

▶▶ California Proposition 1 Overview and Impacts

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LOS ANGELES COUNTY
**DEPARTMENT OF
MENTAL HEALTH**
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▶▶ Proposition 1 Overview

Proposed by California State Legislature, supports Gov. Newsom's vision to "modernize behavioral health"

Proposition 1 is inclusive of Senate Bill (SB) 326 and Assembly Bill (AB) 531 both of which passed legislature and were signed by Gov. Newsom on October 12, 2023

Proposition 1 was approved by California Voters on March 5, 2024

Proposes significant shift in Mental Health Services Act (MHSA) allocations, reducing funding from core mental health services (Outpatient, Crisis, Linkage) to create a new housing category (SB 326)

Proposition 1 does not add new MHSA/BHSA funds. Instead, Prop 1 diverts 5% of the existing MHSA allocation to the State for Prevention and Workforce programs and reallocates 30% of existing funds used locally from services to housing subsidies

Proposes a \$6.3B bond to build residential settings ranging from congregate housing with onsite services, community housing with access to services, and may fund locked facilities (AB 531). This Behavioral Health Infrastructure Bond Act (BHIBA) funds will be administered by the State through a competitive bidding process

▶▶ Proposition 1 Summary: AB 531 The Behavioral Health Infrastructure Bond Act

The Behavioral Health Infrastructure Bond Act provides two types of funding:

1. Behavioral Health Continuum Infrastructure Program (BHCIP)

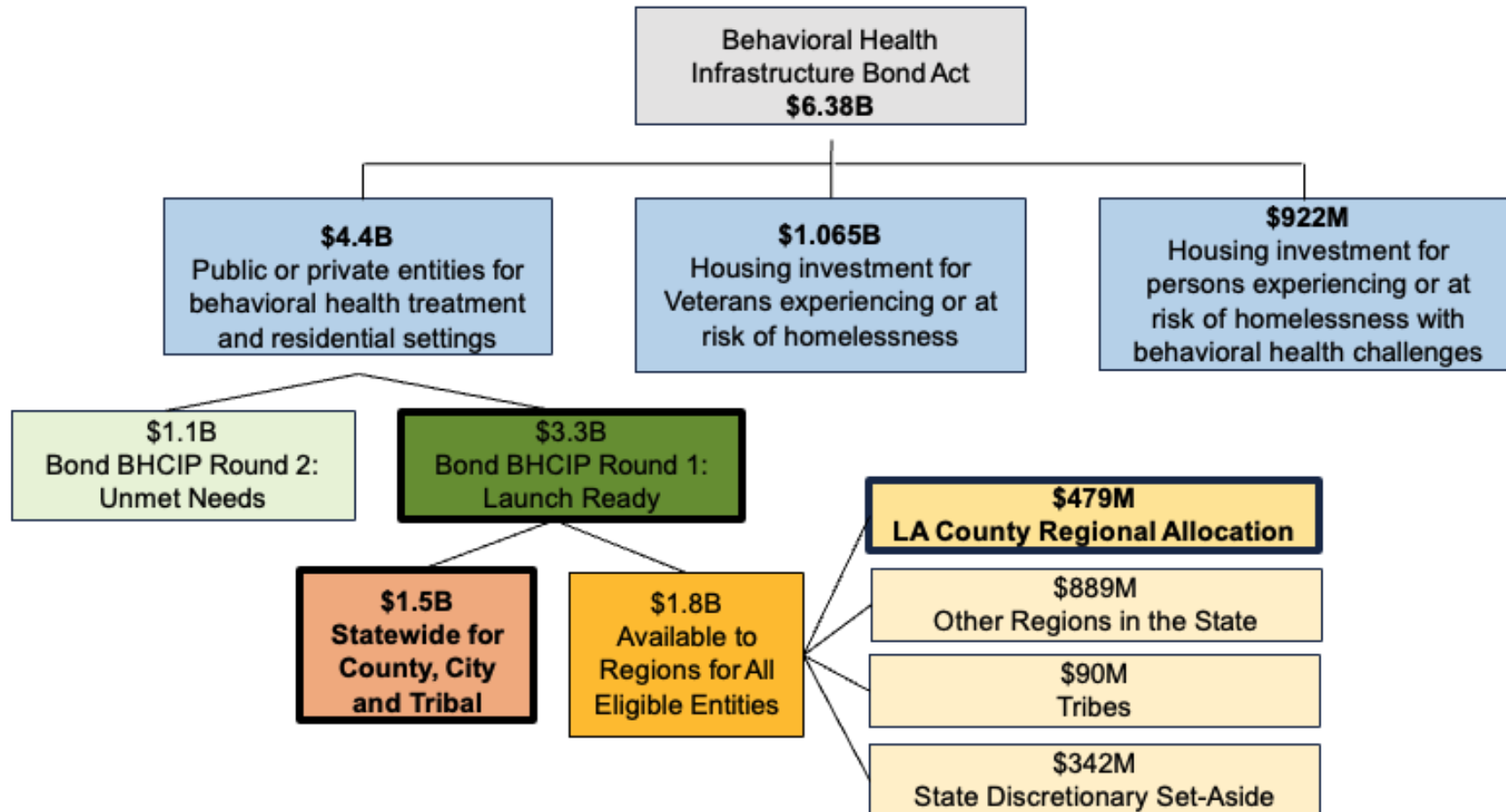
- Focuses on the creation of Treatment Beds
- Information on recent webinar can be sent out to those interested

