

# CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

## Investment in Mental Health Wellness Act of 2013

### Information Item

#### Overview of the Investment in Mental Health Wellness Act of 2013

In late June of this year, the Governor signed into law SB 82, the Investment in Mental Health Wellness Act of 2013, providing a \$142 million, one-time, general fund allocation in the 2013-2014 budget including \$500,000 for costs of administering the program. Key features of SB 82 include the following:

- **OVERALL OBJECTIVE:** Funding to bolster crisis capacity, improve crisis access, and address unmet crisis mental health care needs through community based services.
- **GENERAL TYPES OF COMMUNITY BASED SERVICES ANTICIPATED:** Crisis intervention and stabilization teams, crisis residential treatment, rehabilitative mental health services, and mobile crisis support teams to better meet the needs of individuals in the least restrictive manner possible.  
**INFRASTRUCTURE GOALS:** Minimum of 25 mobile crisis support teams, 2,000 crisis stabilization and crisis residential treatment beds, and 600 triage personnel.<sup>1</sup>  
**ADDITIONAL GOALS:** Reduce unnecessary hospitalizations and inpatient days, improve access to timely assistance, reduce recidivism, mitigate unnecessary expenditures of local law enforcement, and leverage additional public and private funding sources to achieve improved networks of care that are high-quality, patient-centered and cost-effective for individuals with mental health disorders.
- **FUNDING AVAILABILITY:** Will be available to counties, counties acting jointly or to such private non-profit corporations and public agencies as a county or counties acting jointly might designate in lieu of a county government directly receiving grant funds.
- **FUNDING RESTRICTIONS:** Funding may be used for the development, capital, equipment acquisition and applicable program startup or expansion costs for the above listed crisis services.
- **KEY BILL REQUIREMENTS:**
  - ✓ *Competitive Selection Criteria:* CHFFA must develop competitive selection criteria for awarding grants some of which are called out in the statute.
  - ✓ *Maximum Grant Award Approach:* CHFFA must establish maximum grant awards taking into account the number of projects awarded to the grantee, reasonable costs for the project and geographic region.
  - ✓ *Public-Private Partnerships:* Bill aims to promote comprehensive public and private partnerships at both local and regional levels, including across physical health services, mental health, substance use disorder, law enforcement, social services and related supports for high quality, patient-centered, cost-effective care that facilitates recovery and resiliency and leads toward wellness.
  - ✓ Authority to report to the fiscal and policy committees of the Legislature by May 1, 2014 and May 1, 2015.
  - ✓ Bill prohibits funding to supplant existing financial and resource commitments of the grantee.
  - ✓ Bill gives CHFFA flexibility to set an appropriate project period so long as the projects are completed within a reasonable period of time.
  - ✓ Bill identifies the California Institute of Mental Health as CHFFA's technical advisor.

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<sup>1</sup> Triage personnel grants (also for counties or city mental health departments) are administered by the California Mental Health Oversight and Accountability Commission (oversees Prop 63) and not CHFFA.

## **Panel Presentation**

At the July 2013 Authority meeting, the board asked staff to put together an information session to educate members about the provision of mental health care services in California, the Investment in Mental Health Wellness Act of 2013 and the role the Act plays. Staff reached out to the following individuals with special expertise to serve on our August 29, 2013 panel and to share their knowledge about the provision of and need for mental health care in California:

### **Understanding Mental Health Care in California: Delivery, Funding and Needs**

Neal Adams, MD, MPH, Deputy Director

California Institute for Mental Health – the Authority’s technical advisor

### **County Perspective: Gaps and Opportunities**

Don Kingdon, Ph.D., Deputy Director

California Mental Health Directors Association

### **Filling a Need: How the Investment in Mental Health Wellness Act of 2013 Fits In**

Diane VanMaren, Consultant

Senate President pro Tempore, Darrell Steinberg’s Office

### **A Model Program: Crisis Care in Practice – Choice, Resilience, Recovery and Wellness**

Steven Fields, Executive Director

Progress Foundation

## **Background Materials**

Attached are three publications you may find helpful to gaining a better understanding of the provision of mental health care in California and its relationship to the demographics existing within California. We also attach here, some of the informative charts you will find within the publications, as well as extracts of some of the relevant data for your immediate consideration.

