

Impact of Proposed MHSA Changes on Counties

Phebe Bell, Nevada County

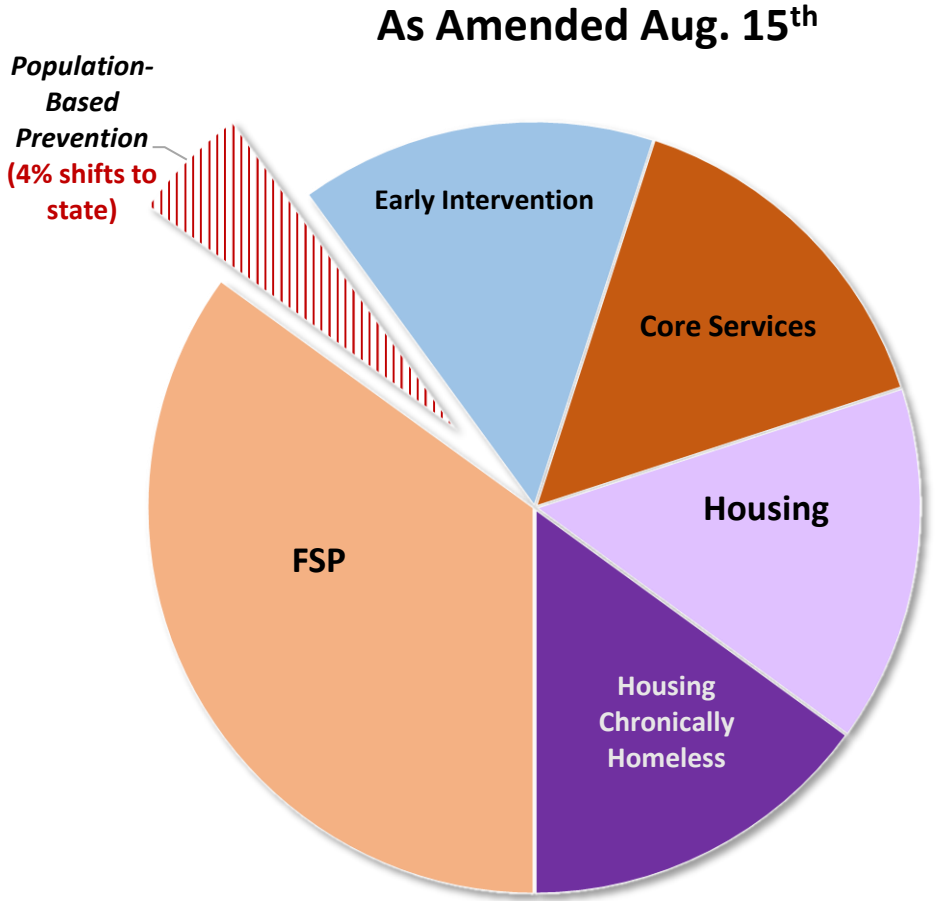
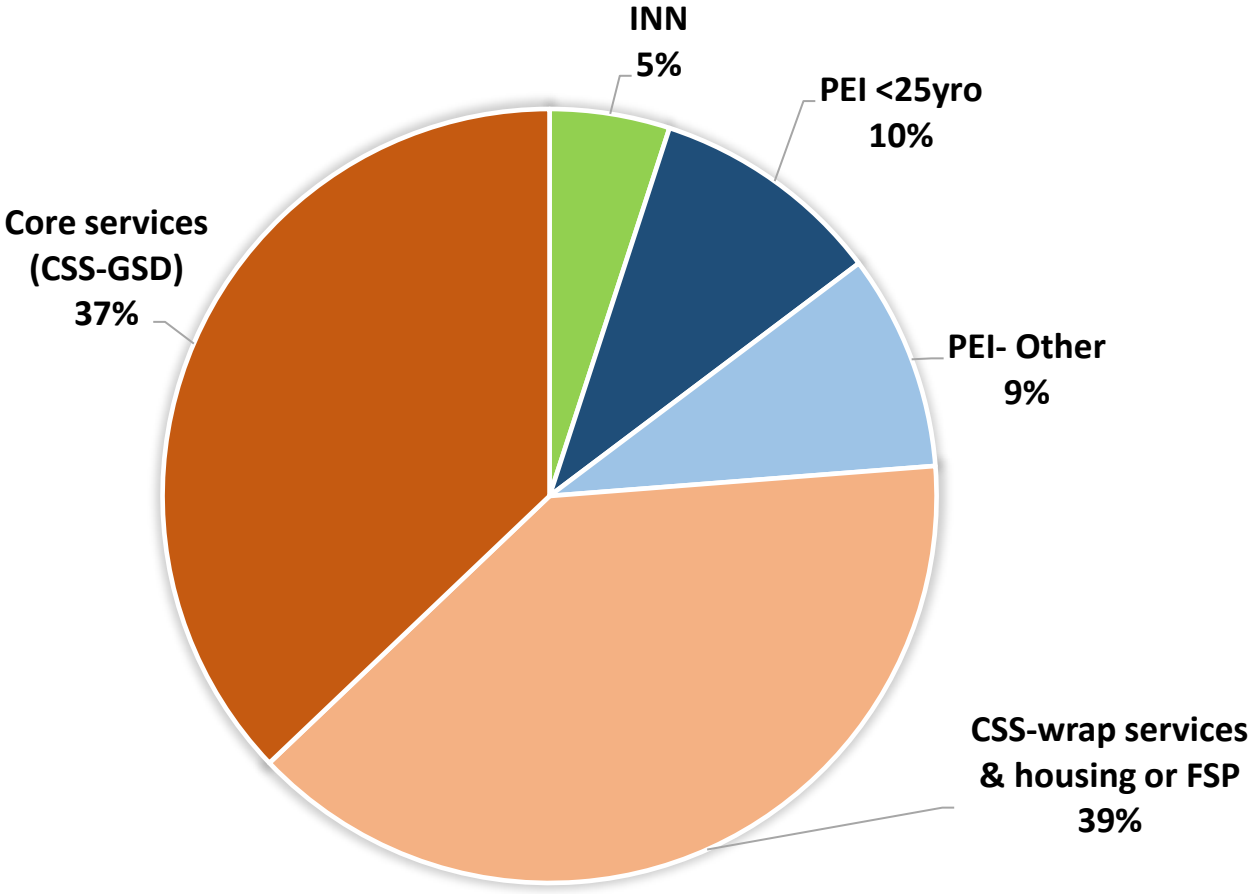
Behavioral Health



