



UPDATED: May 16, 2020

To: CBHDA Members

From: CBHDA Staff

Subject: Governor Newsom's May Revise Proposed FY 2020-2021 State Budget

Governor Gavin Newsom released the Administration's May Revision to their proposed Fiscal Year (FY) 2020-21 State Budget this morning. The proposed budget allocates \$203.3 billion in total state spending--\$19 billion less than the Governor's January budget proposal--consisting of \$133.9 billion from the state General Fund (GF), \$63 billion from special funds and \$6 billion from bond funds.

The Governor's revised proposed budget reflects a stark contrast to January's anticipated budget surplus and the grim reality of the COVID-19 induced recession. The May Revise includes significant reductions and the use of federal COVID-19 relief fund to help address some of the costs of combating the pandemic.

The annual state budget process begins with the introduction of the Governor's proposed budget each January, proceeds through the legislative budget process over the next six months, and is finalized by June 30th, following the release of the Governor's May Revision in mid-May. Although we had heard the Administration would pass a baseline budget this June and revisit the FY 2020-21 budget in August, with significant reductions on the table, the May Revise represents a below the baseline budget for many sectors. Governor Gavin Newsom did state that budget reductions could be reinstated if the U.S. House sponsored \$3 trillion COVID-19 relief package passed on the federal level.

The proposals in the Governor's Budget are vetted through the budget process. CBHDA is active in advocating on behalf of county behavioral health directors on numerous budget issues. Below is a summary of significant budget items included in the May Revise. To review the Governor's May Revision state budget, visit <http://ebudget.ca.gov/>. Please do not hesitate to contact us with any questions you may have.

### **Overview of the May Revise Budget Proposal**

The unanticipated national recession from the COVID-19 pandemic demolished Governor Gavin Newsom's projected \$5.6 billion surplus in his \$222 billion budget proposal released this past January. At that time, California had been experiencing 118 months of continuous job growth with a historic 3.9% unemployment rate.

Since mid-March, the Employment Development Department estimates more than 4.4 million Californians, one out of every five California workers, have filed for state and federal unemployment benefits. California's unemployment rate is expected to peak at 24.5% in the second quarter of 2020. Unemployment insurance benefits (UIB) are estimated to cost \$43.8 billion for the 2020-21 fiscal year, which is 650% higher than the \$5.8 billion estimated in the Governor's January budget proposal. The UIB is primarily supported by federal funding, federal loans, and employer-based taxes.

The state General Fund's (GF) three main revenue sources (personal income tax, sales tax, corporation tax) are each expected to drop by more than 20% for the 2020-21 fiscal year. GF revenues are projected to decline by \$41 billion below Governor Newsom's January budget projections. Of the projected budget deficit totaling \$54.3 billion, \$13.4 billion of the budget deficit occurs in the current 2019-20 fiscal year while \$40.9 billion is projected for the 2020-21 budget year. The budget is projected to be balanced for the 2020-21 fiscal year; however, a structural out-year deficit will remain (more ongoing spending than anticipated revenues), increasing to \$16 billion by 2023-24.

The May Revision proposes to cancel proposed Medi-Cal expansions discussed in the January budget proposal, draw down state reserves, and reduce spending from the 2019 Budget Act. The proposals include:

- The state canceling \$6.1 billion in program expansions and reducing one-time expenditures in the 2019 Budget Act.
- The state withdrawing \$8.3 billion from the Budget Stabilization Account (Rainy Day Fund) and \$450 million from the Safety Net Reserve.
- California borrowing and transferring \$4.1 billion from special funds and temporarily suspending net operating losses and limiting the number of credits a taxpayer can use in any given year to generate new revenue in the amount of \$4.4 billion for FY 2020-21.
- The state securing a 10% pay reduction for all state staff, from the Governor to all departmental staff, and 5% organizational reduction for all departments.

The May Revision includes the use of the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act passed by Congress and signed by the President. The CARES Act allocated \$15.3 billion in Coronavirus Relief Funds (CRF) to state and local governments. CRFs directed \$9.5 billion to the state while cities and counties with populations over 500,000 received \$5.8 billion directly. The May Revision proposes the use of State CRFs as follows:

- \$4.4 billion for schools to address equity gaps due to school closures;
- \$3.8 billion to offset state costs in protecting public health and public safety;
- \$1.3 billion to counties for public health, **behavioral health** and other health and human services programs (county allocations are further in the document);
- \$450 million to cities for public safety and to support individuals experiencing homelessness.

