharge on taxpayers with annual incomes of more than $1 million; and (2) preventing future State funding allocations for county mental health programs from falling below the levels in place immediately preceding the law's enactment. The Act mandates that the dedicated funds be set aside in a special fund for distribution to counties, thereby protecting MHSA funds from being diverted by the Legislature and/or Governor during the annual State budget process. The Act also prohibits supplanting with MHSA funds any existing State or county funds utilized to provide mental health services.

Under the MHSA, funding is provided for county mental health programs to address a broad continuum of prevention, early intervention, and service needs, and for infrastructure, technology, and training needs. In San Francisco, MHSA funding is administered by the Community Behavioral Health Services (CBHS) section of the Department of Public Health.

The MHSA specifies five major MHSA program components for which funds may be used and the percentage of funds to be devoted to each component. These

components are: Community Services and Supports ("CSS"), Capital Facilities and Technological Needs ("CFT'N"), Workforce Education and Training ("WET"), Prevention and Early Intervention ("PEI"), and innovation ("INN"). For these various components, county mental health departments must develop and submit program and expenditure plans ("County Plans"), which are typically three-year plans, and annual updates.

Development of Plans

The MHSA provides funding to support new and expanded county mental health programs. It requires that MHSA program and expenditure plans "shall be developed with local stakeholders." Recent legislation reaffirms and reinforces this requirement. This same legislation now requires that these stakeholder-developed plans also be adopted by county boards of supervisors prior to submission to the State.

The MHSA specifies the stakeholders to be included: "adults and seniors with severe mental illness, families of children, adults and seniors with severe mental illness, providers of services, law enforcement agencies, education, social services agencies, veterans, veterans organizations, providers of alcohol and drug services, health care organizations, and as well as other important interests".

MHSA implementing regulations, set forth in California Code of Regulations ("CCR's"), elaborate extensively on the stakeholder participation requirement, including specifying the following: "The County" shall develop the Three-Year Program and Expenditure Plans and update in collaboration with stakeholders, through the Community Program Planning Process. County programs and/or services shall only be funded if the Community Program Planning Process set forth in these regulations was followed. "Community Program Planning" is defined by the regulations to mean "the process to be used by the County to develop Three-Year Program and Expenditure Plans and updates in partnership with stakeholders to: (1) Identify community issues related to mental illness resulting from lack of community services and supports, including any issues identified during the implementation of the Mental Health Services Act. (2) Analyze the mental health needs in the community. (3) Identify and evaluate priorities and strategies to meet those mental health needs."

In preparing for San Francisco's 2013-14 MHSA Annual Update, MHSA staff and stakeholders reviewed previously approved programs and services funded in fiscal year 2011-12, challenges experienced during implementation, and the outcomes that were achieved.

This Annual Update reflects our commitment to the principles outlined in the MHSA and the progress we are making to actively engage clients, consumers, and families; to promote wellness, recovery, and resilience; and to implement integrated models of care. The MHSA has enabled us to further build a service approach that is culturally and linguistically responsive to the needs of children, transition age youth, adults, and older adults. Our treatment services are being enhanced through a focus on recovery and a greater recognition of the central role that consumers, clients, and family members play in self-directing care. We

strengthened our dedication to prevention and early intervention by promoting resilience, expanding interpersonal connections, and raising individuals' general level of health and well-being before serious mental health issues develop. We continued to learn from innovative strategies that encouraged creativity and aimed to improve outcomes. Moreover, we encouraged entry into and retention in our behavioral health workforce through trainings and professional development opportunities to help us meet the increasing demands on our system.

Community priorities identified in previous MHSA planning efforts that had not yet received funding helped guide the development of priorities for future program development and expansion. The following highlights various opportunities for stakeholders to share input in the development of our current Annual Update and to learn about the progress of our MHSA-funded programs.

MHSA Advisory Committee

The SF MHSA Advisory Committee is an integral component of community engagement because it provides guidance in the planning, implementation, and oversight of the MHSA in San Francisco. In order to build on the previous and ongoing participation of local stakeholders, the purpose of the MHSA Advisory Committee is to:

- Work collaboratively with CBHS to support broad community participation in the development and implementation of MHSA initiatives
- Guide MHSA resources to target priority populations as identified in existing MHSA plans
- Ensure that San Francisco's mental health system adheres to the MHSA core principles

In addition to including representatives from education, social services, drug and alcohol service providers, and various health care providers, the Advisory Committee includes representation from diverse populations and priority groups as listed below.

