February 18, 2021

The Honorable Nancy Skinner  
Chair, Senate Budget and Fiscal Review  
State Capitol, Room 5019  
Sacramento, CA 95814

The Honorable Susan Talamantes Eggman  
Chair, Senate Budget Subcommittee No. 3

Honorable Members  
Senate Budget Subcommittee No. 3

The Honorable Phil Ting  
Chair, Assembly Budget Committee  
State Capitol, Room 6026  
Sacramento, CA 95814

The Honorable Dr. Joaquin Arambula  
Chair, Assembly Budget Subcommittee No. 1

Honorable Members  
Assembly Budget Subcommittee No. 1
Subject: Governor Newsom’s Proposed January Behavioral Health Budget Proposal for $750 million for the Community Continuum of Behavioral Health Treatment Resources – SUPPORT

Dear Chair Skinner, Chair Ting, Chair Eggman, and Chair Arambula:

On behalf of the undersigned organizations, we write in support of the Governor’s January Budget proposal to allocate $750 million in one-time General Fund (GF) to counties over three years for the acquisition and rehabilitation of real estate assets to expand the community continuum of behavioral health treatment resources.

County behavioral health, in collaboration with contracted community-based organizations, are responsible for the delivery of Medi-Cal substance use disorder (SUD) services, Medi-Cal specialty mental health services for adults with serious mental illness (SMI), and children who meet criteria for medically necessary services. Financing restrictions on the primary sources of funding for the county behavioral health safety net have limited the ability of county behavioral health agencies to invest in building out the full continuum of community-based treatment services across California.

Investment in our community behavioral health continuum of services is essential to ensuring the needs of low-income Medi-Cal beneficiaries with SMI and SUD, and children with serious emotional disturbance are met—particularly post-pandemic. A new report published by Kaiser Family Foundation in February 2021 found that nationally:

- There has been a four-fold increase on the number of individuals reporting symptoms of anxiety and depressive disorders—now above 40% of American adults;
- Young people were twice as likely to report new or increased substance use and suicidal thoughts—now above a quarter of American youth;
- California has seen a steady and alarming increase in children’s inpatient visits for suicide, suicidal ideation, and self-injury—with a 151% increase for children ages 10-14.
- Adults in households with job loss or lower incomes report nearly double the rate of symptoms of mental illness; and
- Essential workers and communities of color have been disproportionately impacted and report higher rates of anxiety and depressive disorder symptoms.

These statistics support reports that since the beginning of the COVID-19 pandemic, there has been an increase in acute psychiatric episodes and an alarming epidemic of opioid related overdoses in California. Specifically, there has been a surge in overdose related deaths driven by fentanyl throughout the state—in some parts of the state outpacing deaths from COVID-19.

This investment could not come at a more critical time to invest in facilities to build out the public behavioral health safety net as COVID-19 has exacerbated and exemplified the need for a robust behavioral health system. The Governor’s proposal to invest $750 million GF in the community behavioral health continuum will provide the public behavioral health safety net with long overdue opportunities to invest in the types of community-based services that are necessary to prevent the avoidable homelessness, incarceration, hospitalization, and forced treatment of individuals with significant behavioral health needs.
It is for all these reasons that we respectfully request your support for the Governor’s proposed $750 million GF investment in the community behavioral health continuum.

Sincerely,

Michelle Doty Cabrera
Executive Director
County Behavioral Health Directors Association

Kelly Brooks-Lindsey
Partner, Hurst Brooks Espinosa
Urban Counties of CA

Sarah Dukett
Legislative Advocate
Rural County Representatives of CA

Maggie Merritt
Executive Director
Steinberg Institute

Faith Richie
Senior Vice President & Chief Development Officer
Telecare Corporation

Theresa Comstock
Executive Director
CA Association of Local Behavioral Health Boards and Commissions

Farrah McDaid-Ting
Senior Legislative Representative
California State Association of Counties

Christine Stoner-Mertz, LCSW
Chief Executive Officer
CA Alliance of Child and Family Services

Albert M. Senella
President
CA Association of Alcohol and Drug Program Executives

Jessica Cruz
Chief Executive Officer
National Alliance on Mental Illness—California

Le Ondra Clark Harvey, Ph.D.
Chief Executive Officer
CA Council of Community Behavioral Health Agencies
Heidi Strunk
President & Chief Executive Officer
Mental Health America of CA

Pete Nielsen
Chief Executive Officer
CA Consortium of Addiction Programs and Professionals

Noel O’Neill
Council Chair
CA Behavioral Health Planning Council

Cc:
Keely Martin Bosler, Finance Director, California Department of Finance (DoF)
Ana J. Matosantos, Cabinet Secretary, Office of Governor Gavin Newsom
Dr. Mark Ghaly, Secretary, California Health and Human Services Agency (CHHS)
Michelle Baass, Undersecretary, CHHS
Stephanie Welch, Deputy Secretary, CHHS
William Lightbourne, Director, Department of Health Care Services (DHCS)
Dr. Kelly Pfeifer, Deputy Director, Behavioral Health, DHCS
Richard Figueroa, Office of the Governor
Tam Ma, Office of the Governor
Ryan Miller, Assistant Program Budget Manager, DoF
Iliana Ramos, Principal Program Budget Analyst, DoF
Marjorie Swartz, Office of the Senate President Pro Tempore
Agnes Lee, Office of the Speaker of the Assembly
Chris Woods, Office of the Senate President Pro Tempore
Jason Sisney, Office of the Speaker of the Assembly
Scott Ogus, Senate Budget and Fiscal Review Subcommittee No. 3
Andrea Margolis, Assembly Committee on Budget Subcommittee No. 1
Joe Parra, Senate Republican Fiscal Office
Joe Shinstock, Assembly Republican Fiscal Office
Corey Hashida, Legislative Analyst’s Office
Ben Johnson, Legislative Analyst’s Office

Lauren Rettagliata
Housing That Heals

Teresa Pasquini
Housing That Heals

Carolyn Shepard
Coordinator
Solutions for Supportive Homes, San Mateo County