

Executive Summary

MHSA BACKGROUND

In November 2004, California voters passed Proposition 63, also known as the Mental Health Services Act (MHSA). The Act implements a 1% state tax on personal income over \$1 million and emphasizes transforming the mental health system to improve the quality of life for individuals living with a serious behavioral health condition and their families. With MHSA, Mental Health Plans ensure that key community stakeholders have the opportunity to provide input into program development, implementation, evaluation, finance and policy resulting in public behavioral health programs that have been tailored to meet the needs of diverse individuals, families, and communities across California. As a result, local communities and their residents are experiencing the benefits of expanded and improved mental health services.

Since the inception of MHSA, Orange County Health Care Agency, Mental Health and Recovery Services (MHRS) has used a comprehensive stakeholder engagement process to develop local MHSA programs that range from prevention and crisis services, through an expanded continuum of outpatient services, to crisis residential care. Central to the development and implementation of all programs is the focus on community collaboration; cultural competence; consumer and family-driven services; service integration for consumers and families; prioritization of serving the unserved and underserved; and a focus on the importance of mental wellness, recovery and resilience. The current array of services was developed incrementally, starting with the planning efforts of stakeholders in 2005 and continuing to present day.

This Executive Summary contains a synopsis of planned changes being proposed in Orange County's new MHSA Three-Year Program and Expenditure Plan for Fiscal Years 2023-24, 2024-25, and 2025-26. Included in this new MHSA Three-Year Plan, is a comprehensive overview of the Community Program Planning process (CPP), detailed program descriptions including target populations, budget projections, data, and supporting documentation in the Appendices.

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MHSA Components and Funding

To further define the use of this categorical funding, MHSA is broken down into six components, each identifying a targeted population and/or use. The PEI and CSS components provide direct services. The descriptions below also provide an estimate of the cumulative number of individuals to be served across the three-year timeframe of the plan:

- Prevention and Early Intervention (PEI): PEI is intended to provide supports or interventions as early as possible to prevent a mental health condition from becoming severe and disabling. The majority of PEI must be directed toward children and youth aged 25 and under and their families/caregivers. Approximately 230,000 individuals are expected participate in a PEI service over the three-year period. This number does not include the anticipated numbers of people that may contact the OC LINKS call center or be exposed to large scale campaigns.
- Community Services and Supports (CSS): This component provides programs and services geared toward individuals living with serious mental illness, including an allowance for MHSA Housing and a requirement that half of the funds be directed to support intensive outpatient wraparound services via Full Service Partnership programs. It is anticipated that over 94,000 individuals will benefit from a CSS program over the three year period of time.
- Innovation (INN): Innovation is intended to allow the testing and evaluation of new and/or changed practices or strategies in the field of mental health. This short term, learning focused projects, strive to improve an aspect of the public behavioral health system.
- Workforce Education and Training (WET): Qualified and competent staff are an essential ingredient to the success of MHSA. WET supports the recruitment, training, development, and retention of public behavioral health employees.
- Capital Facilities and Technological Needs (CFTN): CFTN further supports the infrastructure of the public behavioral health system through funding that helps modernize data and information systems and provide funds to build out space to provide MHSA mental health services.
- Community Program Planning (CPP): MHSA requires meaningful stakeholder engagement in the development, implementation, and analysis of MHSA programs. The stakeholder process establishes the path for continuous

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communication between HCA and stakeholders to allow for real time adjustments and quality improvement. A complete overview of the CPP activities that occurred for the development of this plan can be reviewed in its entirety in the Community Program Planning Section.

Regulations provide large counties three years to spend their annual MHSA allocation. After the three-year period, funds revert to the state for redistribution. The values and available funding amounts proposed in the Three-Year Plan are determined through a budget “true up” process, which helps to identify available funds. The fiscal review includes a detailed process of aligning existing component program budgets more closely with actual program expenditures from the most recent fiscal years. The annual budget “true up” allows MHRS to identify cost savings for programs that could be utilized to cover costs of other programs within the same MHSA component. In addition, the MHSA Administrative team, MHRS Finance, and representation from the County CEO office, meet quarterly with a state Financial Consultant to closely monitor three years of MHSA projections, and explore additional state initiatives and legislation changes that could potentially impact MHSA funding. Each quarter, a summary of projections is presented at the OC Behavioral Health Advisory Board Community Meetings. Finally, MHRS managers, fiscal leadership, and the MHSA Administrative team met regularly during Fiscal Year 2022-23 to coordinate and evaluate program development progress, budgets, expenditures, and proposed plans. An overview of the proposed three-year funding level for each component is provided in the table below.

It is noted that these draft Component budgets and values are based on projections and not actual funds received. MHSA funds have historically been volatile and subject to change. Based on the information available at the time of this report, an overall increase in funding for the three-year plan timeframe is anticipated. Based on the projections, the plan reflects program expansions in five components.

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Overview of Proposed Funding to Serve Over 100,000 Individuals per Year

Component	FY 23-24	FY 24-25	FY 25-26	Total
Prevention & Early Intervention	\$76,779,363	\$82,273,482	\$77,753,250	\$236,806,095
Community Services & Supports	\$228,994,278	\$257,467,229	\$259,181,497	\$745,643,004
Innovation	\$9,848,003	\$7,323,668	\$4,255,557	\$21,427,228
WET	\$7,504,623	\$8,758,368	\$8,787,501	\$25,050,493
Capital Facilities	\$20,901,030	\$21,401,488	\$23,091,028	\$65,393,546
Total	\$344,027,297	\$377,224,235	\$373,068,833	\$1,094,320,365

MHSA Fiscal Year 2023-24, 2024—25, and 2025-26, Proposed Three-Year Program Plan and Expenditure Changes

The Three-Year Plan was developed based on stakeholder input received through the community program planning process, legislative changes, state policy updates, and with consideration of Orange Counties local initiatives.