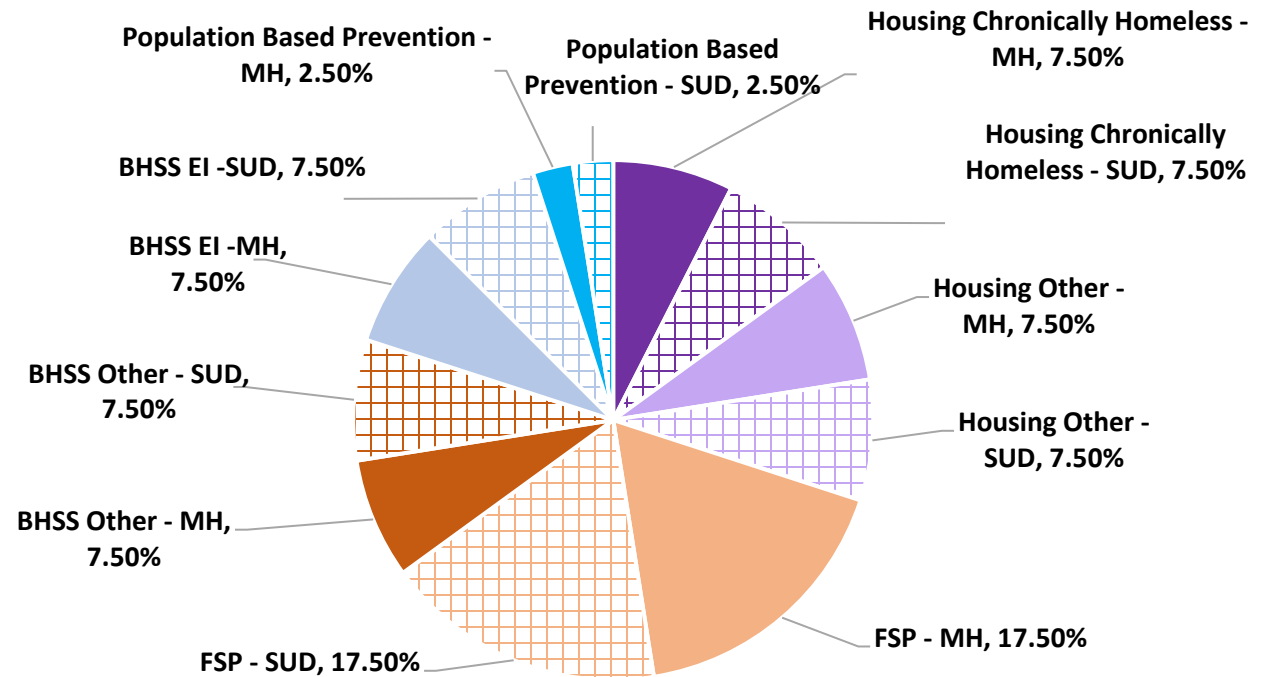
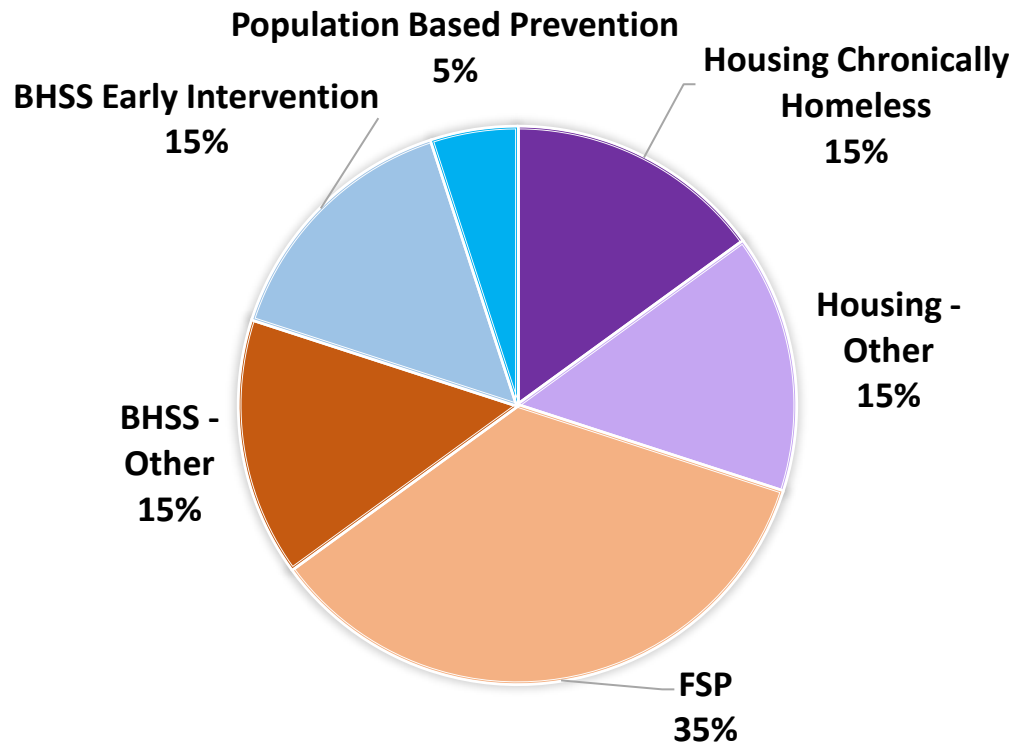
**NEVADA
COUNTY**
CALIFORNIA