As the stay-at-home orders and restrictions are gradually lifted across the state, a slow recovery is projected. The economic recovery from the COVID-19 recession is projected to be slightly faster than during the Great Recession.

## High Priority Behavioral Health Issues

### 1991 and 2011 Realignment

1991 and 2011 Realignment are funded through state sales tax and vehicle license fee revenues. These sources are projected to decline by 13% from 2018-19 to 2019-20. While realignment funding will rebound slightly in 2020-21, these amounts are still significantly lower than the base funding amount from 2018-19.

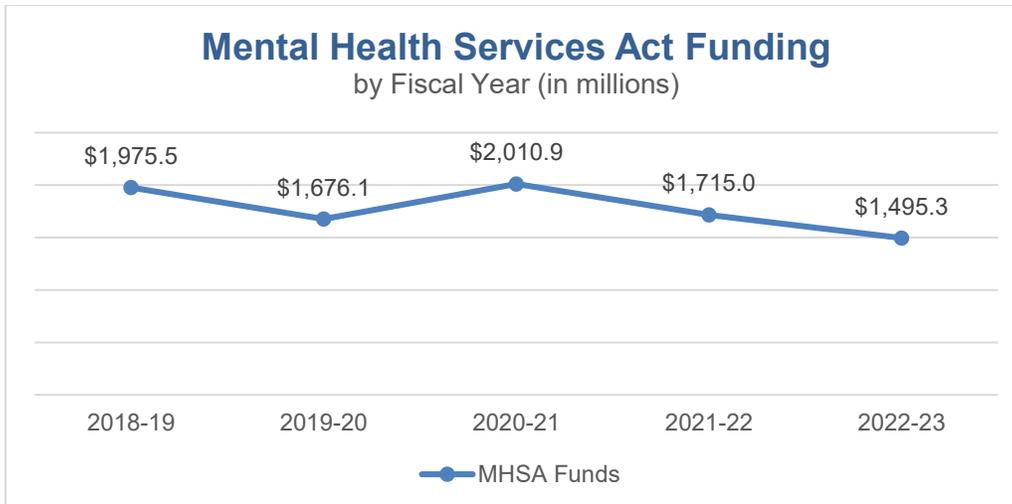
The chart below<sup>1</sup> forecasts the compounding impact of the economic downturn on the major funding sources for county behavioral health.

<b>Behavioral Health Estimated Funding</b> (Dollars in Millions)					
	18/19	19/20	20/21	21/22	22/23
1991 MH Realignment	\$1,270.7	\$1,134.6	\$1,134.6	\$1,134.6	\$1,134.6
2011 BH Realignment	\$1,483.2	\$1,250.2	\$1,278.5	\$1,322.9	\$1,383.7
MHSA	\$1,975.5	\$1,676.1	\$2,010.9	\$1,715.0	\$1,495.3
<b>Total</b>	<b>\$4,729.4</b>	<b>\$4,060.9</b>	<b>\$4,424.0</b>	<b>\$4,172.6</b>	<b>\$4,013.6</b>
Dollar Change		-\$668.52	\$363.15	-\$251.47	-\$158.97
Percent Change		-14.1%	8.9%	-5.7%	-3.8%

Federal matching funds (leveraged from the three funding sources outlined above) are the largest source of funding for county behavioral health. The impact of any reductions in Realignment or the Mental Health Services Act is compounded by the inability to secure federal match for any lost revenue.

County behavioral health will experience the greatest volatility in the second largest funding source for county behavioral health, the Mental Health Services Act. The volatility in this funding source includes the deferral of approximately \$300 million MHSA funds from FY 2019-20 to FY 2020-21. The MHSA increase in FY 2020-21 is solely due to this deferred payment.

<sup>1</sup> Chart prepared by Mike Geiss for CBHDA.



#### Mental Health Services Act (MHSA)

The graph above illustrates the anticipated decline in MHSA revenue. Additional cuts to MHSA may be included in budget detail yet to be released by the Administration.

Workforce, Education and Training (WET) 2020-25 Five-Year Plan – Last year’s budget included one-time \$35 million GF and one-time \$25 million MHSA state administration funds to implement the new 2020-25 WET Five-Year Plan. Annually, 5% of MHSA revenue is set aside for state administration purposes. The May Revision withdraws the \$20 million GF allocated last year and replaces it with an additional \$20 million from MHSA state administration funds.

Acknowledging the changed circumstances, the Administration did put on hold their plans for MHSA reforms outlined in the January Budget. The Governor’s January budget proposed to align MHSA funding with accountability for outcomes and services targeted at: youth and individuals with criminal justice involvement, or those at risk of or experiencing homelessness.