Many programs contained within the draft Three Year Plan component are proposed for expansion to meet the needs of residents and to keep up with the increased costs of doing business.

Highlights of newly proposed programs or updates contained in the plan include:

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Community Services and Supports

- The development of a new Community Assistance, Recovery, and Empowerment (CARE) Full Service Partnership (FSP). Orange County is part of a first cohort required to implement the Community Assistance, Recovery, and Empowerment (CARE) Act under SB 1338. The CARE Act creates a pathway to deliver mental health and substance use disorder services to the most severely impaired Orange County residents who may be homeless/at-risk or frequently incarcerated due to their untreated behavioral health condition. The Full Service Partnership will work collaboratively with the Civic Court System to serve individuals deemed eligible, as they are at-risk of civic commitment/committed and are living with a qualifying diagnosis. The CARE FSP is not for everyone experiencing mental illness and focuses on individuals living with schizophrenia spectrum or other psychotic disorders who meet the specific criteria.
- Veteran's services were identified as a priority population that continues to be the subject of discussion in community planning meetings, including housing support. At this time, we continue to pursue establishing a Veterans FSP, creating support for Veterans through animal/pet care, and additional programming is proposed to expand services for Veterans.
- A significant expansion of Children's services is proposed for this three-year period. This includes expansion of Full Service Partnership to additional areas of the County and establishing a Family Full Service Partnership (FSP) in years two and three of the Plan. The Family FSP will provide services beyond the familial supports typically provided in a Children's FSP to be able to provide mental health services to other family members and not just the identified individual. In addition, outpatient Children and Youth Clinical Services will expand to include a strengthening of both contract and County clinical operations across the county.
- Housing and Homeless Services continues to be identified as a priority. HCA plans to invest additional MHSA funding to continue to support housing projects that are currently in process and to invest in the development of 100 more Permanent Supportive Housing units over years 2 and 3 of the Plan. This investment includes provisions for the establishment of Capitalized Operations Subsidy Reserves to cover potential or projected operating deficits over a defined period of time.

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Prevention and Early Intervention

- Several PEI component programs with similar scopes of work have been consolidated to form two “new” programs, the Prevention Services and Supports for Families and the Prevention Services and Supports for Youth programs.
- As California continues with the implementation of an updated and redesigned public healthcare service infrastructure, planning with system partners has become paramount to future success. With that, HCA, CalOptima, and Orange County Department of Education and a Superintendents Mental Health Workgroup are engaged in the collaborative work of designing a systems approach to increasing access to mental health services for children and youth. Updated regulations allow for schools to act as providers for CalOptima to be reimbursed for certain mental health services delivered by qualified school staff in school settings. This paradigm shift may allow for a shift in the MHSA investment. More information about this initiative can be reviewed in the Summary of Program Changes section of this Plan.
- Stakeholder feedback coupled with a review of utilization data resulted in the development of the new proposed Infant and Early Childhood Continuum of Care program. This new program will build on existing resources and establish a continuum of services for young children (aged 0-8) that includes a coordinated system to work across multiple agencies, partners, and communities to meet the needs of very young children and their families. System partners that serve this underserved age group are dedicated to working together to identify and fill gaps in infant and young child serving systems. Details of this new program will continue to be developed through this collaborative process and will be included in future updates.

Workforce Education and Training

- As California and the nation continue to experience a workforce shortage, the recruitment and retention of well trained and competent employees is critical. The plan proposes to expand the Internship Program and establish a new employee internship program. Providing internship opportunities is a proven way to increase the number of people working at MHRS and in contract agencies in the behavioral health professions. This action describes plans

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to increase internships within MHRS as well as coordinate Intern Programs with contracted agencies and allow interns from those agencies to attend group supervision sessions conducted by MHRS.

- MHRS has identified a need to implement a leadership development program for staff and staff of contract agencies. Through this program, MHRS will develop leaders from existing staff, begin succession planning for future leadership of MHRS, begin to make leadership-based assignments, and build leadership into supervisory training.
- MHRS will establish a new Training and Technical Assistance program, Health and Wellness Coaches (HWCs). HWCs utilize integrative approaches with clients to support wellness and improve health and well-being and support clients to engage in behaviors that have been proven to improve health and prevent disease including fitness, nutrition, stress coping, sleep, mind-body wellness, and positive psychology interventions. MHRS proposes to train staff, contracted provider agency staff, and others that interact with behavioral health clients to become Health and Wellness Coaches. Health and Wellness Coaches are not required to have advanced degrees, thus, allowing staff to benefit from this quality training and supporting MHRS and providers the ability to up-train individuals already working in underserved settings.

Capital Facilities and Technological Needs

- MHRS continues to support the development of improved data systems, network infrastructure and supports through use of the CFTN funding transfer. In effort to keep up with demands and develop needed infrastructure, MHRS has actively pursued grant funding to expand clinical operations in underserved areas of the County. Some grants require a non-federal match and other awards may not cover full building costs. CFTN dollars may potentially be used to make projects whole. MHSA program services or administration is required to be provided in spaces where CFTN dollars have been utilized.