MHSA Components vs. BHSA Categories

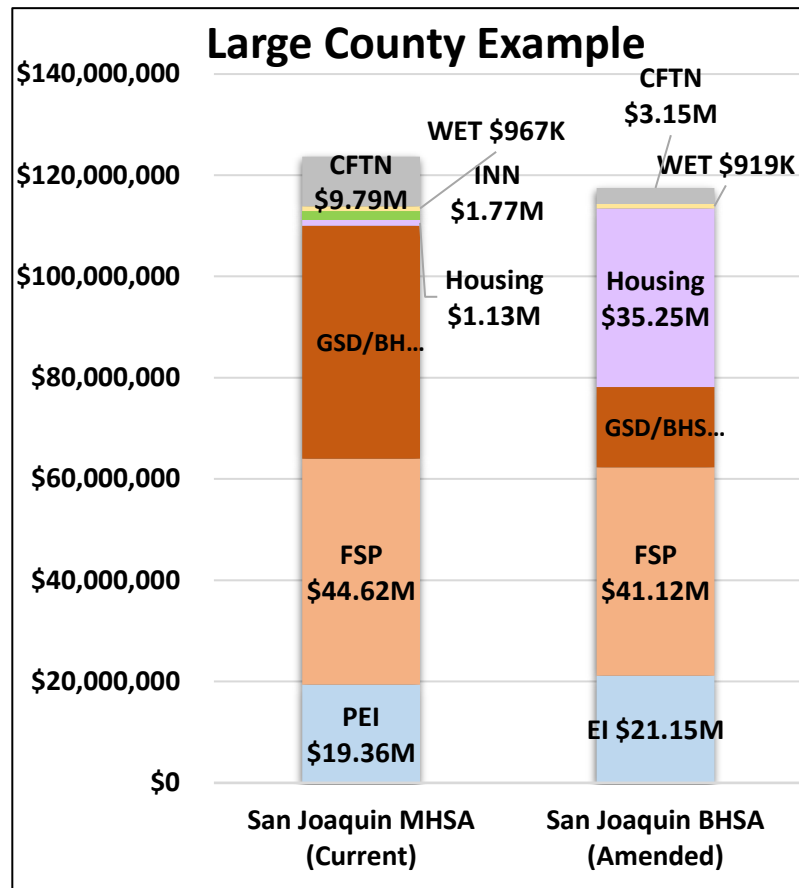


Impact of Fund Shifts on Mental Health Services Funding

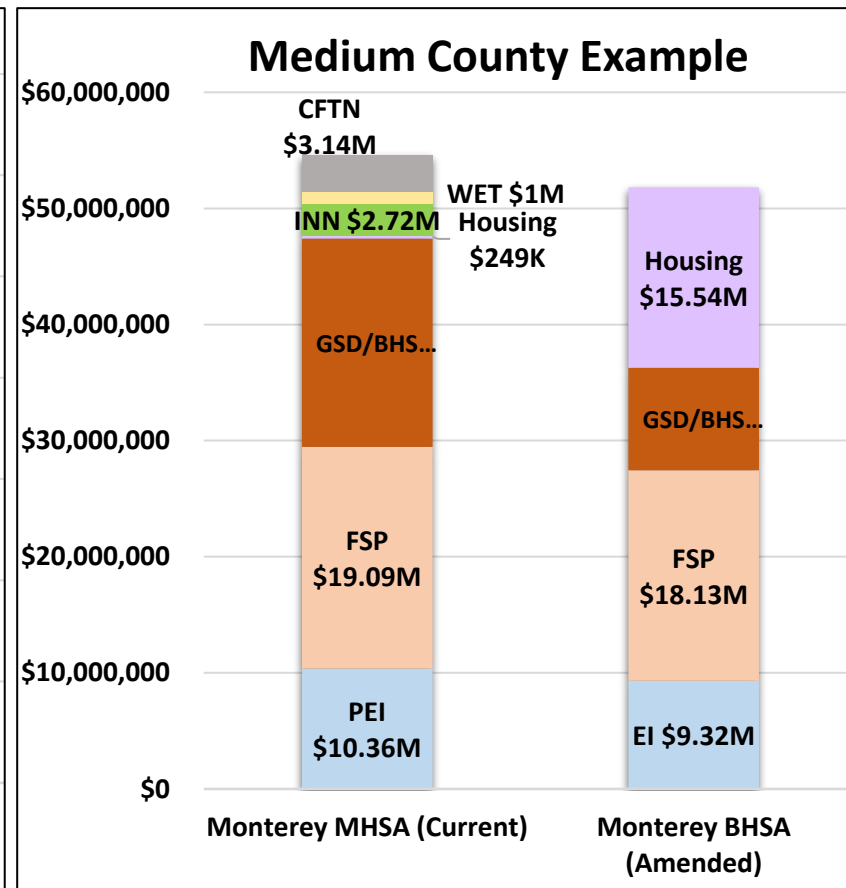


SB 326 (Eggman) County Impact Analysis (large, medium, and small county)

