

**COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH  
SYSTEM LEADERSHIP TEAM MEETING**

Wednesday, April 20, 2011 from 9:30 AM to 12:00 PM  
St. Anne's Auditorium, 155 N. Occidental Blvd., Los Angeles, CA, 90026

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**REASONS FOR MEETING**

1. To present key elements of Assembly Bill 100 and clarify questions.
  2. To provide an update from the County of Los Angeles Department of Mental Health and discuss the implications of AB 100.
  3. To highlight and discuss current Department priorities.
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**MEETING NOTES**

**I. Review Meeting Agenda and Materials**

A. Feedback

1. Comment: A date was corrected on the SLT meeting notes from March 16, 2011.
2. Comment: A suggestion to widely distribute the Systems Leadership Team (SLT) meeting notes was recommended.

**II. Presentation: Assembly Bill 100**

A. Susan Rajlal, Legislative Analyst, County of Los Angeles, Department of Mental Health presented key elements of AB 100. For additional information, please refer to the handout titled, "Sacramento Update."

B. Feedback

1. Question: Where will Mental Health Services Act (MHSA) funds be approved?
  - a. Response: The MHSA funding approval process was uncertain. An AB 100 workgroup was assembled to address the issue.
2. Question: Can the following acronyms be clarified: CSAC, MHSOAC, EPSDT, INN, and 3632?
  - a. Response:
    - i. CSAC - County Supervisors Association of California
    - ii. MHSOAC - Mental Health Services Oversight Accountability Commission
    - iii. EPSDT - Early Periodic Screening Diagnosis and Treatment
    - iv. INN - Mental Health Services Act (MHSA) Innovation Plan

- v. 3632 Program - A school-based mental health program mandated by the Individuals with Disabilities Education Act (IDEA) for Free and Appropriate Public Education.
3. Question: Can AB 100 supplantation be clarified?
    - a. Response: The funding will be used for Managed Care, EPSDT, and the 3632 Program. The funding will be used for currently operating programs.
  4. Question: Does the agreement for supplantation set a precedent for future supplantation?
    - a. Response: If a long-term positive outcome for mental health is not attained, a lawsuit may be imminent, which may prevent it from happening.
  5. Question: What was the previous percentage for MHSA allocations?
    - a. Response: Last year, the law that passed stated that 90 percent of MHSA allocations had to be distributed in the first quarter of the year. The remaining 10 percent would be allocated in the fourth quarter of the year.
  6. Question: Will there be accountability to ensure that MHSA funds are spent on mental health?
    - a. Response: We all want accountability.
  7. Question: What is the status of AB 3632 program funds? What is the potential impact for Los Angeles County?
    - a. Response: The AB 3632 fund entails over \$500 million Statewide. However, it would be illegal for the State of California to pay Los Angeles County using MHSA back funds. The State is making an effort to pay LA County the \$129 million owed.
  8. Question: What was the rationale for eliminating State DMH and MHSOAC from AB 100? What does that mean in regards to the Prevention and Early Intervention (PEI) plan?
    - a. Response: The rationale for elimination was unknown. However, the PEI plans that were submitted cannot be rewritten. Another entity will be responsible for the qualitative review process.
  9. Question: Does that mean the plans cannot be changed?
    - a. Response: The changes occurred because of dissatisfaction with the way that the State DMH administered California's hospitals. The counties did not have a role in the formulation of AB 100. AB 100 was

framed in a way that envisioned the State DMH as a separate entity. The purpose of the State DMH will be dispersed in various ways.

- b. Response: Meanwhile, the payment for MHSA plans will occur on the basis of payment for approved plans. In other words, only approved plans will get paid. Although line items can be adjusted within the approved plans, items cannot be added or eliminated from the plan without an external approval process, which does not exist.
10. Comment: A suggestion to tax individuals earning over \$50 million was recommended.
    - a. Response: The governor has a website where anyone can submit ideas.
  11. Question: Why was the California Institute for Mental Health (CiMH) designated to provide technical assistance on MHSA plans instead of the MHSOAC?
    - a. Response: The MHSOAC does not have the necessary staff capacity to provide technical assistance. On the other hand, CiMH has a contract with the State DMH to provide technical assistance. CiMH will continue providing technical assistance through a contract with the MHSOAC. Nonetheless, the technical assistance process is in the discussion phase and input was welcomed.
  12. Question: What is the status of Proposition 63?
    - a. Response: The funds were redirected from the fund at the State DMH to pay the counties for services.
  13. Question: What is the status of the PEI plan and WET?
    - a. Response: This question would be addressed at a later time.

