

Health & Human Services

**2020-21 Governor's Proposed Budget
Impacts to Programs**

New Vaping Tax

- Proposes new nicotine-based E-Cigarette tax
- 80% of high school teens who consume tobacco use vaping devices (State HHSA)
- Effective January 1, 2021
- Expected revenues (\$32 million) in initial year
- Administration seeks to implement a statewide ban on all flavored nicotine products as of January 1, 2021

Public Health

2020-21 Governor's Proposed
Budget

Adverse Childhood Experiences and Early Childhood Development

- Proposal for \$10 million in one-time GF for the development of an adverse childhood experiences cross-sector training program
 - Accredited by the Office of the Surgeon General
 - Statewide adverse childhood experiences public awareness campaign

Public Health

2020-21 Governor's Proposed
Budget

Department of Youth and Community Restoration

- Transition the Division of Juvenile Justice from the Department of Corrections & Rehabilitation to State HHSA as an independent department
- Alignment with the rehabilitative mission and core values of HHSA

Child Welfare

2020-21 Governor's Proposed
Budget

Continuum of Care Reform (CCR)

- Budget includes \$548.6 million (\$373 million GF) to continue CCR efforts, including:
 - Emphasis on home-based family care
 - Improved service delivery
 - Increased role of children and families in assessments and case planning
 - Greater coordination of child welfare and mental health services

Child Welfare

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Caseload and Overall Funding

- Budget proposes \$14.9 billion (\$5.2 billion GF) in FY 2020-21
- 4.6% avg. monthly caseload growth estimated in FY 2019-20: 4.6% in FY 2020-21
- Average monthly hours per case also continue to grow
- Average costs per hour are estimated to be \$15.53 in FY 2019-20 and \$16.57 in FY 2020-21

In-Home Support Services

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Mental Health Services Act (MHSA) Review

- Allowing MHSA funds for individuals with a primary substance use disorder diagnosis
- Suggests the MHSA focus on people with mental illness experiencing:
 - Homelessness
 - Involved in the criminal justice system
 - Early interventions for youth
- Development of proposed changes to the MHSA by spring 2020

Behavioral Health

2020-21 Governor's Proposed
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Behavioral Health Task Force – Mental Health Parity

- Review existing policies & programs to improve the quality of care
- Coordinate system transformation efforts - respond to impacts of mental illness and SUDS
- HHS, Dept of Managed Health Care & stakeholders to update and strengthen enforcement of behavioral health parity laws
 - Focus on timely access to treatment, network adequacy, benefit design, and plan requirements & policies

Behavioral Health

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Medi-Cal Healthier California for All (Previously CalAIM)

- Pursuing structural changes to the state's behavioral health payment system
- Revising the medical necessity standard in Medi-Cal
- Expanding statewide wraparound services - housing and social services
- California to submit a Medicaid Section Waiver for Sections 1915(b) & 1115 - implement the Medi-Cal Healthier California for All initiative (effective 1/1/21)

Behavioral Health

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Behavioral Health Infrastructure Investments

- \$45.1 million GF in FY 2020-21 and \$42 million in FY 2021-22 to counties for DHCS to implement a Behavioral Health Quality Improvement Program
- County-operated community mental health and substance use disorder systems
- Incentivize system & process changes to help counties prepare for the Medi-Cal Healthier California for All initiative

Behavioral Health

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Drug Medi-Cal Organized Delivery System (DMC-ODS)

- \$426 million (\$62.6 million GF) to support the Drug Medi-Cal Organized Delivery System (DMC-ODS). DMC-ODS will be included in California's 2020 waivers

Behavioral Health

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1. Establish the California Access to Housing and Services Fund

- Provide \$750 million in one-time GF
- Administered by CDSS
- Goal - to reduce homelessness by moving individuals and families into stable housing
- Provide performance-based contracts to regional administrators

Homelessness

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Planned uses of the Fund include:

- Short and long-term rental subsidies
- Small & medium-size contributions to encourage development of new units
- Stabilize board & care facilities by funding capital projects and/or operating subsidies
- Engage landlords to secure units and negotiate leases
- Provide tenancy support services
- Coordinate case management with counties for those receiving rental subsidies

Homelessness

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2. Identification of State-Owned Land

- Counties, cities, or non-profit agencies on an emergency basis to temporarily house the homeless
- State partnered with L.A., San Jose and S.F. to use highway underpasses & other Caltrans properties & state roads for temporary homeless housing
- Governor directed Caltrans to share a model template to expedite additional partnerships

Homelessness

2020-21 Governor's Proposed
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3. Makes available 100 camp trailers & modular tent structures for temporary housing to be coupled with delivery of health and social services

4. Root Causes of Homelessness Study

Discussion of State LAO's Report on Homelessness

Homelessness

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QUESTIONS?