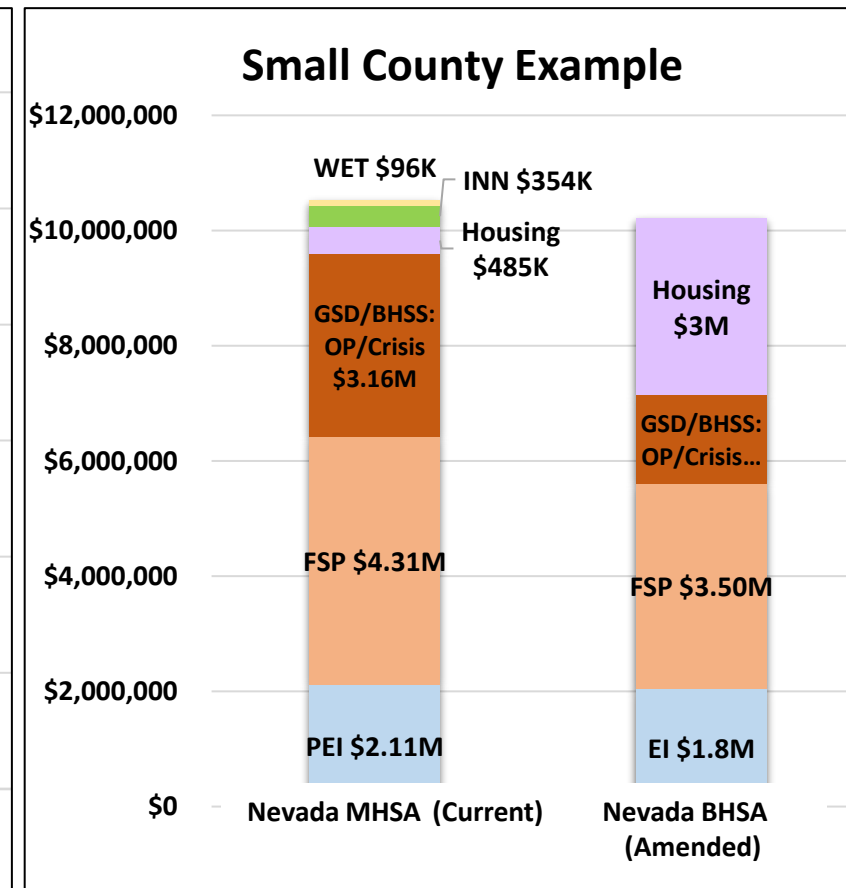
Large County Example



Medium County Example



Small County Example



Overall Impacts



Loss of funding for core mental health outpatient, crisis, and recovery services from 46% (Nevada) to 69% (San Joaquin) and up to 80% statewide