### III. Update: Department of Mental Health and AB 100 Implications

- A. Marvin J. Southard, DSW, Director, County of Los Angeles, Department of Mental Health provided an update on the Department of Mental Health and the implications of AB 100.
  1. The proposed budget by the Board of Supervisors will be handled by eliminating vacant positions rather than by curtailment. The Department of Mental Health has a placeholder in the budget. A placeholder meant that there are more expenses planned than projected revenues. Currently, there is budget difference of \$14.2 million.

2. An analysis of the effect and formula associated with AB 100 is needed. Once the effect and formula are clarified, a Budget Mitigation Workgroup session would be convened to figure out how to cover the potential shortfall. The formula will determine how \$861 million will be divided among the Managed Care Allocation, the EPSDT State General Fund Expenditures, and the 3632 Special Education for Kids programs. Moreover, the legislation stated that the \$861 million will be distributed among counties in a formula that will be determined by the State in conjunction with the CMHDA. A workgroup of the CMHDA will devise a formula that can be applied in each of the three programs. Once the formula is devised, the State Controllers Office and the Department of Finance will formulate a payment schedule.
3. The strategy that the CMHDA used to develop a formula was based on the following three principles:
  - a. Do No Harm
  - b. Fair and Equitable Distribution of New Revenues
  - c. Recognition that the Process is a One Year Allocation
4. The formula that was developed for the Managed Care Allocation was, “as it went out so it goes back in,” which reflects the fact that the Managed Care Allocation was cut significantly over the past three or four fiscal years. The good news was that \$156 million represents 86 percent of what DMH obtained at its highest level and 40 percent more than the previous fiscal year. In other words, LA County will attain an additional 40 percent this fiscal year for Managed Care Allocation, which will serve as the first replenishment of the \$14.2 million hole.
5. In regards to the EPSDT State general fund match component, the State had paid 40 percent of total cost, the federal government covered 50 percent, and the county paid 10 percent. However, the State will transfer the 40 percent responsibility to the counties. The amount of \$562 million would be allocated for the State General Fund component in the next fiscal year. Therefore, how will the 40 percent be distributed among the counties? Since the first principal was to “do no harm,” counties with high utilization of EPSDT would not be punished. EPSDT is an entitlement program, which means that it is liable for providing services based on the needs of recipients. The number of EPSDT eligibles in each county would determine a component of the allocation.
6. The proposal suggested that 50 percent of \$562 million (\$281 million) would be based by a county’s historic use, which would be based on the

latest financial data available. Therefore, since Los Angeles County had 30 percent of the EPSDT expenditures in 2009, LA County would obtain 30 percent of \$281 million. The other \$281 million would be distributed by the current percentage of EPSDT eligibles in each county. In other words, if LA County had 35 percent of EPSDT eligibles Statewide, LA County would get 35 percent of \$281 million. The good news was that LA County is vigorously represented in the historic expenditures and EPSDT eligibles.

7. Although \$98 million had been allocated for the 3632 program, it was unclear what the allocation meant. There was speculation that the mandate for the upcoming year would once again be suspended. According to the legislative analysis, if the State were to continue the mandate, it would be constitutionally required to provide the back payments. However, the State does not have the funds to make the payments. Thus, it was unlikely that the State would reinstate the mandate.
8. The governance implications for AB 100 mean that the SLT will play a larger and more robust role in the planning for future MHSA developments.

#### B. Feedback

1. Question: In a worst-case scenario, what if it became illegal to use MHSA funds for anything other than its intended purposes?
  - a. Response: AB 100 passed independent of the budget process having passed.
2. Comment: A legal challenge in court would be required to argue that MHSA was intended to expand mental health services and could not be amended unless it was to further the purposes of the act, which would be realignment. To change the Mental Health Services Act would require a vote from the people.
  - a. Response: Unlike other public systems, the public mental health system is in a strong position because it has a funding source for services for the next fiscal year. However, there are several ways that the public mental health client population can be affected by the \$12 billion budget shortfall. For example, although the State cannot cut from the public mental health system, it can stop funding for housing, CalWorks, and other services.
  - b. Response: Another potential danger may involve the public safety realignment, which may add caseloads in existing clinics with no additional resources.
3. Question: What if legal action is taken?

- a. Response: Legal action would not serve the Department well.
4. Question: There was a concern about the readjustment of mental health service delivery at the State level. How can we be more proactive with the State?
  - a. Response: The concerns were heightened by the integration of health, mental health, and substance abuse, which was implied by the 1115 Waiver. The questions were practical. The Department leadership will ensure that we have a strong voice throughout the process.