According to the recent California Healthcare Foundation reports (July 2013), *Mental Healthcare in California: Painting a Picture* and *A Complex Case: Public Mental Health Delivery and Financing in California*, nearly one in six California adults has a mental health need, and approximately one in twenty suffers from a serious mental illness that makes it difficult to carry out major life activities. There are a wide variety of mental health disorders ranging from mild to severe. The following information provides some brief background on the different levels of mental illness. Please note, SB 82 seeks to assist the population found within the second category.

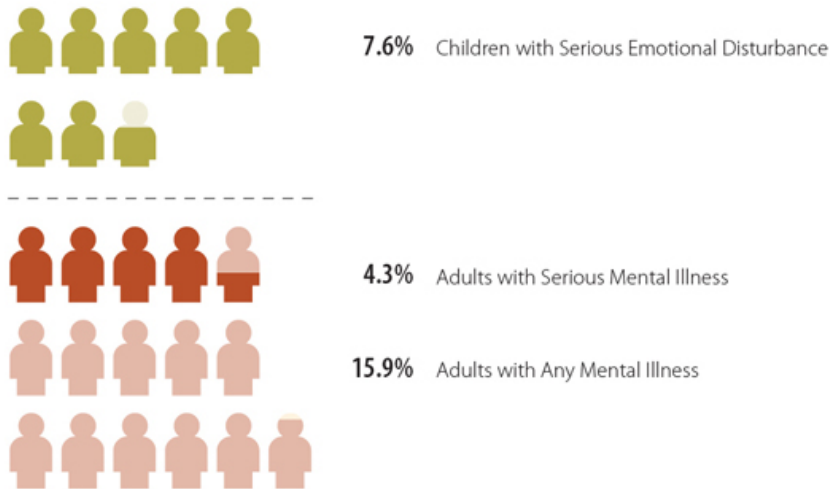
- 1) **An adult with any mental illness:** This mental illness disorder is a person age 18 years or older who currently has, or at any time in the past year had, a diagnosable mental, behavioral, or emotional disorder, regardless of the level of impairment in carrying out major life activities. This includes people with serious, moderate, or mild functional impairment.
- 2) **Severe mental illness (SMI):** SMI is a categorization for adults ages 18 years and older, who has a mental illness that results in substantial impairment in carrying out major life activities. Mental illnesses encompass a wide range of diagnoses. Examples include: depression, anxiety, schizophrenia, bipolar disorder, attention deficit hyperactivity disorder, and post-traumatic stress disorder.
- 3) **Severe emotional disturbance (SED):** SED is a categorization of children ages 17 years and under, is defined as a mental, behavioral, or emotional disorder that is currently present, or has presented within the last year, that meets diagnostic criteria for a mental illness and has resulted in functional impairment that substantially limits participation in family, school, or community activities.
- 4) **A major depressive episode (MDE):** MDE is a period of at least two weeks when a person has experienced a depressed mood or loss of interest or pleasure in daily activities and had a majority of specified depression symptoms.

The following charts and graphs are provided as background on the characteristics of California's population with mental health illnesses.

# Percentage of Population with Mental Health Illnesses

## State of Mental Illness California, 2009

PERCENTAGE OF POPULATION



Notes: Serious emotional disturbance (SED) is a categorization for children age 17 and under. Serious mental illness (SMI) is a categorization for adults age 18 and older. See page 4 for full definitions of mental illness categorizations.  
Source: Technical Assistance Collaborative and Human Services Research Institute (February 2012), California Mental Health and Substance Use Needs Assessment.