In response to challenges presented by the COVID-19 pandemic, CBHDA partnered with various MHSA stakeholders to develop a compromise on temporary MHSA flexibilities that assist county behavioral health agencies maximize the utility of MHSA resources in the changed COVID-19 influenced environment. CBHDA continues to advocate for the adoption of these flexibilities with the Administration and the Legislature.

#### California Advancing and Innovating Medi-Cal (CalAIM)

The May Revision proposes to delay implementation of the CalAIM initiative, resulting in a decrease of \$695 million (\$347.5 million GF) in 2020-21. In addition, the May Revision removes \$45.1 million GF in 2020-21 and \$42 million GF in 2021-22 in associated funding for the Behavioral Health Quality Improvement Program. The Behavioral Health Quality Improvement Program was to provide funding to county mental health and substance use disorder systems to incentivize system automation and process improvements to prepare counties for success in CalAIM.

## Reimbursement to the Federal Government for Claiming for Specialty Mental Health Services and Drug Medi-Cal

The Department of Health Care Services (DHCS) has discovered that it has been inappropriately claiming federal funds (FF) for ineligible beneficiaries across all Medi-Cal programs. California provides full-scope Medi-Cal services to qualified immigrants and other immigrant groups ineligible for federal matching funds for non-emergency services. For decades, DHCS claiming systems have mistakenly secured federal match for these populations. The state is required to return the federal funding to the federal government and is seeking to collect these federal funds for a certain number of years. DHCS has estimated the amount of funding that must be returned, the portion that is the responsibility of the counties, the portion that is the responsibility of the state.

The May Revision proposes for FY 2020-21, both state and counties' portions of the federal reimbursement will be paid with GF. In DHCS' budget estimate document, it states that counties are expected to reimburse the GF for their portion of the retroactive and ongoing claims adjustments beginning in FY 2021-22. The May Revision proposes \$148.5 million GF in 2020-21 for repayments. According to DHCS, the state will request counties begin repaying \$63 million in ineligible claims in FY 2021-22. The state is also seeking reimbursement from Medi-Cal managed care plans for a much larger proportion of funding. CBHDA will work with DHCS and Department of Finance to obtain additional details as quickly as possible.

## Behavioral Health Rates

The May Revision includes the waiver of the interim rate setting methodology for Specialty Mental Health, Drug Medi-Cal (DMC) and DMC-Organized Delivery System to provide temporary interim reimbursement. Due to COVID-19, there has been a significant decrease in utilization with certain outpatient services, resulting in increased costs per unit of service. In order to account for the higher cost per unit of service and help counties to continue to provide necessary behavioral health services during the pandemic and to maintain their existing provider networks, the May Revision proposes an increase of \$135.3 million (including county funds, \$13M GF and FF) in 2019-20 and \$77.7 million (including county funds, \$7.7M GF and FF) in 2020-21.

## Medi-Cal Postpartum Mental Health Expansion Eliminated

The May Revision proposes to eliminate the Postpartum Mental Health Expansion in Medi-Cal that was included in the Governor's proposed January Budget. This proposal eliminates \$45.8 million GF that was going to fund mental health services to post-partum individuals who were receiving health care coverage and who were diagnosed with a maternal mental health condition.

## Proposition 56 Supplemental Payments and Programs Reduced

The May Revision proposes to eliminate funding for various Proposition 56 supplemental payments and programs, effective July 1, 2020, and instead proposes to fund \$1.2 billion in growth in the Medi-Cal program, offsetting GF costs by the same amount. The list of supplemental payments and programs proposed to be reduced include eliminating the Behavioral Health Integration Program and reducing the Adverse Childhood Experience (ACEs) Screening and ACEs Provider Training.

## Current Year Budget Reversion of Funding for Counselors in Emergency Departments

The May Revision proposes to revert and reduce funding from the augmentation that was included in the 2019 Budget Act for funding for behavioral health counselors in emergency departments.