- Thirteen service providers (59 percent), 12 consumers (55 percent), and 7 family members (32 percent)
- Whites (37 percent), African Americans/Blacks (17 percent), Native Americans (13 percent), Latinos (13 percent), Asians (13 percent), and Native Hawaiians/Pacific Islanders (7 percent)
- Gay, lesbian, or queer (11 percent), questioning (5 percent), and bisexual (5 percent) individuals
- Members' ages ranged from 30 to 72 and the average age was 43 years old

Other Meaningful Stakeholder Input

Providers from MHSA-funded agencies met on a quarterly basis to discuss local MHSA program activities and to provide feedback on the Annual Update. We also solicited feedback from diverse stakeholder groups, including Full Service Partnership workgroups, staff across the CBHS Systems of Care, ad hoc groups (e.g., projects for older adults, 12N Steering Committee), San Francisco Mental Health Board, CBHS Client Council, San Francisco Health Commission, and CBHS Executive Leadership Team.

Local Review Process and 30-Day Public Comment Period
In fulfillment of the provisions of the Welfare and Institutions (W&I) Code Section 5848, a 30-day public review and comment of San Francisco's MHSA Annual Update Report is posted on the SF MHSA website at http://www.sfdph.org/dph and http://sfmhsa.org. Our 2013-14 Annual Update was posted for a period of 30 days from June 11, 2013 to July 10, 2013. Members of the public were requested to submit their comments either by email or by regular mail. It was circulated by email to approximately 600 individuals representing community based mental health organizations, substance abuse organizations, housing agencies, prevention agencies, community and primary care clinics, consumer groups, and advocacy groups.

Public Hearing
Following the 30-day public comment and review period, a public hearing was conducted by the Mental Health Board on July 10th, 2013.

Submission of County Plans
County Plans must be submitted to the State Mental Health Services Oversight and Accountability Commission ("Accountability Commission"). Until March 24, 2011, the Accountability Commission was responsible for annually reviewing and approving County Plans for expenditures for mental health services, and the State Department of Mental Health ("State DMH") was responsible for subsequently approving such plans. While State DMH's approval was a prerequisite to a county's receipt of MHSA funds, its review was limited to "ensuring the consistency of such mental health programs with other portions of the plan." In an effort to streamline the State approval process, the Legislature enacted AB 100 eliminating-the requirement that State DMH and the Accountability Commission annually review and approve County Plans and updates, and directing, effective July 1, 2012, that MHSA funds be distributed on a monthly basis to counties. In passing AB 100, the Legislature made clear that streamlining the approval process was not to be at the expense of accountability. AB 100 states: "It is the intent of the Legislature to ensure continued state oversight and accountability of the Mental Health Services Act. In eliminating state approval of county mental health programs, the Legislature expects the state in consultation with the Accountability Commission, to establish a more effective means of ensuring that county performance complies with the Mental Health Services."

New Requirements
The following year, the Legislature enacted AB 1467. This legislation imposes a number of additional requirements on counties prior to the submission of County Plans to the Accountability Commission. First, County Plans and updates must include a certification by the county mental health director that "the county has complied will all pertinent regulations, laws, and statutes of the Mental Health Services Act, including stakeholder participation and non-supplantation requirements." Second, County Plans must include certification by the county mental health-director and county auditor-controller that "the county has complied with any fiscal accountability requirements as directed by the State Department of Health Care Services and that all expenditures are consistent with the requirements of the Mental Health Services Act." Third, County Plans and updates are required

to be "adopted" by the county board of supervisors. While Board of Supervisors' endorsement was not previously a requirement for plan submission, CBHS has sought and received resolutions from the Board supporting all previous MHSA revenue and expenditure plans and annual updates.

Next Steps

AB 1467, added the requirement that stakeholder-developed plans be adopted by County Boards of Supervisors prior to submission to the State. The 2013-2014 MHSA Annual Update must be submitted to the MHSA Oversight and Accountability Commission within 30-days of adoption by the Board of Supervisors.