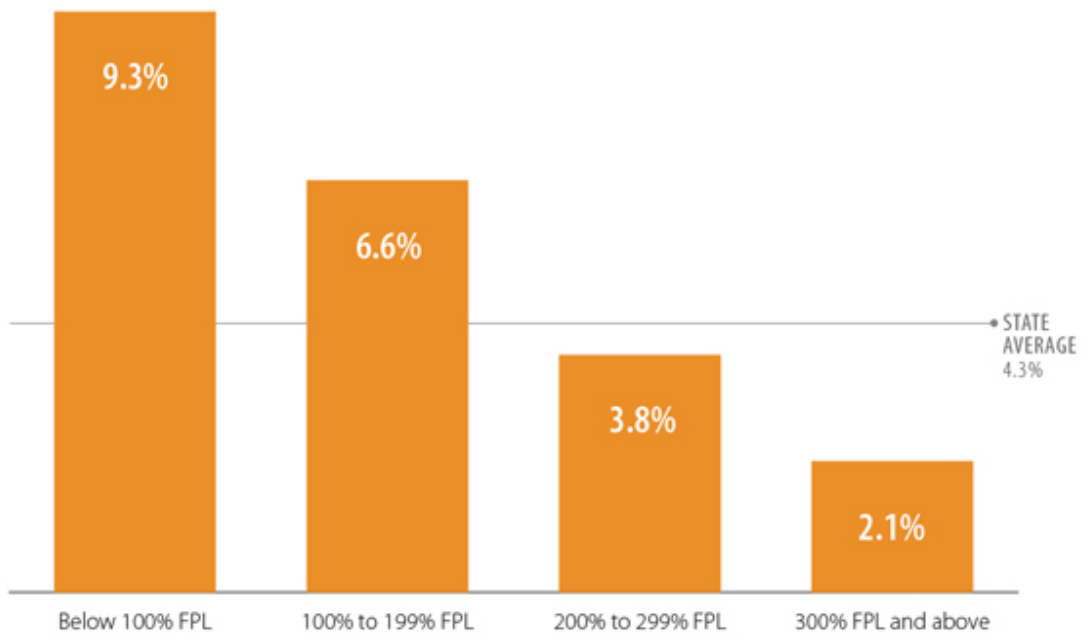
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## Percentage of Adult Population with Mental Health Illnesses Based on Federal Poverty Level (FPL)

The rate of serious mental illness was the highest among the poorest in California.

### Adults with SMI, by Income California, 2009

PERCENTAGE OF ADULT POPULATION



Notes: Serious mental illness (SMI) is a categorization for adults age 18 and older. See page 4 for full definitions of mental illness categorizations. FPL is federal poverty level; 100% of FPL was defined in 2009 as an annual income of \$10,830 for an individual and \$22,050 for a family of four.

Source: HSRI, TAC, and Charles Holzer, *California Mental Health Prevalence Estimates* (Sacramento, CA: Department of Health Care Services), accessed January 31, 2013, [www.dhcs.ca.gov](http://www.dhcs.ca.gov).

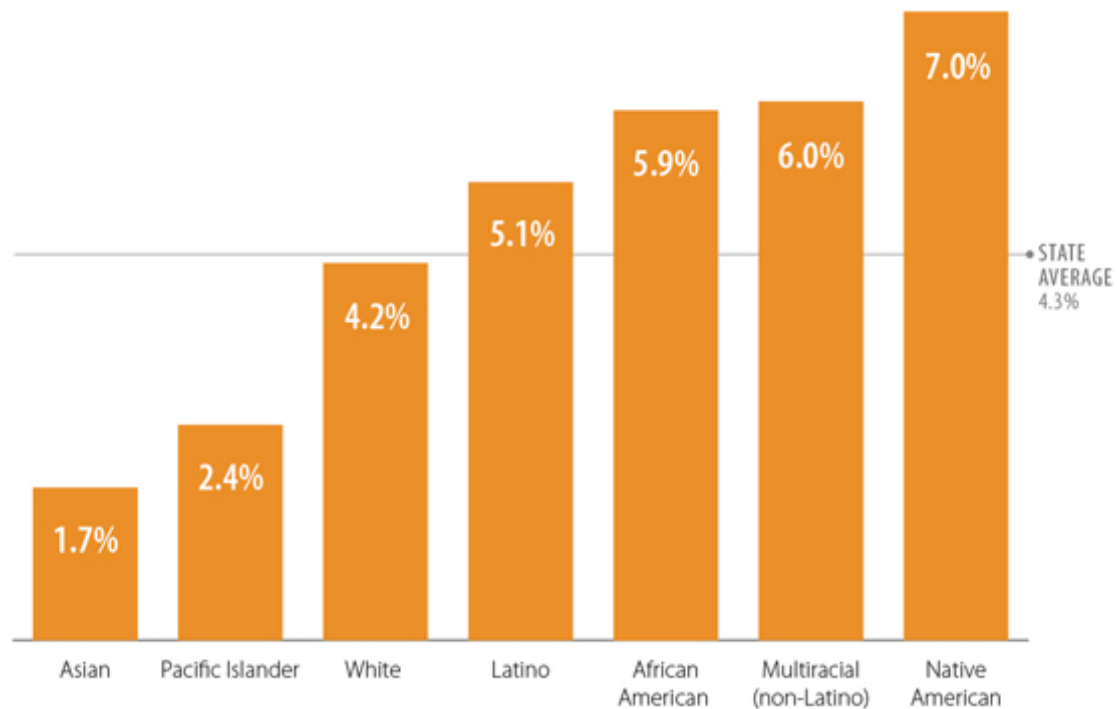
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## Percentage of Adult Population with Mental Health Illnesses Based on Race/ Ethnicity

Minority groups especially the Native American, multiracial and African American groups experienced the highest rates of serious mental illness in California.

