

Legislative and Budget Issues in Behavioral Health

County Behavioral Health Directors Association of California

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2018

CBHDA Priorities for 2018

- **Increase capacity for individuals in crisis**
- **Expand financial resources for EPSDT behavioral health services**
- **Expand availability of housing for individuals with behavioral health needs.**
- **Foster compliance with Final Rule & Parity implementation for Mental Health and Drug Medi-Cal ODS services.**
- **Expand access to care for justice-involved individuals.**
- **Continue implementation of Continuum of Care Reform and AB 1299 (presumptive transfer)**
- **Support efforts to increase resources for expanding the Behavioral Health workforce.**

The Political Landscape

- **Legislative Cycle**
- **State Budget Cycle**
- **Governor's Race**
- **Legislative Races**
- **Executive Branch Changes**
- **Congressional Races**
- **Ballot Measures**

State Budget

- **For the Drug Medi-Cal Organized Delivery System Waiver**, the Budget includes:
 - \$432 million in FY 2017-18 (\$76 million SGF, \$302 million FFP, \$54 million county funds).
 - \$917 million in FY 2018-19 (\$148 million SGF, \$648 million FFP, \$121 million county funds).

State General Fund reimbursement can be claimed for two DMC-ODS expansion services: residential treatment and intensive outpatient treatment. The amount of SGF reimbursement available for these services is a projection, not a capped amount, since these are Medi-Cal entitlements.

- **For the entire Drug Medi-Cal program in FY '18-19**, the Budget projects:
 - **\$1.22 billion** (\$159 million SGF, \$876 million FFP, \$186 million county funds).

State Budget (cont.)

- **For Narcotic Treatment Programs**, the current year budget includes \$45 million in federal Cures Act Opioid Targeted Response Grants recently awarded to California. These funds are being used to provide medication-assisted treatment via 15 narcotic treatment “hubs” in association with related “spokes” that are approved to prescribe the medications. California is expected to receive another \$45 million in Cures Act funding in FY ‘18-19, but since this action has not been finalized by Congress, the funding is not included in the May Revision.
- **For Screening, Brief Intervention, and Referral to Treatment (SBIRT)**, CBHDA has proposed a Budget allocation of \$8.4 million (\$2.58 million SGF, \$5.82 million FFP) to expand Medi-Cal reimbursement for adult alcohol use screenings and counseling to include screening for misuse of opioids and other illicit drugs.

State Budget (cont.)

- **For Prevention programs**, CBHDA supports a request for \$6 million annually from the General Fund to the Department of Health Care Services (DHCS) for the purpose of providing supplemental funding to the California Friday Night Live Partnership. The FNL program is a key element of the prevention services provided in 50 or more of our counties, and works well in concert with our efforts to improve the mental health, school connectedness, and health and safety of youth.

State Budget (cont.)

➤ **Community Alternatives to Incarceration Grant Program**

- \$67.5 million was included in the State Budget Act for FY '16-17 to fund this competitive grant program, administered by the California Health Facilities and Financing Authority, to promote diversion services by increasing and expanding mental health and SUD treatment facilities, and trauma-centered service facilities, through the provision of infrastructure grants.
- In his Budget Proposal for FY '17-18, the Governor proposed to eliminate this program, but the funding was restored in the final Budget as passed by the Legislature and signed by the Governor, and is available for grant disbursement this year.
- Community alternatives should be expanded to reduce the need for mental health and substance use disorder treatment in jails and prisons.
- Funds appropriated by the Legislature shall be used Grant awards shall be used to expand local resources for facility acquisition or renovation, equipment acquisition, and applicable program startup or expansion costs to increase capacity.

State Budget (cont.)

- CHFFA is developing selection criteria and processes for awarding grants, and has begun consulting with representatives and stakeholders from the mental health and SUD treatment community and trauma recovery center providers.
- Working with counties and/or cities, the grant program will fund facility acquisition, construction/renovation, equipment acquisition, and applicable startup or expansion costs for facilities that provide mental health services, substance use treatment, or trauma recovery services. (Examples: Sobering Centers, Mental Health Crisis Residential Treatment facilities, Trauma Recovery Centers, etc.)

Proposition 64 Cannabis Tax Revenues

- The May Reviser reiterates that cannabis tax revenues for the Youth Education, Prevention, Early Intervention and Treatment fund will not be available until FY 2019-20 at the earliest. Cannabis taxes are forecast to generate \$185 million in 2017-18, and \$630 million in 2018-19, but these projections remain highly uncertain.
- Of the programs to which Proposition 64 specifically allocated funding, only certain priority set-asides are expected to be funded in FY '18-19, including \$10 million for Community Reinvestment grants. These grants will be awarded on a competitive basis to local health departments and qualified community-based non-profit organizations to support SUD treatment, as well as services like job placement, legal assistance, and other cannabis-use related programs.

Legislation

- **AB 2861** (*Salas*), sponsored by CBHDA, would require the Department of Health Care services to allow Drug Medi-Cal billing for substance use disorder services delivered by telehealth. Reimbursable telehealth services could be provided by Licensed Practitioners of the Healing Arts and by Certified Substance Use Disorder Counselors.
- **AB 2486** (*McCarty*), supported by CBHDA, would require a contract entered into by the Department of Health Care Services and a drug manufacturer under the Medi-Cal program, to provide for a state rebate of \$0.01 per milligram of active opioid ingredient on any prescription drug that contains an opioid ingredient. Collected state rebate amounts would be deposited into the Medi-Cal Opioid Prevention and Rehabilitation Program Fund, and the bill would require DHCS, in consultation with the State Department of Public Health, to annually distribute moneys in this fund to counties for purposes of opioid prevention and rehabilitation programs.

Legislation (cont.)

- **SB 1125 (*Atkins*)**, supported by CBHDA, would require the state to allow Federal Qualified Health Centers and Rural Health Centers to bill Medi-Cal for two visits in the same day under specified conditions. This bill would enable these clinics to provide better coordinated care and early intervention for patients who may need behavioral health services on the same day that they receive other medical services.
- **SB 1268 (*Bradford*)**, supported by CBHDA, would prohibit the practice of “patient brokering,” or “selling” patients to addiction treatment centers in exchange for financial or other benefits.

Legislation

- AB 2043 (Arambula): Family Urgent Response System (foster care statewide hotline and mobile response)
- SB 1010 (Beall): Integrated Services for Mentally Ill Parolees (ISMIP) Program
- AB 2843 (Gloria): Mental Health Services Act and Local Governments
- SB 1004 (Wiener): Mental Health Services Act Prevention and Early Intervention Funds
- SB 906 (Beall): Peer Certification

Legislation

- The Housing and Homelessness Packages from the Governor and in the Legislature
- Governor's Incompetent to Stand Trial proposal