

MHSA Flexibility to Respond to COVID-19

With an unprecedented situation continuing to unfold, all counties have focused on addressing COVID-19 and the new challenges in ensuring our clients can continue to access services. The Department of Health Care Services (DHCS) and the Mental Health Services Oversight and Accountability Commission (OAC) have been responsive partners in exploring solutions to the innumerable problems that have arisen. On behalf of our membership, CBHDA is requesting additional Mental Health Services Act (MHSA) solutions to support counties in responding to the challenges associated with COVID-19.

Requests for urgent assistance:

- As the current crisis continues and the impact on the economy becomes apparent, MHSA prudent reserves will be strained. Many counties will exhaust reserves in the upcoming months and need to make difficult choices. These choices are still more difficult because of the rigidity in MHSA funding allocations for different MHSA components. MHSA dictates funding levels for each component including:
 1. Community Services and Supports (CSS) - 76% of Revenue
 2. Prevention and Early Intervention (PEI) - 19% of Revenue
 3. Innovation (INN) - 5% of RevenueWithout flexibility in these funding requirements, a county may be required to expend MHSA funding to implement a new innovation program, while reducing services for CSS clients with serious mental illness.
 - CBHDA requests flexibility in distributing MHSA funds across different components to ensure core services for those with serious mental illness are maintained as MHSA resources become more scarce.
- Multiple MHSA deadlines related to funds subject to reversion are converging at the exact time the COVID-19 crisis hit. Counties are required to expend Assembly Bill (AB) 114 (Chapter 38, Statutes of 2017) reverted funds by July 1, 2020 and based on guidance issued in March 2019, counties are required to transfer any funds in excess of prudent reserve levels by June 30, 2020. Counties have been diligently working to meet these deadlines, but COVID-19 has impacted this situation in multiple ways, including the inability to secure mandated approvals. Many counties are complying with deadlines through changes in existing plans or in newly developed Three-Year Plans. Plans must be approved by a variety of entities and are subject to a local review process as outlined in CCR Section 3315. Many of the mandated approval processes are not available at this time and will take time to reschedule once the current state of emergency is lifted.
 - Because COVID-19 prevents counties from completing the mandated approval processes to meet these deadlines, CBHDA requests the state extend the deadlines on funds subject to reversion by 6-12 months after the state of emergency has been lifted.
- As county staff and contractors transition to telephone and telehealth services, Prevention and Early-Intervention (PEI) providers are unable to secure the comprehensive demographic information required by Sections 3560.010 and 3706(b) of Title 9 of the California Code of Regulations (CCR). Contractors and county staff want to continue to provide services but are unable to comply with these Sections at this time. Phone calls and video conferencing do not provide adequate opportunity to ensure completion of surveys and other tools used to document demographic information. Contractors and staff can document contacts and services to ensure accountability.
 - CBHDA requests the state waive demographic reporting requirements outlined in CCR Sections 3560.010 and 3706(b) or provide assurances that counties will not face adverse program

review/audit findings or any other penalty for not complying with these Sections while services are being delivered primarily via telephone or telehealth. Contractors and staff will continue to document contacts and services and report this information as required.

- Counties are using every resource at their disposal to combat COVID-19 and continue services for those in need. The financial strain is already evident as counties train staff and transition to new service delivery models. Counties are limited in their ability to use MHSAs funds to support the response to COVID-19 because changes in an existing MHSAs plan typically requires a 30 day comment period and a Performance Contract amendment. DHCS has the authority to amend a MHSAs Performance Contract if a county requests funding for a new program/service that was not part of the County's MHSAs Performance Contract, pursuant to CCR Section 3350. Under this Section, DHCS has the authority to allow this request for funding for a new program/service without requiring a county to submit an update to the Three-Year Plan.
 - To allow for timely county response to COVID-19, CBHDA request that DHCS allow counties to secure MHSAs funding for new programs or services to address COVID-19 challenges through a Performance Contract amendment without requiring a county to submit an update to the Three-Year Plan.
- As mentioned previously, to secure authorization to expend MHSAs resources, counties must comply with various requirements involving approval and reviews from other local stakeholders such as Boards of Supervisors and community members. Counties were in the process of finalizing Three-Year plans including securing the necessary approvals and reviews when California declared a state of emergency. Because of necessary public health initiatives including social distancing and stay at home orders, many counties are now unable to comply with all the requirements for a timely submission of their Three-Year Plan. Without an approved Three-Year Plan, complying with other requirements such as timely submission of Updates and Revenue and Expenditure Reports (RERs) are also impacted.
 - For counties unable to complete the requirements to submit their Three-Year Plan because of COVID-19 related circumstances, CBHDA requests DHCS and the OAC extend the deadline for the Three-Year Plan submission and Updates. These counties should be allowed to use their existing approved Three-Year Plan and Updates to expend MHSAs funds until a new plan can be approved.
 - CBHDA also requests extended deadlines for RER submissions, PEI and Innovation Reports and all other MHSAs reporting requirements impacted by the inability to secure an approved Three-Year plan or by staffing limitations associated with COVID-19 response.
 - CBHDA requests DHCS suspend requirements counties are unable to meet because of COVID-19, such as newly enacted requirements related to local mental health boards outlined in AB 1352 (Chapter 460, Chapter of 2019).
- According to discussions with DHCS, DHCS intends to suspend all MHSAs audits, data collection and data submission associated with MHSAs audits, and desk reviews. CBHDA strongly supports this decision and thanks DHCS for this action.