#### IV. Discussion: Department Priorities

A. Robin Kay, Ph.D., Chief Deputy, County of Los Angeles, Department of Mental Health, presented the Department priorities, which included the following:

1. Implementation of 1115 Waiver.
2. Implementation of School Health Centers / School Mental Health Services.
3. Implementation of PEI Programs.
4. Implementation of the Integrated Behavioral Health Information System (IBHIS).
5. Work with Providers to Ensure the Financial Stability of the Network.

#### B. Feedback

1. Question: In regards to school health services, how many locations are there? How will the money be obtained?
  - a. Response: The locations have not been determined. The school health services will be funded with PEI money.
2. Comment: The positive aspects of the last issue were highlighted. The fact that the Department made the issue a priority was significant.
  - a. Response: The service providers know that it has been a priority. Seeking ways to ensure flexibility and support service providers is important.
3. Question: What were other areas that the Department would have liked to prioritize?
  - a. Response: No specific areas were identified. The intention was to focus on work that would have been done anyway. The five areas that were prioritized are consistent with the strategic plan. More information will be shared at a future meeting.

- b. Response: These priorities will serve as a vehicle to accomplish other things, such as the reduction of disparities among ethnic populations, particularly the Latino and Asian Pacific Islander populations.
- 4. Comment: In regards to the implementation of all the priorities, some of the line staff has struggled to understand what they are doing. One training is not enough for people to fully understand what they are doing. A concern over the ability to properly implement school-based services was shared. School-based settings need to be properly staffed, trained, and supervised to avoid the gaps that can put children at risk and the system at risk of liability.
  - a. Response: The department has tried to focus on specific outcomes repeatedly over time so that everyone knows what is expected. Taking the time to make sure everyone understands which direction the Department is heading has been challenging.
  - b. Response: In regards to the school-based services, there were different models that were entertained. However, delivering services at schools is a challenge. School-based service providers need to be adequately connected to parent organizations to avoid getting pulled in a number of different directions without being anchored.
- 5. Question: What is the approval status of the 1115 Waiver?
  - a. Response: Each County submitted an application to the State and to the Centers for Medicare and Medicaid Services (CMS). The 1115 Waiver and the low-income health plan are not interchangeable. For instance, several components have nothing to do with mental health. The low-income health plan portion of the 1115 Waiver was new for the Department. Nonetheless, the Department does have an approved 1115 Waiver application for LA County.
- 6. Question: Can the planning process for the 1115 Waiver be described?
  - a. Response: The planning for the 1115 Waiver happened in two venues. The major venue involved a Statewide 1115 Waiver advisory group. The strongest traction for mental health was CMS' statement, which would not accept a plan that did not include a robust mental health benefit.
  - b. Response: The Department's mental health benefit is the rehabilitation option. The 1115 Waiver also expands services to groups that had not received services in two or three decades. Therefore, how does the Department provide mental health care to people who do not have a crisis, such as mild depression or anxiety,

but require mental health services? Currently, when people arrive at the clinics with these types of issues they are rejected because of workload. However, this opportunity gives the Department the ability to provide care for these individuals at our primary health care clinics.

7. Question: Are you referring to care medication?
  - a. Response: Individuals getting medication at their primary care clinics will continue getting their medication there. The Department will use its complete network for clients identified in primary care settings who need the full array of rehabilitation option services. However, it is the other population that can benefit from a short-term PEI-type evidence-based intervention that will also receive those services.
  
8. Question: Where will services be received?
  - a. Response: The services will be received from integrated primary care settings. For example, currently the Department is co-locating staff in El Monte Health Center, Roybal Comprehensive Health Center, and in Long Beach, CA. The Department is not delivering new services; it is delivering services in an integrated way.
  
9. Comment: Why was self-help support groups not incorporated in the plan?
  - a. Response: The Department wants to do everything that is expected in an efficient, effective, and cost effective manner.
  
10. Comment: A concern over the input and planning process was made.
  - a. Response: The process will unfold over the next year.
  
11. Comment: A sixth priority was recommended which stated, “to provide the best service possible to as many consumers and clients.”
  - a. Response: Everything on the plan was meant to serve the purpose and the vision of the Department. The vision of the Department involves creating partnerships with clients, families and communities, to support hope, wellness, and recovery.
  
12. Comment: There is a lack of clients and communities involved in the process.
  - a. Response: The recommendation of self-help groups needs to be envisioned in the context of primary health practice where the referrals can be made for self-help support groups and disease management. The Department is figuring out how to insert self-help into a larger effort that also has a self-help perspective.

