



April 12, 2021

The Honorable Richard Pan
Chair
Senate Health Committee
State Capitol – Room 2191

RE: Opposition to SB 106 (Umberg) – Mental Health Services Act: Innovative Programs

Dear Dr. Pan,

On behalf of the undersigned organizations, we write in opposition to SB 106 (Umberg), which would take innovations (INN) funds meant to fund new, unproven mental health models with the potential to become tomorrow’s best practices and instead divert those funds to underwrite Full Service Partnership programs (FSP) that are already funded through Community Services and Supports (CSS).

SB 106 would amend the Mental Health Services Act (MHSA) by authorizing counties to expend funds for their innovative (INN) programs without approval by the Mental Health Services Oversight and Accountability Commission (MHSOAC) to establish or expand a program implementing the Full-Service Partnership (FSP) model, a proven best practice in mental health care.

Without a doubt, improvements need to be made in order to meet the needs of people experiencing severe mental illness or children experiencing serious emotional disturbances. However, we oppose SB 106’s approach in redirecting INN funds to meet those needs. The Innovations component of the MHSA provides California’s communities with a vital opportunity

to introduce either new mental health practices or approaches or make changes to existing techniques or methods with the potential to significantly improve mental health services and outcomes. Within SB 106's factsheet, the stated reason for unspent INN funds is "...due to the onerous, opaque, and drawn-out project approval process counties must go through before spending innovation dollars." In other words, the funds are not going unused for lack of interest or attempts. SB 106 would override voter intent to create, test and evaluate, and if proven successful, replicate new modalities - or adaptations of modalities - by siphoning critical funds away from innovation at a time when innovation is needed more than ever.

Behavioral health disparities experienced by Black, Indigenous, people of color (BIPOC), and LGBTQ+ communities are extensive. One reason for this is that the current suite of behavioral health interventions under Medi-Cal was not created to meet BIPOC and LGBTQ+ communities' behavioral health needs. Despite individual actions and intentions, California's behavioral health system, as designed, often makes health outcomes worse for BIPOC and LGBTQ+ communities by perpetuating the very inequities it seeks to address. For example, data shows that BIPOC communities use outpatient mental health services within their Medi-Cal health plans at less than half the rate of White Medi-Cal consumers. In contrast, utilization in LGBTQ+ communities is so low that publicly available data shows no stratification by Sexual Orientation and Gender Identity (SOGI).

We know that structural racism plays an important role in the creation of these behavioral health disparities, and extensive research has identified other contributing factors. As a consequence, State and local governments have an increasing and vital need to test and evaluate new behavioral health approaches outside of the existing and inadequate Medi-Cal framework. Innovation funds are suitable for programs utilizing community defined evidence based practices (CDEPs) that are often preferred by racial, ethnic, and LGBTQ+ communities. Given the increased behavioral health needs these communities are experiencing and will continue to experience due to COVID-19, it is counter-productive to funnel funds away from programs and services that will support them. BIPOC and LGBTQ+ communities have experienced disparities in enrollment in Full-Service Partnership programs under CSS in most counties. SB 106 would not help this situation and instead could increase disparities regarding overall MHSA funding for these communities.

When voters approved the MHSA, they showed their commitment to support Californians most in need by requiring counties to spend most of their MHSA funds on Community Services and Supports, including FSPs. CSS already comprises the largest share of MHSA spending, the majority of which the County must spend on Full-Service Partnerships through a "Whatever it takes" approach. Moreover, the non-FSP portions of CSS are intended to expand supportive services, such as transportation or vocational training, crisis intervention, and treatment.¹ It has proven to be an effective model that we support.

¹ Full Service Partnership is addressed in: California Code of Regulation, Title 9, Division 1, Chapter 14, Mental Health Services Act. Article 6. Community Services and Supports, 3620. Full Service Partnership Service Category. Subsection (c).