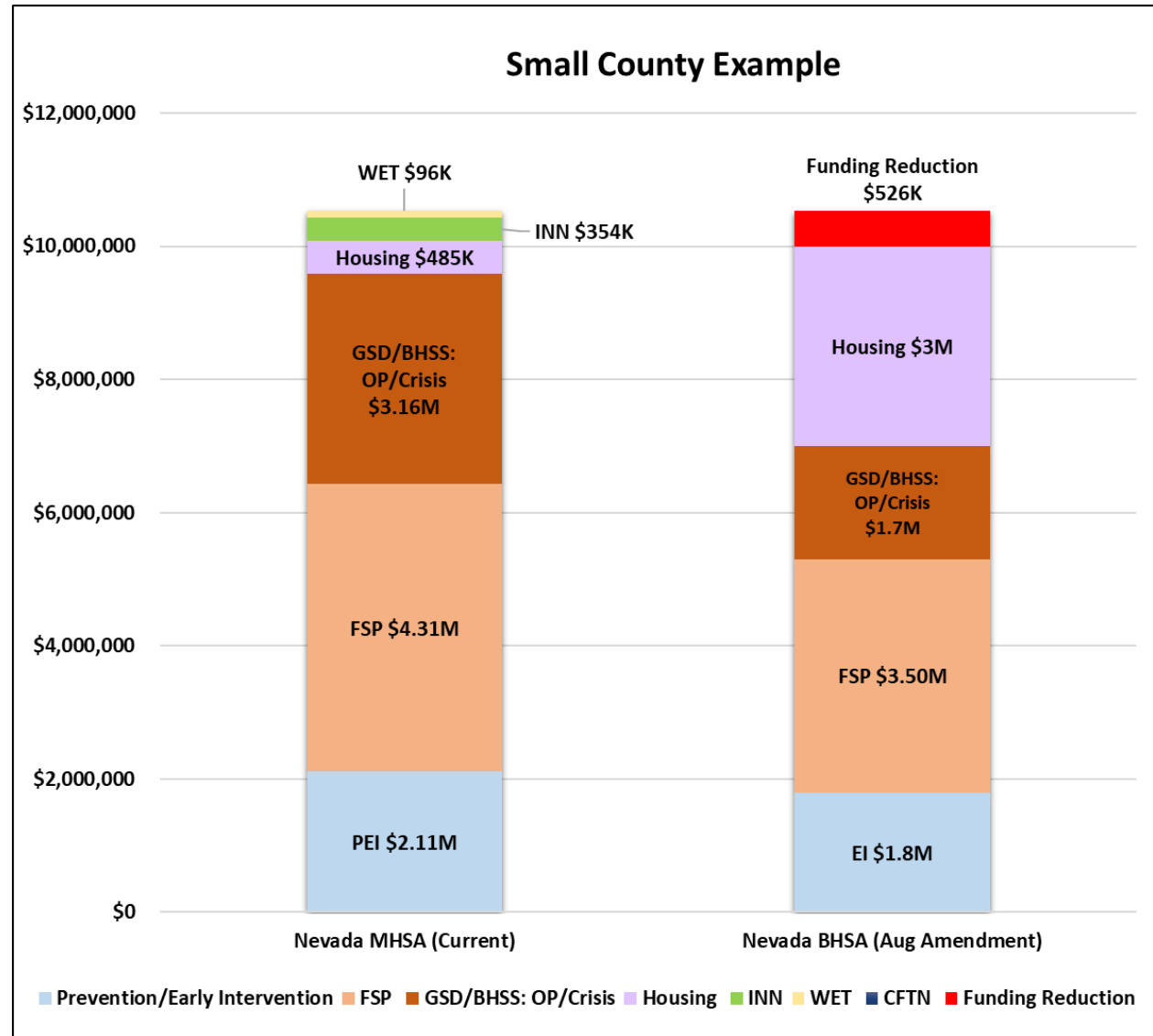
Most counties will need to eliminate funding for: Innovations, Capital Facilities and Technology Needs, and Workforce Education and Training programs



Loss in Federal Financial Participation (FFP) drawn down when MHSA funds are used as a source of non-federal share for Medi-Cal eligible services

Nevada County Fiscal Impacts

- Reduces core services funded through GSD by 46%
- *Does not reflect impact of SUD requirements*
- Full Service Partnerships funding reduced by \$810,000
- Innovations and Workforce Education and Training would need to be completely eliminated
- Estimated loss of \$1.62 million in services due to Medi-Cal federal match (FFP)
- *Loss of \$310,000 in prevention funding due to shift to state*