### Adults with SMI, by Race/Ethnicity California, 2009

PERCENTAGE OF ADULT POPULATION



Notes: Serious mental illness (SMI) is a categorization for adults age 18 and older. See page 4 for full definitions of mental illness categorizations.

Source: HSRI, TAC, and Charles Holzer, *California Mental Health Prevalence Estimates* (Sacramento, CA: Department of Health Care Services), accessed January 31, 2013, [www.dhcs.ca.gov](http://www.dhcs.ca.gov).

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## Percentage of Adult Population with Mental Health Illnesses Receiving Mental Health Treatment

Many adults with mental health illnesses do not receive any treatment. For those adults who received treatment, prescription medication, was the most common.

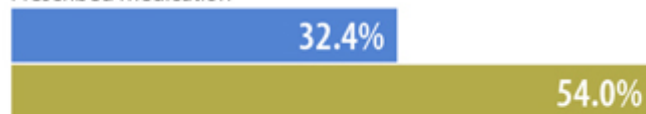
### Adults Receiving Mental Health Treatment by Mental Illness Status, United States, 2009

#### PERCENTAGE OF ADULTS WITH MENTAL ILLNESS

Did not receive outpatient, inpatient, or prescription medication treatment



Prescribed medication

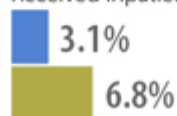


■ Any Mental Illness  
■ Serious Mental Illness

Received outpatient treatment



Received inpatient treatment



Notes: Those with a serious mental illness are a subset of adults with any mental illness. See page 4 for full definitions of mental illness categorizations. Data exclude respondents with unknown treatment information. Respondents could be counted as participating in more than one form of treatment. Respondents were asked about treatment of their mental illness in the year prior to the survey.

Source: National Survey on Drug Use and Health (Rockville, MD: Substance Abuse and Mental Health Services Administration, 2009).

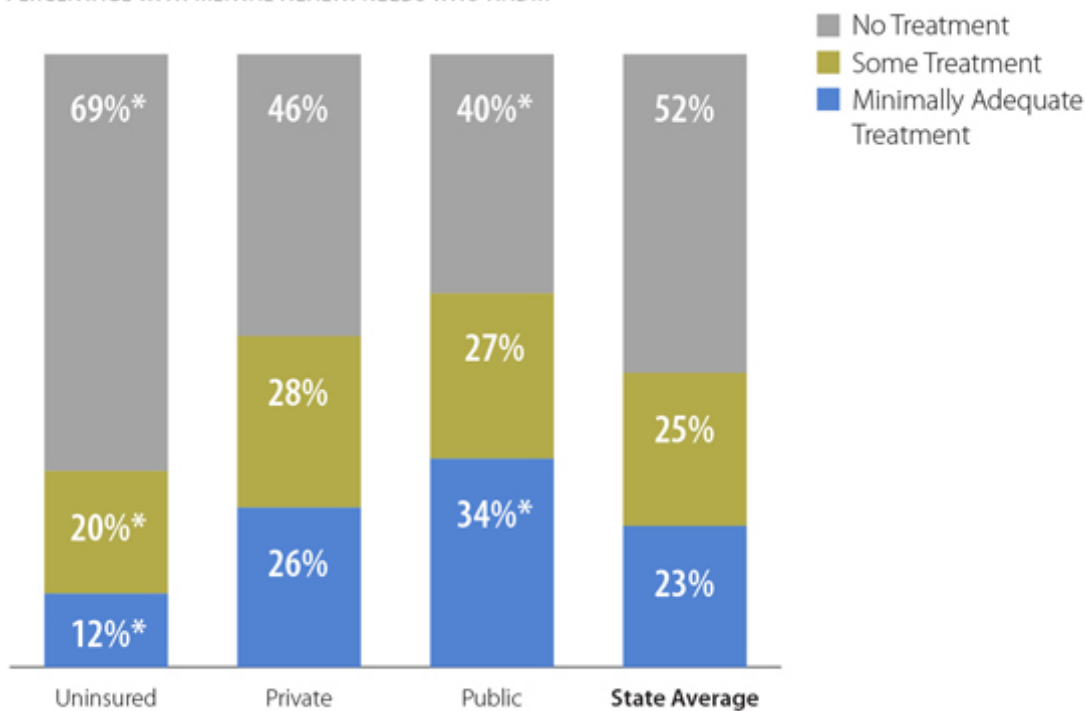
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## Percentage of Adult Population with Mental Health Illnesses and Treatments

