



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 21-694

Board Meeting Date: 9/14/2021

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise F. Rogers, Chief, San Mateo County Health
Scott Gilman, Director, Behavioral Health and Recovery Services

Subject: San Mateo County Mental Health Services Act Annual Update FY 2021-22

RECOMMENDATION:

Adopt a resolution authorizing the approval and submission of the San Mateo County Mental Health Services Act Annual Update FY 2021-22 to the State Mental Health Services Oversight and Accountability Commission and the Department of Health Care Services.

BACKGROUND:

In 2004, California voters passed Proposition 63, known as the Mental Health Services Act (MHSA), which made additional state funds available to expand and transform mental health services. Since 2006, MHSA resources and expenditures have been approved by the Board as part of the larger County Health budget. State legislation requires that the MHSA Annual Updates be approved by the County's Board of Supervisors. The Mental Health and Substance Abuse Recovery Commission (MHSARC) held a public hearing and voted to close a 30-day public comment on July 7, 2021 and is recommending approval of the MHSA Annual Update FY 2021-22 by your Board.

On August 4, 2020, your Board approved the MHSA Three-Year Program and Expenditure Plan for FY 2020-23 and Annual Update FY 2020-21.

DISCUSSION:

The MHSA Annual Update is intended to describe any changes to the programs and expenditures plans as was submitted in the MHSA Three-Year Plan.

Last year, the State budget projection included a decrease in MHSA revenues due to the COVID-19 pandemic. Given this uncertainty, our MHSA programs and expenditures for FY 2020-21 remained status quo and stakeholders identified and prioritized "housing for individuals living with mental health challenges" as a topic area to engage in deeper strategic planning and to develop recommendations for when revenues increase.

Actual revenue received in FY 2020-21 and future projections for MHSA came in higher than anticipated, which allowed for the following three key updates to the MHSA Three-Year Plan:

1. Housing Initiative Taskforce Funding Recommendations

Between March and May 2021, a Housing Initiative Taskforce was convened to define a housing continuum for individuals living with mental illness, identify housing gaps and recommend activities to fund in order to address prioritized housing-related outcomes. The taskforce members included 30 diverse stakeholders representing clients, family members, community-based behavioral health service providers and County departments including Behavioral Health and Recovery Services (BHRS), Aging and Adult Services, San Mateo Medical Center, Human Services Agency and the Department of Housing. MHSA funding available for the Housing Initiative Taskforce were identified in the amount of \$2.2 million ongoing and \$12 million one-time.

The recommendations include a one-time allocation of \$10 million over two years to the Department of Housing for the development of supportive housing units for BHRS clients and other ongoing supports such as homeless outreach, housing locator services, peer outreach and field-based services to increase client housing retention. The full list of recommendations is included in the Annual Update.

2. Ongoing Budget Increases

There is a proposed \$13.1 million increase to the ongoing MHSA budget over the next two fiscal years. The increases to the ongoing budget are made up of: 1) \$2.6 million for new services recommended by the Housing Initiative Taskforce; 2) \$7.7 million to address existing BHRS systemic needs including programs at risk of losing current grants or other revenues; and 3) \$2.8 million for programs that were being sustained with MHSA one-time funds including the San Mateo County Pride Center, the Health Ambassador Program for Youth, Primary Care Interface, and the Neurosequential Model of Therapeutics program for the Adult System of Care.

3. One-Time Expenditure Plans

The COVID-19 pandemic impacted capacity to implement many of the projects identified in previously submitted One-Time Spend Plans. These have been updated, combined and extended through FY 2022-23 to allow for implementation of any remaining projects. Additionally, given higher than anticipated excess MHSA revenue in FY 2020-21, a new MHSA One-Time Plan was developed with stakeholder input, reviewed, and approved by the MHSARC. The One-Time Plan includes \$10.1 million in Housing Initiative Taskforce recommendations and \$1.6 million in COVID-19 related mental health surge needs.

The resolution has been reviewed and approved by County Counsel as to form.

A client is considered "maintained at the current or lower level of care" if, during the fiscal year, they did not have a new admission to a higher level of care or had one or more new admissions to a program with the same or lower level of care. It is projected that 85% of Full Service Partnership (FSP) clients shall be maintained at a current or lower level of care.

PERFORMANCE MEASURE:

Measure	FY 2020-21 Actual	FY 2021-22 Estimated
Percentage of FSP clients maintained at a current or lower level of care	84% 374 of 445 clients	85% 378 of 445 clients*

*Based on data through 7/8/2021

FISCAL IMPACT:

BHRS received \$33.1 million in MHSA funding in FY 2018-19 and \$31.8 million in FY 2019-20. FY 2019-20 is lower than FY 2018-19 is due to the COVID-19 related tax filing extension. We anticipate an increase in MHSA revenue for FY 2020-21 of \$48.5 million. Funds that are not yet allocated through our internal planning process or Request for Proposals to the community are held in a Trust Account. This account is also used to manage the fluctuations in funding that occur from year to year, as well as to support maintenance of effort and cost increases for current programs. There is no Net County Cost associated with this plan.