2. Homekey+

- Focuses on the creation of Permanent Housing

The BHIBA Bond funds are not considered BHSA Funds

▶▶ BHIBA Bond Overview



BHCIP Grant Timeline – Round 1: Launch Ready (2024)

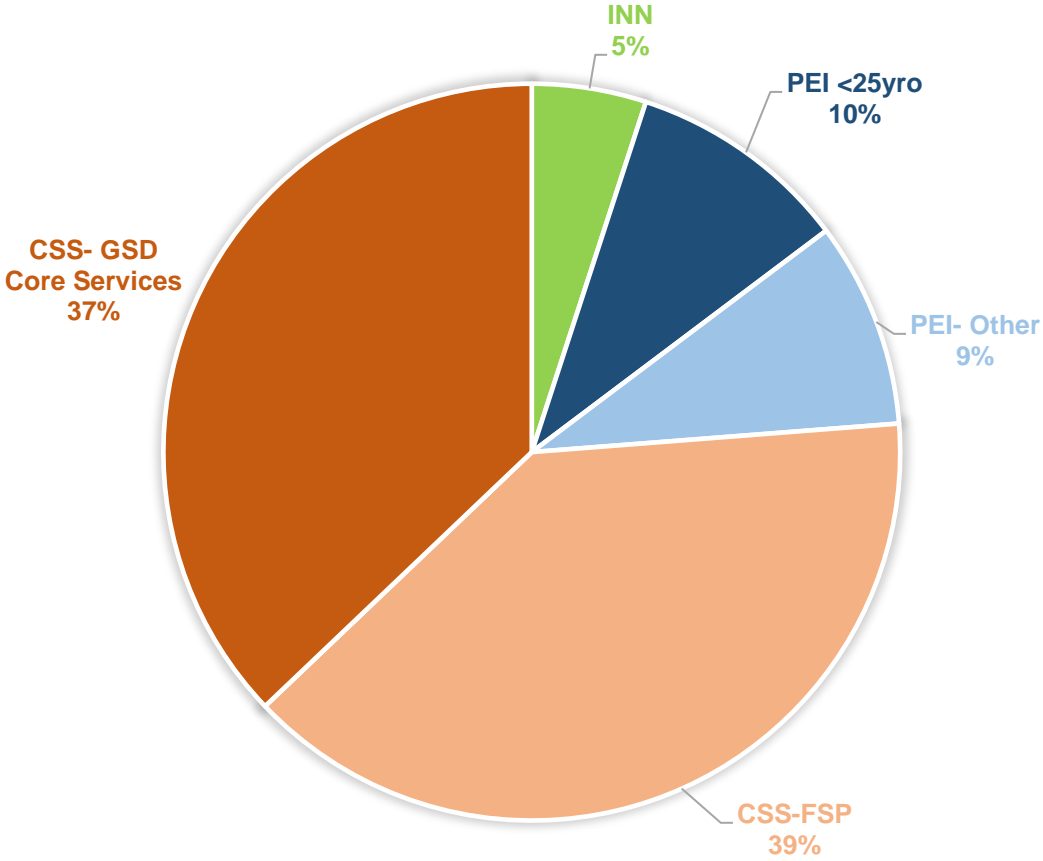
- ◀ RFA released July 17.
- ◀ Applications will be due December 13 and awarded in May 2025.
- ◀ Grant funds must be fully expended within five years of receipt of conditional award notice (~2030).
- ◀ Grantees must commit to executing BHCIP contracts within 90 days of receipt of conditional award notice.