Approximately half of adults in California with mental health illnesses did not receive any mental health treatment in the past year. In addition, less than a third of the uninsured adults received any treatment.

### Mental Health Treatment Among Adults by Insurance Coverage, California, 2007 and 2009 (combined)

PERCENTAGE WITH MENTAL HEALTH NEEDS WHO HAD...



\*Difference from state average is statistically significant at  $p < .05$ .

Notes: Based on data from the 2009 California Health Interview Survey. Mental health need during the past 12 months was assessed based on determination of serious psychological distress using the Kessler 6 scale and at least a moderate level of impairment using the Sheehan Disability Scale. Minimally adequate treatment was defined as four or more visits with a mental health professional in the past 12 months and prescription medication for mental health, an evidence-based guideline for the treatment of serious mental illness. Segments don't add to 100% due to rounding.

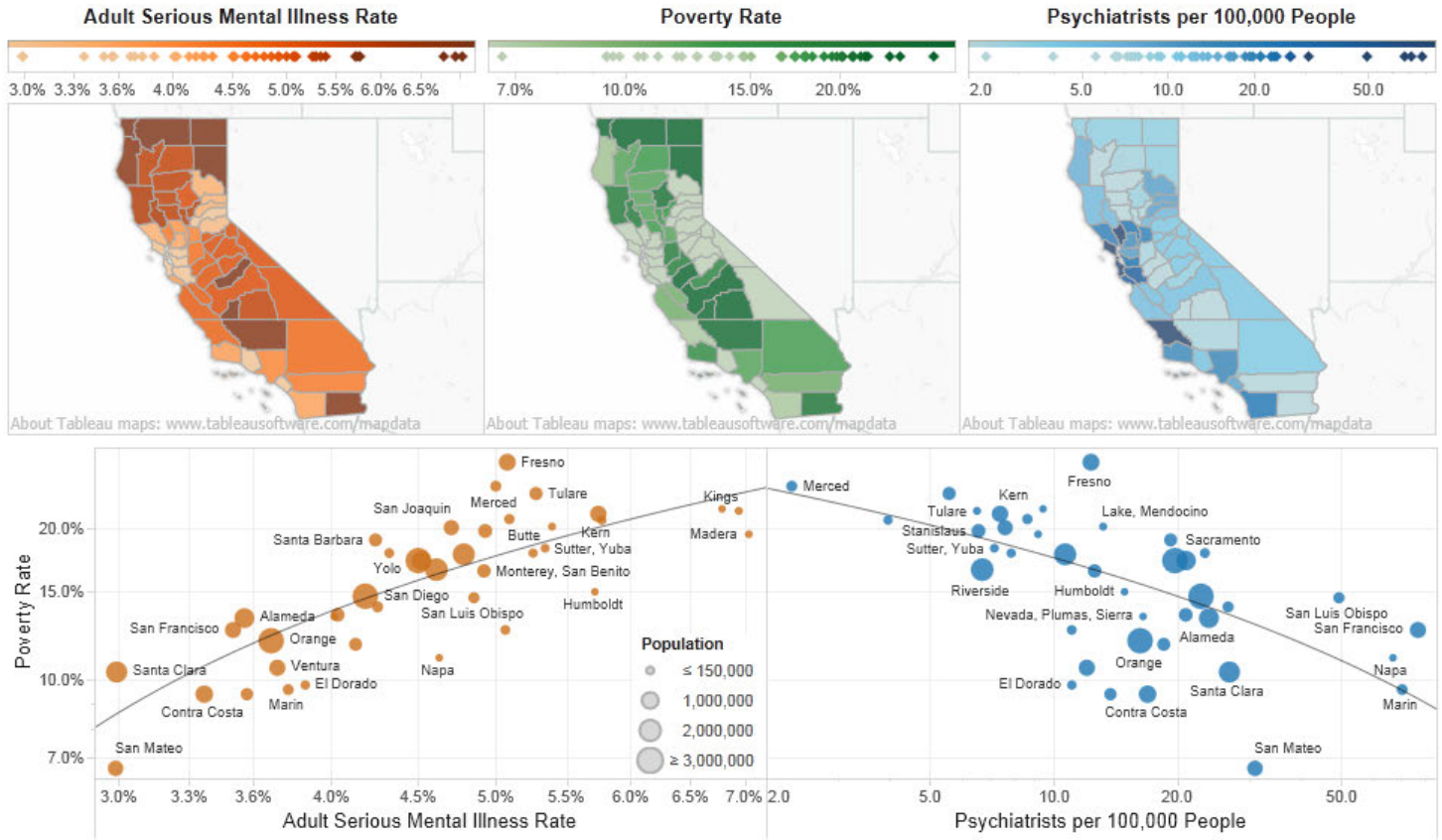
Source: D. Imelda Padilla-Frausto et al., *Half a Million Uninsured California Adults with Mental Health Needs Are Eligible for Health Coverage Expansions* (Los Angeles: UCLA Center for Health Policy Research, November 2012).

