



May 19, 2021

The Honorable Nancy Skinner
Chair, Senate Budget Committee

The Honorable Susan Eggman
Chair, Senate Budget Subcommittee #3
– Health and Human Services

The Honorable Philip Ting
Chair, Assembly Budget Committee

The Honorable Dr. Joaquin Arambula
Chair, Assembly Budget Subcommittee #1 –
Health and Human Services

RE: One-Time Allocation of \$4.7 Million for establishing a Peer Support Specialist Certification Program in Medi-Cal and Drawing Down Millions in Federal Matching Funds

Dear Honorable Members:

Last year, the Legislature passed, and the Governor signed Senate Bill (SB) 803 (Chapter 150, Statutes of 2020), a bill co-sponsored by the California Association of Mental Health Peer Run Organizations, the County Behavioral Health Directors Association of California, the County of Los Angeles, and The Steinberg Institute; and supported by all the undersigned organizations. SB 803 established a peer support specialist certification program for behavioral health services allowing certified peers to become Medi-Cal billable providers and adds peer support services as a Medi-Cal covered benefit for counties that choose to provide this important service.

Peer support is an evidence-based, cost-effective model of care proven to reduce costly hospitalizations and homelessness, increase participation in treatment, and improve service experience for adults and youth. Peer support specialists, people who self-identify as having lived experience of a mental health and or substance use condition, use their lived experience along with skills learned in formal training to assist others in their recovery from mental illness or a substance use disorder. Forty-eight states recognize their value and have a certification process in place or in development. These 48 states already enjoy the significant cost savings peers deliver.

Peer Support Specialists Save States Millions: Through the utilization of peers, Pierce County, Washington reduced involuntary hospitalizations by 32% in a single year.¹ In 2006, the Georgia Department of Behavioral Health and Developmental Disabilities compared consumers using certified peer specialists as a part of their treatment verses consumers who received the non-peer mental health services in day treatment. Certified peer specialists cost the state on average per year \$997 versus the average cost of \$6491 in day treatment – a more than \$5,000 annual savings per person per year.²

¹ New York Association of Psychiatric Rehabilitation Services, “Cost Effectiveness of Using Peers as Providers” (May 2013)

² Fricks PowerPoint presentation at the SAMHSA National Mental Health Block Grant and Data Conference 2007

In Texas, one long-term study focusing on substance use disorder peer specialists, also called recovery coaches, found healthcare utilization dropped after 12 months of recovery coaching:

- Outpatient visits dropped to 815 visits from 4118 at enrollment
- Inpatient care days dropped to 1117 days from 9082 at enrollment
- Emergency room visits dropped to 146 from 426 at enrollment

In total, recovery coaching saved \$3,422,632 in healthcare costs, representing a 72% reduction in costs over 12 months, according to the Texas Health and Human Services Agency.

Peer Support Specialists Represent a Critical Response to COVID 19: Certifying peer support specialists to provide peer support services in Medi-Cal is more important than ever with the COVID-19 pandemic and subsequent economic downturn wreaking havoc on the mental health of all Californians. Nearly 11% of American adults seriously considered suicide this June, according to CDC data. The June CDC data also showed 30.9% of survey participants reported symptoms of an anxiety or a depressive disorder, 25.3% reported a traumatic or stressor-related disorder, and 13.3% said they were using substances to cope with the pandemic's stressors. The number of deaths due to overdose is increasing at alarming rates during the pandemic. In San Francisco, the death rate from overdose has surpassed the rate of death from COVID 19.

The sharp rise in behavioral health disorders triggered by COVID-19 is likely to linger long after the end of the pandemic itself, thus highlighting the need for an effective, comprehensive, and economically viable behavioral health care response. SB 803 is a critical component of that response.

Peer support specialists are a workforce that mirror the cultural and linguistic diversity of communities they serve and have personal lived experience in successfully navigating their own behavioral health crises and training to help and support others on the path to recovery. The ability of peers to connect with those in need and exemplify the path to wellbeing is vital in the aftermath of the pandemic.

Peer support specialist certification is conducted at the state level in other states; however, in California raising up this critical workforce within Medi-Cal will be the responsibility of counties. SB 803 requests that the state fund the startup costs to implement this section with ongoing costs covered by fees and available federal match. The state's one-time contribution of \$4.7 million and available federal match, to be spent over 2 years, will allow an entity representing counties to lift up a statewide peer specialist certification program.

This one-time contribution will result in millions of federal funds becoming available annually by adding peer support specialists as Medi-Cal billable providers and adding cost-effective peer support services as Medi-Cal billable services.

For all these reasons, the following organizations urge your support for this budget initiative.

Sincerely

California Association of Mental Health Peer Run Organizations
County Behavioral Health Directors Association of California
County of Los Angeles
The Steinberg Institute
Access California
California Alliance of Child and Family Services
California Association of Alcohol and Drug Program Executives
California Association of Local Behavioral Health Boards and Commissions
California Association of Marriage and Family Therapists
California Association of Social Rehabilitation Agencies
California Behavioral Health Planning Council
California Consortium of Addiction Programs and Professionals
California Council of Community Behavioral Health Agencies
Cal Voices
Children NOW
Mental Health America of California
National Alliance on Mental Illness - California
National Association of Social Workers, California Chapter
Peers Envisioning & Engaging in Recovery Services
Psychiatric Physicians' Alliance of California
Seneca Family of Agencies
United Parents
Western Center on Law and Poverty

cc: Honorable Members, Senate Budget Subcommittee No. 3
Honorable Members, Assembly Budget Subcommittee No. 1
Dr. Mark Ghaly, Secretary, California Health and Human Services Agency (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
Sonal Patel, Finance 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