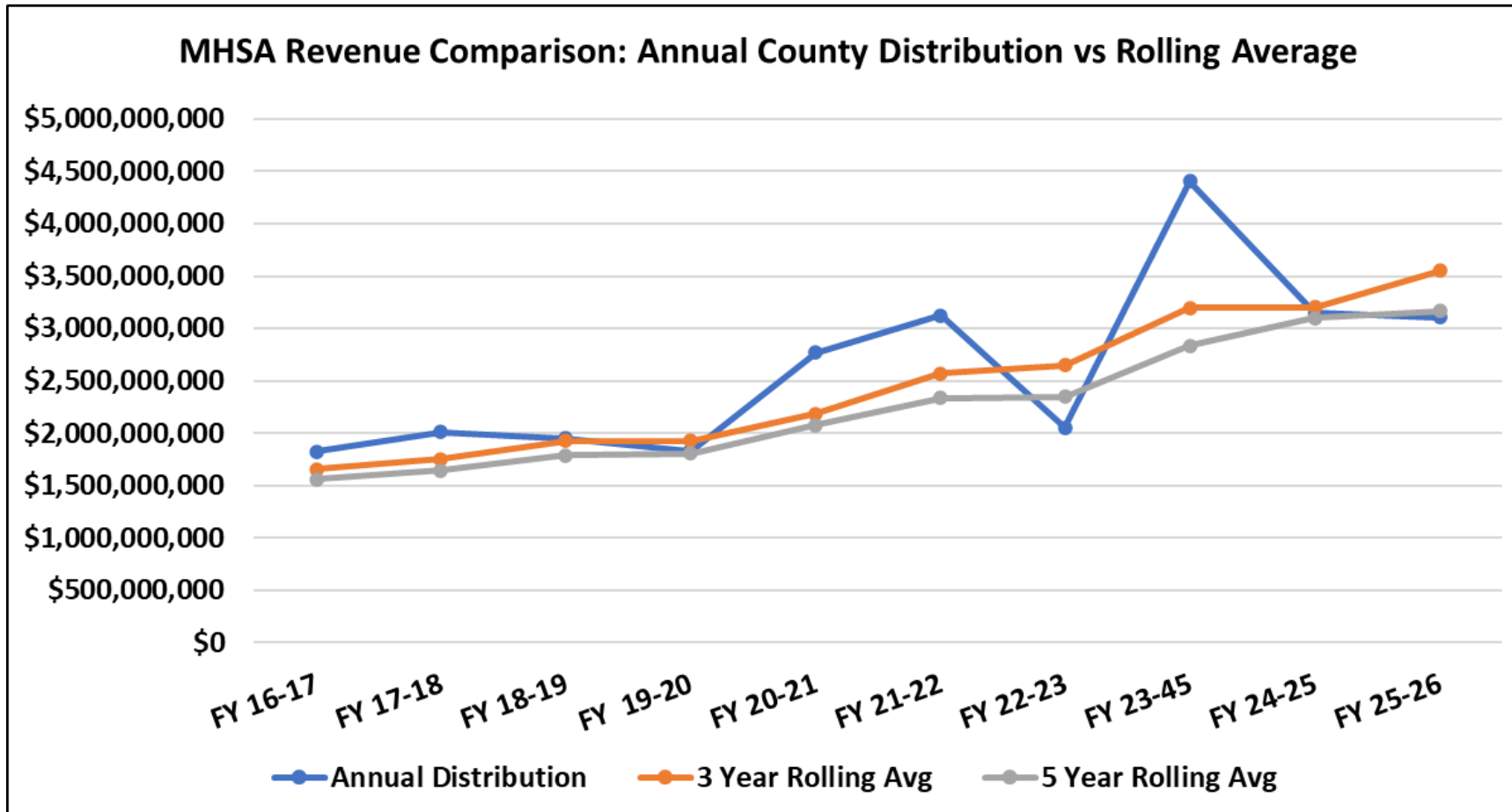


MHSA “General Services Development” Funding Examples

- **Crisis intervention services** serving all ages such as:
 - Crisis stabilization units (CSU),
 - Crisis residential and treatment (CRT),
 - Crisis aftercare services
- **Core Outpatient services**
- **Recovery-oriented services** such as:
 - Peer-delivered services,
 - Adult wellness centers and
 - Youth drop-in centers,
 - Supported employment services
- **Outreach and Engagement Services**
 - Includes outreach to unhoused individuals
 - And outreach to individuals with serious mental illness
- Funding for Workforce Education and Training (WET), Capital Facilities and Technological Needs (CFTN) and Prudent Reserves



Volatility Smoothing: 5 Year Rolling Average



Recommendations

Counties recommend the state work with counties to address:

- The **volatility** of the millionaires tax
- The significant drop in funding for **core mental health programs and services**, *along with prevention*
- **Realignment principles** require reimbursement for state mandates
- New vs redirected resources for **SUD services**
- Reimbursement for services provided to **commercial and managed care plan beneficiaries**