▶▶ The Behavioral Health Services Act (BHSA)

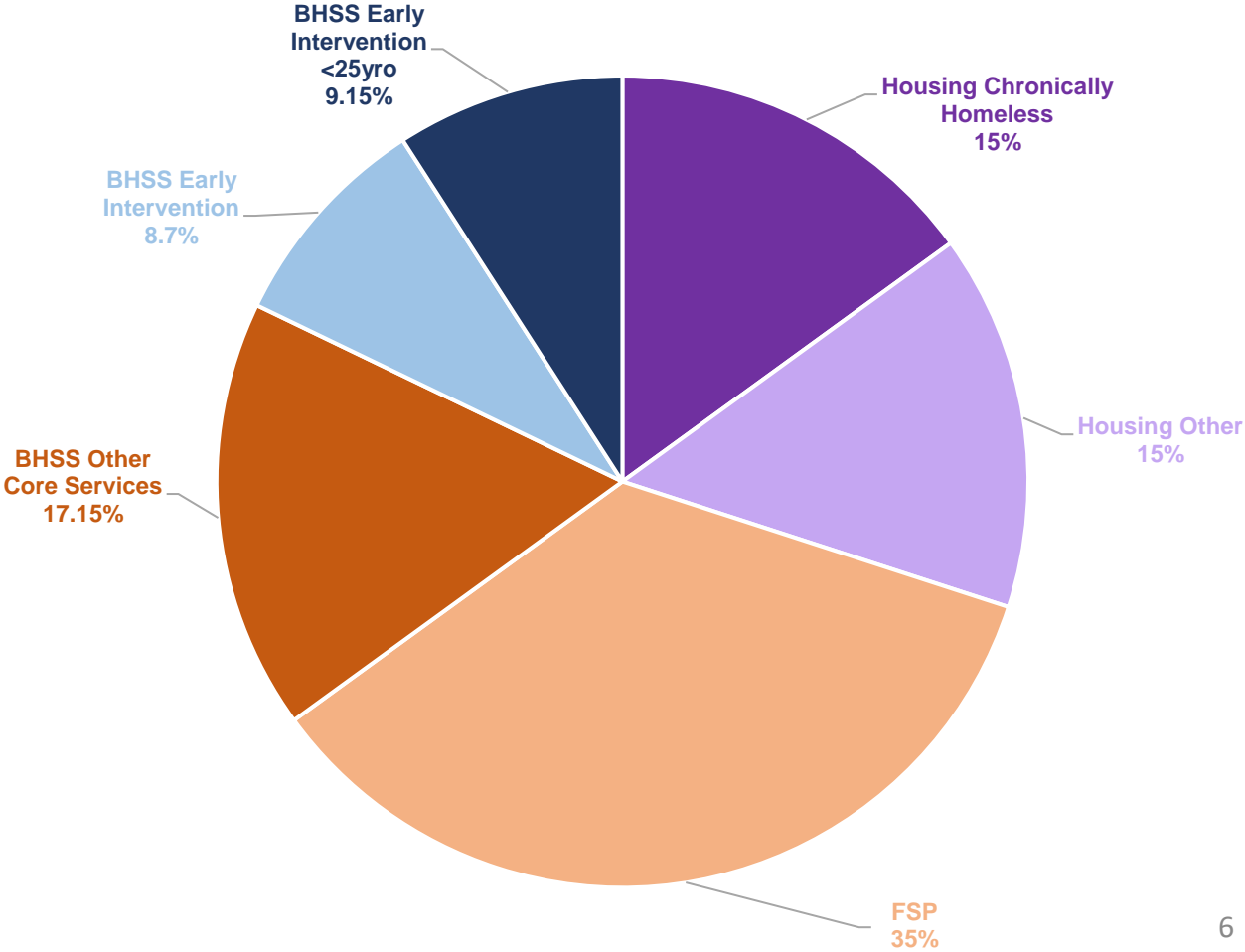
- Makes substantial language revisions to MHSA including renaming the Act to the BHSA
- The BHSA makes significant changes to current MHSA funding allocations
- Expansion of the MHSA target population to include substance use disorders only
- Changes for MHSA programming, Full-Service Partnership (FSP), Early Intervention (EI), Prevention, Innovations, and Workforce, Education, and Training (WET)
- Creates a new BHSA Housing funding category that can only be used for housing services
- Increases planning and reporting responsibilities for Counties to include all funded programming for mental health and substance use disorder services
- Changes to the stakeholder process to include representation of and review of substance use disorder services

MHSA Components vs. BHSA Categories

Current MHSA Funding Components



BHSA Funding Components



▶▶ BHSA Housing Category

Dedicates 30% of the MHSA allocation for Housing Options

May include:

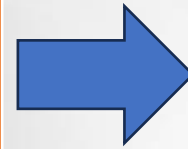
- ◀ Rental subsidies
- ◀ Operating subsidies
- ◀ Shared housing
- ◀ Family housing for children and youth who meet criteria
- ◀ Nonfederal share of transitional rent
- ◀ Other housing supports as defined by DHCS
- ◀ Capital Development Projects (no more than 25% may be used for this purpose)

Does NOT include funds for mental health supportive services including linkage, case management and service coordination, or counseling

Programming: Prevention and Early Intervention

Current Prevention and Early Intervention Services increase mental health awareness and reduce stigma, promote resiliency, identify individuals at risk of or indicating signs of mental illness or emotional disturbance and links them to treatment and other resources.

