

LEGISLATIVE DIGEST

[Administrative Code - Mental Health SF]

Ordinance amending the Administrative Code to establish Mental Health SF, a mental health program designed to provide access to mental health services, substance use treatment, and psychiatric medications to all adult residents of San Francisco with mental illness and/or substance use disorders who are homeless, uninsured, or enrolled in Medi-Cal or Healthy San Francisco; to establish an Office of Private Health Insurance Accountability to advocate on behalf of privately insured individuals not receiving timely and appropriate mental health care under their private health insurance; to provide that Mental Health SF shall not become operative until either the City's budget has exceeded the prior year's budget by 13%, or the voters have approved a tax that will sufficiently finance the program, or the Board of Supervisors has approved the appropriation of general funds to finance the program; and to establish the Mental Health SF Implementation Working Group to advise the Mental Health Board, the Department of Public Health, the Health Commission, the San Francisco Health Authority, and the Board of Supervisors on the design and implementation of Mental Health SF.

Existing Law

Chapter 15 of the San Francisco Health Code governs the Community Mental Health Service of the City and County of San Francisco ("City"), by:

- Establishing a Community Mental Health Service, as required by state law;
- Establishing the Mental Health Board, consisting of 17 members, to review the City's mental health needs, services, facilities, and special programs, advise the Board of Supervisors, Health Commission, Director of Health, and the Director of Mental Health as to any aspect of local mental health programs, and review and comment on the City and County's performance outcome data and communicate its findings to the State Mental Health Commission, among other duties;
- Enumerating the services that the Community Mental Health Service may provide, including outpatient psychiatric clinics, in-patient psychiatric clinics, rehabilitation services, and psychiatric consultant services, among other services; and
- Declaring the intent of the Board of Supervisors to more specifically delineate the long-range planning and budgetary uses of the San Francisco Community Mental Health Services Plan.

Chapter 15 also requires that the Department of Public Health (“DPH”) provide a single standard of mental health services access and care for indigent and uninsured residents of the City and Medi-Cal beneficiaries who are residents of the City.

The San Francisco Treatment on Demand Act, which was enacted by the voters in 2010 as Proposition T, requires that DPH maintain an adequate level of free and low cost medical substance abuse services and residential treatment slots commensurate with the demand for such services. Demand is to be measured by the total number of filled medical substance abuse slots plus the total number of individuals seeking such slots as well as the total number of filled residential treatment slots plus the number of individuals seeking such slots. DPH is required to submit an annual report to the Board of Supervisors with its assessment of the demand for substance abuse treatment and a plan to meet the demand.

Amendments to Current Law

The proposed ordinance would establish Mental Health SF, a comprehensive reform of the City’s mental health system. Subject to the budgetary and fiscal provisions of the Charter, Mental Health SF would provide services and medications, as clinically indicated, to every San Francisco resident aged 18 years old and over who is experiencing homelessness, is uninsured, or is enrolled in Medi-Cal or Healthy SF or awaiting enrollment in Medi-Cal following release from the County Jail, and who is determined by a licensed healthcare professional to present symptoms of serious mental illness and/or substance use disorder.

To leverage funding for Mental Health SF, the ordinance would require DPH to help eligible participants enroll in existing state and federal health insurance and public benefit programs and seek recovery of costs borne by the City in providing services to individuals with private health insurance who are provided with emergency crisis-level care by the City. The ordinance would also authorize DPH to impose fees based on a sliding fee scale. However, no person would be denied services due to the inability to pay fees.

Mental Health SF would have five key components:

1. **Establishment of a Mental Health Service Center**, which would be a physical building or buildings that would serve as centralized access point for patients who seek access to mental health and/or substance use treatment.
2. **Establishment of an Office of Coordinated Care**, which would oversee the seamless delivery of mental health care and substance use services across the City’s behavioral health systems.
3. **Establishment of the Crisis Response Street Team**, which would operate 24 hours per day, 7 days per week, to intervene with people on the street who are experiencing a substance use or mental health crisis, with the goal of engaging them and having them enter into a system of treatment and coordinated care.

4. **Expansion of Mental Health and Substance Use Treatment** to eliminate excessive wait times and to ensure that individuals being served are in the least restrictive environment possible.
5. **Establishment of the Office of Private Health Insurance Accountability**, which would advocate on behalf of San Francisco residents of all ages who have private health insurance when they are not receiving the timely or appropriate mental health care services to which they are entitled under their health insurance policies.