13. Comment: In regards to Healthy Way LA, only full-service mental health providers could provide peer services, which seem to go against the concept of recovery and that peer services are more effective when they do not take place in the context of a mental health clinic.
14. Question: The implementation of IBHIS appears to assist in the achievement of other priorities. How is the Department planning to bring the provider community along?
  - a. Response: In terms of the funding for the service provider Information Technology (IT) project, the Department would help with the necessary pre-work for the IBHIS implementation. The Department has focused on the extensive pre-work that needs to be completed. The Department is also working with DMH unions. In particular, basic skill building is needed for directly operated staff, for contract staff, and for consumers who will use the consumer health record portion of IBHIS. The Department will bring an IT trainer to assist people with IBHIS specific skills.
15. Comment: A concern was shared over the INN plan, specifically the peer-run model component.
  - a. Response: An integrated Behavioral Healthcare Workgroup has been working on the idea of behavior health care homes. The INN programs, specifically the peer run component, underlines the direction of the Department in terms of behavioral health care homes. Currently, an overarching understanding of behavioral health care homes is being developed.
  - b. Response: There will not be a problem with the reversion of the INN plan. The continuation of the client-run portion of the INN plan will not be as difficult as once perceived.
16. Question: How is the quality of care going to change for the Seriously and Persistently Mental III (SPMI) population?
  - a. Response: When discussing the low-income health plan, the Department is referring to a new indigent population that will be able to join Healthy Way LA. As a result, the Department and service providers will be able to draw additional federal funds, which will enhance the amount of services provided. The expansion of opportunities for additional services is expected for clients already in the system. This opportunity would make health care more accessible for the SPMI population who are not currently receiving care.

17. Question: How will school mental health services be integrated with the current EPSDT funding?
18. Comment: A concern was shared over the enormous challenges that may arise when trying to work with schools.
19. Comment: A concern over the implementation of PEI was shared.
20. Comment: The Workforce Education and Training (WET) plans should not be overlooked.
21. Question: What population does the low-income health plan refer to?
  - a. Response: The low-income health plan is only for childless adults, it does not relate to families, yet.
22. Question: Integration with FQHC was highlighted as an issue. How will continuity of care be attained? How does mental health fit into that?
  - a. Response: FQHCs will not deliver services to the populations that the Department traditionally serves. FQHCs will be required to partner with legal entity providers in order to ensure a continuity of care for SPMI populations. FQHCs may qualify for less intensive service delivery. There was an expectation that the provider network will expand and FQHCs will do some of that work. The existing network of specialty mental health providers does a good job with tier one services. The Department wants to enhance the network.
23. Question: If clinics are turning people away because of workload, how is it determined that an individual can afford to be seen at a later time?
24. Question: What is the vision for school-based services? Are the school-based services different or an expansion of what already exists?
  - a. Response: With regards to school based health services, there is a plan that the Board wants to develop new school clinics in some areas. Part of the expansion will entail establishing new school-based health centers. Other school-based services will be an enhancement in certain school settings.
25. Question: What role will the outcomes play in the types of services?
  - a. Response: Outcomes are interwoven in everything that is done.
26. Question: Has the 'fidelity assessment common ingredients tool' been considered? Will mental health consumers operate the services? Will consumers be included in the planning process?

27. Comment: In regards to EBPs, several people are having issues with the training.
28. Question: Is there an opportunity for the SLT to be involved and help think about traditional and/or non-traditional ways of providing mental health care services for high school students who are dropping out at unprecedented rates? We need to focus on middle schools.

#### V. Public Comments & Announcements

- A. Announcement: The Mental Health Advisory Committee is looking at the way the Los Angeles Police Department (LAPD) addresses mental health issues. The committee gives the public and stakeholders the opportunity to provide input into how the department is providing services and how the strategies employed are dealing with individuals suffering with a mental illness. The meeting will take place on Thursday, April 28, 2011 from 6:00 PM to 8:00 PM. Parking was arranged.
- B. Announcement: An invitation for a more robust SLT participation was welcomed.
- C. Announcement: During the month of May, which is Mental Health Month, there will be a tour of collaborative houses for those who want to see how the scattered site single family housing works. A flyer will be sent out to everybody. On May 14, 2011, there will be a Festival of Recovery in Hollywood, CA at the Center for Inquiry (4773 Hollywood Blvd., Los Angeles, CA 90027).

#### VI. Meeting Adjourned at 11:55 AM.