MHSA Prevention and Early Intervention Programs



BHSA Early Intervention

Programs designed to prevent mental illnesses and substance use disorders from becoming severe and disabling and to reduce disparities in behavioral health.

Early Intervention

Prevention

Suicide Prevention

Stigma and Discrimination Reduction

Outreach for Increasing Recognition of Early Signs of Mental Illness

Early Intervention
Ages 0-26

Early Intervention
All Ages

▶▶ The Behavioral Health Services Act Prevention and Early Intervention

- Prevention is no longer a funded category of BHSA
- DHCS will take 4% of all MHSA revenues prior to distribution to Counties for universal prevention programs to be administered by the State Department of Public Health
- DMH will be able to administer Early Intervention Programs
 - ◁ Early Clinical intervention services offered today and
 - ◁ Outreach, Engagement, and Linkage services
 - ◁ Targeted and Selective Prevention services can be provided to at risk populations and must include direct engagement with a priority on services reimbursable by Medi-Cal

▶▶ Outpatient Services

- Outpatient and client run services are currently funded with MHSA Outpatient Care Services (OCS) funds
- The BHSA reduces available MHSA funds available for Outpatient services from 37% to a little over 17%
- Under BHSA, any mental health services that are not FSP or Early Intervention will be funded with Behavioral Health Services and Supports (BHSS) Flexible funds or non-BHSA funds
- Analysis is in progress to review OCS services and what will be funded BHSS-Flexible

►► Impacts of Programming Changes on Programming and Direct Services

- An increased number of outpatient services will be provided in the field and categorized as a lower level of FSP to provide the right services at the right time in the right place
- Increased access to FSP for adults, youth, and children
- Fewer BHSA funds available for general outpatient services for youth, adults, and children
- Increased access to housing resources and rental assistance
- No BHSA funding for Universal Prevention Programs
- Priority on referrals to Managed Care for individuals with mild to moderate needs

▶▶ What is DMH doing to Prepare for the BHSA?

- Engaging with DHCS and Statewide advocates to make recommendations for BHSA guidelines and advocate for the diverse population needs of Los Angeles County
- Conducting an analysis of existing programming to determine future funding availability
- Working with DHCS for specific guidance that will clarify how BHSA funds can be spent and what specific programs are eligible for continued BHSA funds
- Engaging with providers and stakeholders to provide updates and solicit feedback
- Formal BHSA planning will begin in early 2025

FY 2024-25 Budget for Services Rendered by Other County Department – MHTSA Prevention One-Time Funding Commitment

	Other County Department	Project	FY 2024-25 BUDGET AMOUNT
1	Arts & Culture	Creative Wellbeing: Arts, Schools, and Resilience	\$ 1,300,000
2	Chief Executive Office	Center for Strategic Public & Private Partnership	93,000
3	Children and Family Services	Prevention and Aftercare	6,000,000
4	Department of Youth Development (DYD)	Credible Messenger Mentoring Model	5,000,000
		Youth Development Regions	5,000,000
		Total	10,000,000
5	Health Services	Medical Legal Services	1,750,000
6	Military and Veterans Affairs	PEI Peer to Peer Veterans System Navigators Services	771,000
		Veteran Peer Access Network (VPAN) Peer-to-Peer Contracted Services	4,774,000
		Total	5,545,000
7	Parks and Recreation	Park after Dark (PAD) - Community Wellness Program	293,000
		Safe Passages - Community Engagement and Safe Passages for Youth and Communities Program	530,000
		Park at Sunset - Mindfulness and Self-Care Community Program	182,000
		Parks Well-Being Project	5,000,000
		Spot-Social Places and Opportunities for Teens - Comprehensive Outdo School Teen Program	159,000
		Total	6,164,000
8	Public Health	Abundant Birth Project	4,615,000
9	Public Library	New Parent Engagement-Welcome to the Library and the World	109,000
		Triple P Caregiver Engagement	550,000
		School Readiness	859,000
		Total	1,518,000
Total Budget - Services from Other County Departments			\$ 36,985,000

Questions?



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