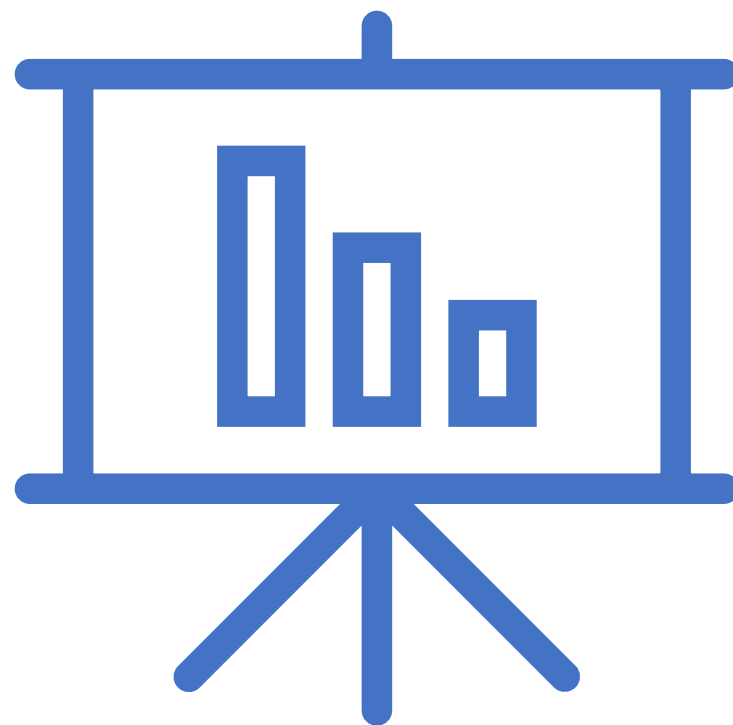




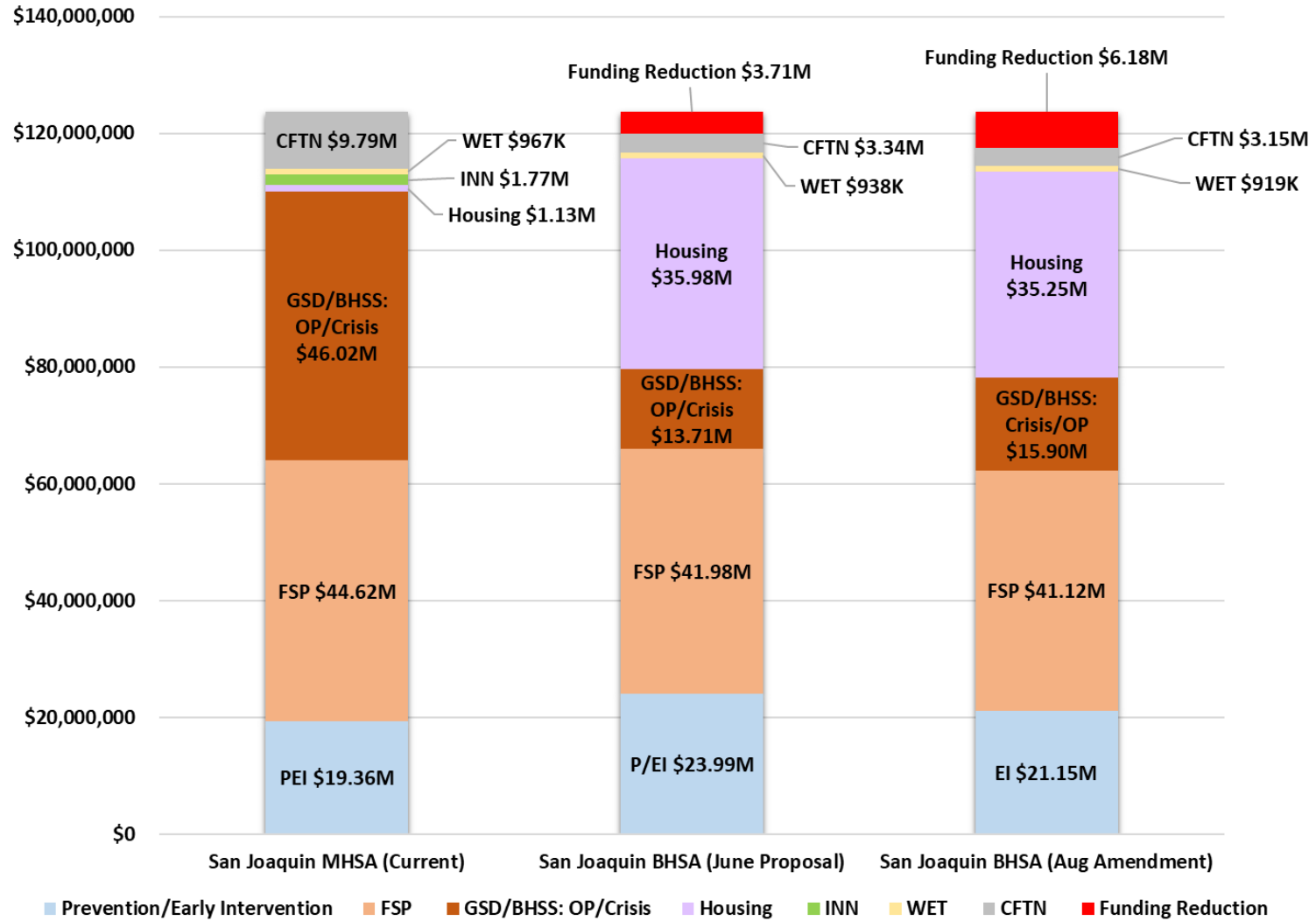
Summary

- The MHSA is one of three major funding streams used to support the behavioral health safety net, and the state's most volatile
- MHSA funds are also a crucial source of funding for Medi-Cal services
- Shifting funds to pay for new priorities will have the biggest impact on the availability of funding for core mental health services like outpatient, crisis, and recovery services
- Counties will lose over \$1 billion in funding for mental health services