Simultaneously at passage, California voters expressed their strong commitment toward innovation across the full spectrum of need. They did this by mandating counties to spend 5% of MHSAs funds on innovative programs and tasked the Mental Health Services Oversight and Accountability Commission with its crucial review and approval role. With respect to Innovations, the MHSAs states that counties shall design and implement innovation projects with the intent of accomplishing one of the following:

1. Introduce a mental health practice or approach that is new to the overall mental health system, including, but not limited to, prevention and early intervention.
2. Make a change to an existing practice in the field of mental health, including but not limited to, application to a different population.
3. Apply to the mental health system a promising community-driven practice or approach that has been successful in non-mental health contexts or settings.²

Moreover, a mental health practice or approach that has already demonstrated its effectiveness is not eligible for funding as an innovative project, unless the County provides documentation about how and why it is adapting the practice or approach, consistent with the subdivision. " To be clear, there is already existing mental health literature on the effectiveness of Full-Service Partnerships.

- Los Angeles County's Mental Health Full Service Partnerships Yield Cost Savings. https://www.rand.org/pubs/research_briefs/RB10041.html.
- Mental Health Services Oversight and Accountability Commission's Statewide Full Service Partnership Outcomes Report: https://mhsoac.ca.gov/sites/default/files/documents/2016-04/OAC_072414_6A_Report%5B1%5D.pdf

SB 106 duplicates core provisions of innovations. The authors of the bill state that "County mental health programs shall not require approval from the Mental Health Services Oversight and Accountability Commission to expend funds for their innovative programs as required in subdivision (e) of Section 5830 if those funds are spent to establish or expand a program implementing a full-service partnership model" but that these programs must still comply with all requirements for innovative programs. The existing statute, however, already permits counties to make a change to an existing practice, like Full-Service Partnership.

Therefore, the author and sponsors of the bill are primarily aiming to reduce the Mental Health Services Oversight and Accountability Commission's approval authority. The MHSOAC is responsible for providing oversight of the MHSAs. However, data shows the overwhelming majority of Innovation proposals are approved by the Mental Health Services Oversight and

² 9 CCR § 3910, § 3910. Innovative Project General Requirements.

Accountability Commission. Therefore, the rationale for SB 106 is unsatisfactory. Though the INN funding stream may comprise a smaller share of the overall funding, it should not be altered to supplement other components of MHSA.

Another reason to preserve innovations is the impact of structural racism on mental health research and funding. For example, the National Institute of Mental Health (NIMH), the lead federal agency for research on mental health, recently found that Black people who apply for research funding with the Institute are less likely to receive the funding than White people. Even when controlling for educational background, publications, citations, research awards, and seniority research institutions and clearinghouses, which review the existing evidence on different programs, policies, and practices. These institutions continue to form policies and programs with only themselves in mind. To remedy this, the innovations component of MHSA allows counties and their partners to build new evidence for either a new mental health practice or adaptations of an existing practice. In Orange County, the district of Senator Umberg, the funding proposed to be redirected in SB 106 has previously supported critical innovation projects, including:

- Proactive On-site Engagement in the Collaborative Courts
- Religious Leaders Behavioral Health Training
- Access to Mobile/Cellular/Internet Devices in Improving Quality of Life
- Veteran Services for Military Families
- Developing Skill Sets for Independent Living
- Orange Early Psychosis Joint Program
- Orange Behavioral Health System Transformation

The authors of the bill also argue changes to the MHSA should be made in light of there being MHSA funds subject to reversion, defined as those funds that must revert to the state for reallocation funds allocated to a county in the case they have not been spent within three years.³ Specifically, the authors of the bill state that "A 2017 report by the California State Auditor found that at the end of the 2015-2016 fiscal year, a whopping \$146 million went unspent." However, counties have made significant strides in spending MHSA funds in the last several years, since 2017. In looking at the most up-to-date information on Innovations funds subject to reversion, it was slightly less than \$2 million in 2018, while it was \$112,000 in INN funds in 2019.⁴

In closing, the undersigned organizations are opposed to SB 106, and in no way does SB 106 "further the intent of MHSA" but is instead contradictory to the very reason why the Innovation component of the MHSA exists.

Sincerely,

³ WIC Section 5892(h)

⁴ [1617 Statewide Reversion Report 10-1-2020 \(ca.gov\)](#); [1516 Statewide Reversion Report 10-1-2019 \(ca.gov\)](#)

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