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## Rate of Adult Population with Serious Mental Illnesses by Regions and Poverty Rate

California exhibits wide geographic variations in rates of serious mental illness. The state's poorest areas frequently have the highest rates of mental illness and the fewest licensed mental health professionals available to provide treatment.



Source: <http://www.chcf.org/publications/2013/07/data-viz-mental-health#ixzz2cYEXqHnn>

## California Mental Health Directors Association's Five Regional Designations



(Source: <http://www.cmhda.org/go/aboutcmhda/organizationalstructure.aspx>)

## POVERTY IN CALIFORNIA

Sarah Bohn

### ► California's poverty rate spiked during the Great Recession.

After declining to 12% in 2006 (the lowest level since the mid-1980s), the poverty rate in California spiked upward: as of 2010, it was 16%. This amounts to nearly six million Californians in families below the federal poverty level of income (about \$22,000 for a family of four). Unofficial poverty rates are even higher when California's high cost of living is accounted for.

### ► California's poverty rate has not yet matched its early-1990s peak.

Despite the severity of the Great Recession, a smaller percentage of Californians are in poverty now than during the recession of the early 1990s—in 1993 the poverty rate reached 18.1%. Given the persistently high rate and duration of unemployment, it is possible that poverty is still rising in the Great Recession's aftermath. Even if this does not happen, rates of poverty will be much higher than they were three to four decades ago.

### ► California typically has a higher poverty rate than the rest of the nation.

For most of the past two decades, California's poverty rate has exceeded that of the rest of the country. By 2006 the two rates had nearly converged, with California's rate declining and the rate in the rest of the U.S. rising. But during the Great Recession, the state's poverty rate grew faster, and now California's rate is slightly higher (16.3%) than in the rest of the country (14.9%).

### ► Latinos and African Americans have higher poverty rates than other groups.

Latinos (22.8%) and African Americans (22.1%) have much higher poverty rates than Asians (11.8%) and whites (9.5%) in California. The statewide poverty rate among Latinos living in families with a foreign-born head of household is 25.7%; for the same group outside of California, it is significantly higher (28.4%).

### ► Poverty varies dramatically in accordance with educational level.

In 2010, the poverty rate among families without any adult high school graduates was 31.3%. At the other extreme, in families headed by at least one college degree holder, the poverty rate was only 5.2%. For families in which the highest level of education is a high school diploma, the poverty rate was 19.2%.