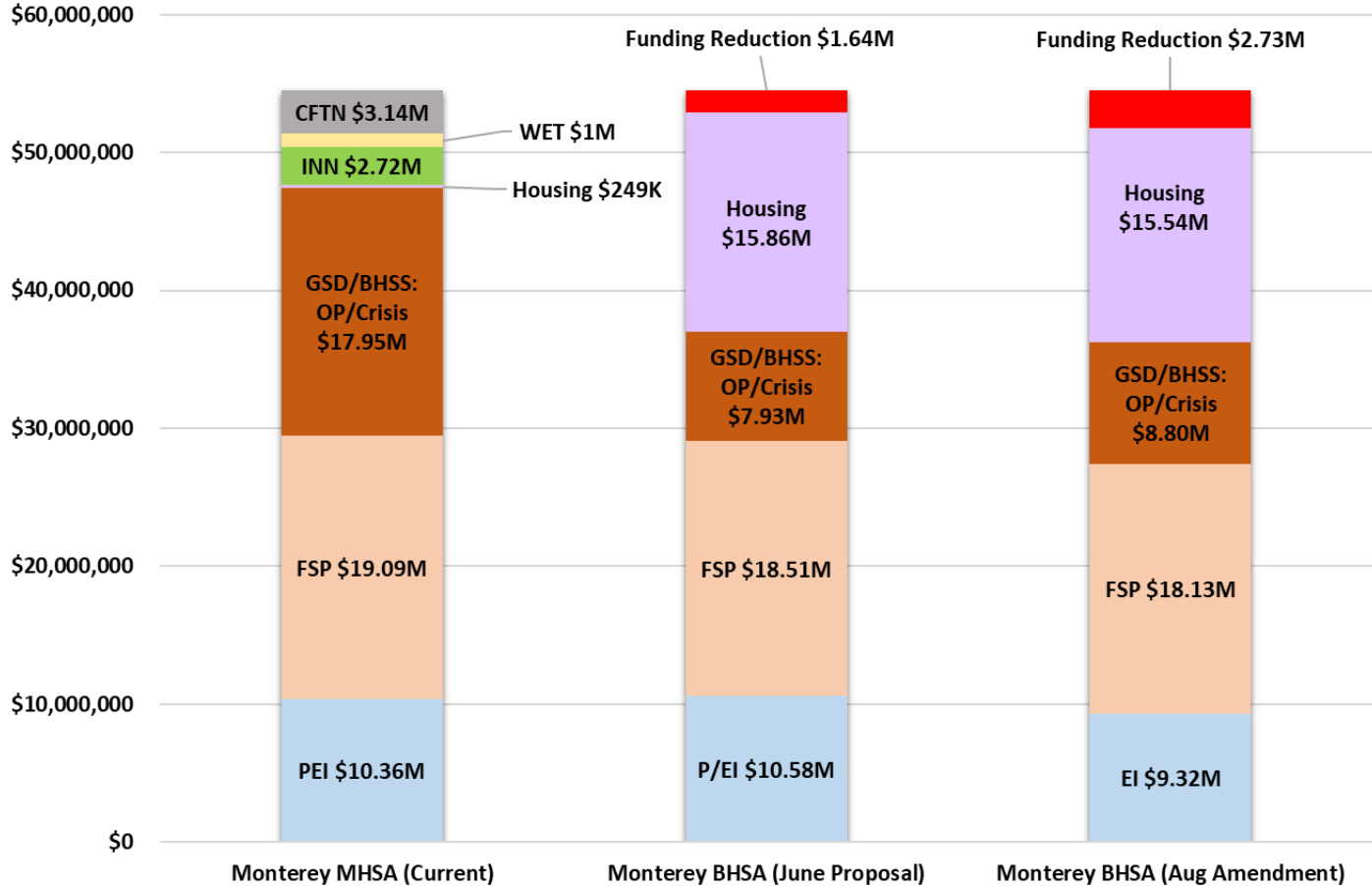
Appendix: Sample Large and Medium County Examples



Large County Example



Medium County Example



■ Prevention/Early Intervention
 ■ FSP
 ■ GSD/BHSS: OP/Crisis
 ■ Housing
 ■ INN
 ■ WET
 ■ CFTN
 ■ Funding Reduction