In light of the costs associated with implementing Mental Health SF, the proposed ordinance provides that the program would not become operative until the earliest of the following three occurrences: (1) the Controller certifies in writing to the Mayor and the Clerk of the Board of Supervisors that the budget of the City and County of San Francisco for a fiscal year has exceeded the prior fiscal year's budget by 13%; or (2) the Controller certifies in writing to the Mayor and the Clerk of the Board of Supervisors that the voters have approved a ballot measure imposing a new tax, or modifying an existing tax, that will result in revenue sufficient to finance the activities required under Section 15.104; or (3) the City enacts an appropriation ordinance approving the use of funds from the General Fund to sufficiently finance the costs of Mental Health SF.

Once Mental Health SF is operative, the Director of Mental Health SF would be required to submit a report to the Board of Supervisors every six months summarizing the operational, programmatic, and budgetary aspects of Mental Health SF. Within two years of the operative date, and every four years thereafter, the Controller would be required to conduct an audit of the City's behavioral health system. In addition, DPH would be required to prepare and submit to the Mayor and the Board of Supervisors, an annual implementation plan that describes the services that would be required to meet the behavioral health and housing needs of persons eligible to participate in Mental health SF, the cost of those services, a method of prioritizing those services, and a proposed plan to finance those services.

Lastly, the proposed ordinance would establish the Mental Health SF Implementation Working Group ("Implementation Working Group"), which would be charged with advising the Mental Health Board or any successor agency, the Health Commission, the Department of Public Health, the Mayor, and the Board of Supervisors on the design, outcomes, and effectiveness of Mental Health SF. The Implementation Working Group would evaluate the effectiveness of Mental Health SF in meeting the behavioral health and housing needs of eligible participants, by reviewing program data, and would review and assess the Implementation Plan that DPH is required to submit to the Mayor and the Board of Supervisors. The Implementation Working Group would also work with the Controller to conduct a staffing analysis of both City and nonprofit mental health services providers to determine whether there are staffing shortages that impact the providers' ability to provide effective and timely mental health services, and would prepare proposals for how to reduce the scope of services provided by Mental Health SF if they are estimated to exceed \$150 million annually.

The Implementation Working Group would terminate on September 1, 2026.

Background Information

DPH's Behavioral Health Services ("BHS") is the largest provider of behavioral health (mental health and substance use) services, including prevention, early intervention, and treatment services, in the City. The annual budget of the BHS system of care as of Fiscal Year 2019-2020 was approximately \$400 million. BHS serves approximately 30,000 individuals with serious mental illness and/or substance use disorders in its clinical care delivery system each year. Yet, San Francisco's behavioral health system has not adequately addressed San Francisco's mental health and substance use crisis.

According to the Department's records, in Fiscal Year 2018-2019, the Department and/or the Department of Homelessness and Supportive Housing ("HSH") served about 18,000 people experiencing homelessness. Of those 18,000 people, 4,000 have a history of both mental health and substance use disorders. These 4,000 people are in critical need of help, as evidenced by their high use of urgent and emergency psychiatric services.

While, as of 2019, the City is home to 24,500 individuals who use injection drugs, as of 2019 the City has only 335 drug treatment spaces available, of which only 68 spaces are qualified to treat people who have both mental illness and a substance use condition.

Individuals who are released from an involuntary detention for evaluation and treatment, also known as a "5150 hold," often face wait times when seeking housing options. For example, as of 2019, some residential care facilities have wait lists of up to seven months, and individuals remain in jail or locked facilities without justification other than the lack of an available, suitable alternative.

As of 2019, an estimated 31,000 people in San Francisco lack health insurance. San Francisco's behavioral health system has not been able to adequately address the challenges faced by uninsured people who need mental health or substance use services.

Individuals who are criminal system-involved are deprioritized by service providers. According to the Workgroup to Re-envision the Jail, which was formed at the urging of the Board of Supervisors to plan for the permanent closure of County Jail Nos. 3 and 4, criminal system-involved individuals awaiting service placement in the San Francisco County Jail have had to wait five times longer than non-criminal system-involved individuals.

A 2018 audit of BHS conducted by the San Francisco Budget and Legislative Analyst ("2018 BHS Audit") found that under the then-current system, which was still operative in 2019, BHS does not systematically track waitlist information for mental health and substance use services. Waitlists, when they are maintained, are generally kept by the individual service providers and not aggregated or evaluated by BHS. Because BHS does not compile and

track waitlist data in a format that allows for analysis of point-in-time capacity or historical trends, there is limited information about BHS capacity across all mental health and substance use services.

The 2018 BHS Audit concluded that an effective mental health services system must develop protocols to transition long-term intensive case management clients to lower levels of care; create better tools to monitor intensive case management waitlists; and ensure that all intensive case management programs regularly report waitlist, wait time, and staff vacancy data.

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