### ► Poverty varies considerably across California's counties.

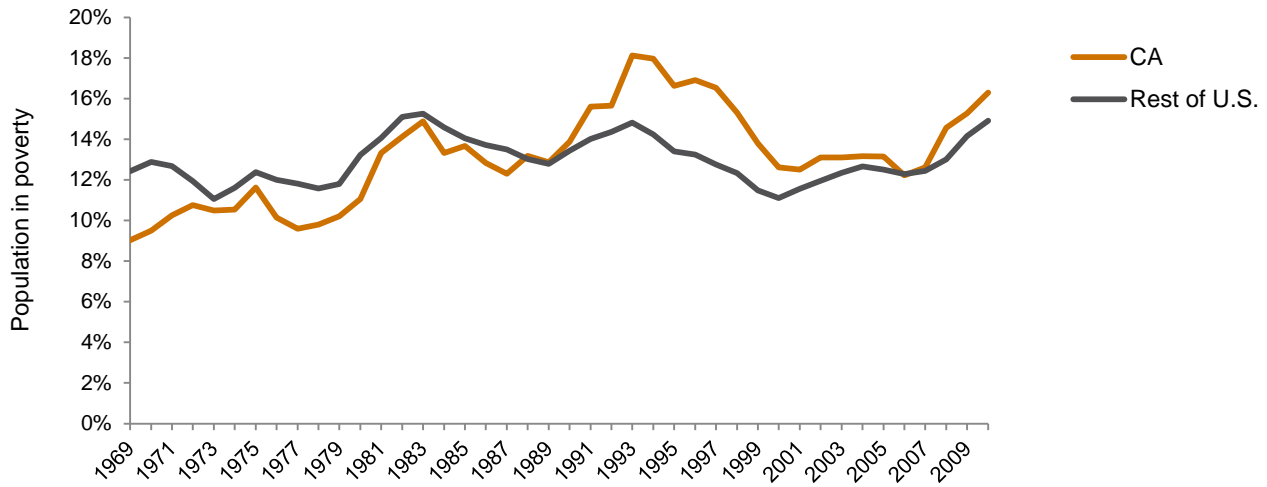
In 2010, the lowest poverty rate in California was in San Mateo County (6.7%) and the highest was in Fresno County (27.1%). Many Bay Area counties in addition to San Mateo (Contra Costa, Marin, Santa Clara, Napa, and Solano) had poverty rates below 12%, placing them in the bottom quarter of all counties. At the other end of the spectrum, Central Valley counties around Fresno (Merced, Tulare, Kings, Kern, and San Joaquin) were in the top quarter, with poverty rates in excess of 20%. More than 29% of poor people in California live in Los Angeles County.

### ► Most poor families in California are working.

The majority (63.4%) of poor people in California are in working families. In 38.3% of poor families, a family member is working full-time, and in another 25.1% someone is working part-time. Workforce participation among the poor in California has decreased slightly (from 68.5%) since 2006, immediately before the recession, but it has increased over the past three decades and remains higher than in the rest of the nation.



During the recession, California’s poverty rate increased more rapidly than in the rest of the nation



Source: Current Population Survey, Annual Social and Economic Supplement (March).

Poverty rates in California’s counties

County or county group	Poverty rate (%)	County or county group	Poverty rate (%)
Alameda	13.30	Placer	9.40
Alpine, Amador, Calaveras, Inyo, Mariposa, Mono, Tuolumne	12.60	Riverside	16.60
Butte	20.90	Sacramento	17.30
Colusa, Glenn, Tehama, Trinity	17.30	San Bernardino	17.80
Contra Costa	9.40	San Diego	14.70
Del Norte, Lassen, Modoc, Siskiyou	21.90	San Francisco	12.60
El Dorado	9.80	San Joaquin	20.10
Fresno	27.10	San Luis Obispo	14.60
Humboldt	15.00	San Mateo	6.70
Imperial	20.80	Santa Barbara	19.00
Kern	21.40	Santa Clara	10.40
Kings	21.70	Santa Cruz	14.00
Lake, Mendocino	20.20	Shasta	17.90
Los Angeles	17.30	Solano	11.80
Madera	19.50	Sonoma	13.50
Marin	9.60	Stanislaus	19.80
Merced	24.30	Sutter, Yuba	18.30
Monterey, San Benito	16.50	Tulare	23.50
Napa	11.10	Ventura	10.60
Nevada, Plumas, Sierra	13.40	Yolo	17.90
Orange	12.00	California Total	15.70

Source: American Community Survey, 2010.

Note: For some counties, poverty rates cannot be calculated individually; these counties are grouped with nearby counties.

Sources: American Community Survey (2010) for demographic and geographic breakdown; Current Population Survey Annual Social and Economic Supplement (1970–2011) for trends (both from the U.S. Census Bureau). Census Bureau Supplemental Poverty Measure resources.

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