## Other Major Medi-Cal Proposals

The May Revision also includes the following major changes to the Medi-Cal program:

- Withdraws the January proposal to expand full-scope Medi-Cal to Undocumented Older Adults (\$59.2 million GF)
- Withdraws the January proposal to increase the income eligibility level for the Aged, Blind and Disabled category of individuals (\$67.7 million GF)
- Eliminates or modifies 13 optional services under Medi-Cal, including Screening, Brief Intervention, Referral to Treatments for Opioids and Other Drugs
- Eliminates the Community-Based Adult Services (CBAS) and Multipurpose Senior Services Program (MSSP) (\$106.8 million GF)
- Reduces managed care capitation rates for gross medical expenses for the period of July 1, 2019 through December 31, 2020 and other managed care rate adjustments and efficiencies (\$869 million GF and FF).
- Eliminates the Prospective Payment System carve-outs for Federally Qualified Health Centers and Rural Health Clinics resulting in \$100 million (\$50 million GF) savings.
- Shifts \$50 million of the County Medical Services Program (CMSP) reserves in each of the next four fiscal years to offset GF CalWORKs costs. The May Revision also proposes to restore the CMSP's annual allocation beginning in 2021-22.
- Freezes Medi-Cal County Administration cost of doing business increases, resulting in \$42.2 million (\$21.1 million GF) less than proposed in the January Governor's Budget.

As mentioned previously, Governor Gavin Newsom declared that budget reductions could be reinstated if the U.S. House sponsored \$3 trillion COVID-19 relief package passed on the federal level.

## **Homelessness and Behavioral Health**

The Governor's May Revision cuts the \$750 million for the California Access to Housing and Services Fund. The January proposal would have provided \$750 million to a local regional administrator for housing development, stabilizing board and cares, and rental subsidies for individuals experiencing homelessness or at risk of homelessness.

The Governor’s May Revision provides \$1.5 million GF ongoing and 10 permanent positions to the Homeless Coordinating and Financing Council to effectively carry out its statutory mandates and strengthen its strategic coordination of the state’s efforts to address homelessness.

**CARES Act Funding**

The Governor’s May Revision also proposes allocating \$1.3 billion to counties and \$450 million of federal CARES Act funding directly to local governments. The allocation amounts are below.

**Coronavirus Relief Fund Allocations  
Total by County and Selected Cities**  
(Dollars in Thousands)

Cities and Counties	Direct Allocations <sup>1/</sup>	State Allocations <sup>1/</sup>	Total Allocations	Cities and Counties	Direct Allocations <sup>1/</sup>	State Allocations <sup>1/</sup>	Total Allocations
Alameda County	\$291,634	\$38,577	\$330,211	Placer County	-	\$40,768	\$40,768
Alpine County	-	116	116	Plumas County	-	1,925	1,925
Amador County	-	4,069	4,069	Riverside County	431,091	57,024	488,115
Butte County	-	22,433	22,433	Sacramento County	181,199	25,210	206,409
Calaveras County	-	4,698	4,698	City of Sacramento	89,623	-	89,623
Colusa County	-	2,205	2,205	San Benito County	-	6,428	6,428
Contra Costa County	201,281	26,625	227,906	San Bernardino County	380,408	50,320	430,728
Del Norte County	-	2,847	2,847	San Diego County	334,062	54,224	388,286
El Dorado County	-	19,737	19,737	City of San Diego	248,451	-	248,451
Fresno County	81,580	16,228	97,808	City/County San Francisco	153,824	20,347	174,171
City of Fresno	92,756	-	92,756	San Joaquin County	132,989	17,592	150,581
Glenn County	-	2,906	2,906	San Luis Obispo County	-	28,976	28,976
Humboldt County	-	13,874	13,874	San Mateo County	133,761	17,694	151,455
Imperial County	-	18,547	18,547	Santa Barbara County	-	45,698	45,698
Inyo County	-	1,846	1,846	Santa Clara County	158,100	31,314	189,414
Kern County	157,078	20,778	177,856	City of San Jose	178,295	-	178,295
Kings County	-	15,653	15,653	Santa Cruz County	-	27,963	27,963
Lake County	-	6,590	6,590	Shasta County	-	18,431	18,431
Lassen County	-	3,129	3,129	Sierra County	-	308	308
Los Angeles County	1,057,341	163,064	1,220,405	Siskiyou County	-	4,456	4,456
City of Los Angeles	694,405	-	694,405	Solano County	-	45,815	45,815
Madera County	-	16,102	16,102	Sonoma County	-	50,594	50,594
Marin County	-	26,490	26,490	Stanislaus County	96,086	12,710	108,796
Mariposa County	-	1,761	1,761	Sutter County	-	9,925	9,925
Mendocino County	-	8,879	8,879	Tehama County	-	6,661	6,661
Merced County	-	28,420	28,420	Trinity County	-	1,257	1,257
Modoc County	-	905	905	Tulare County	-	47,714	47,714
Mono County	-	1,478	1,478	Tuolumne County	-	5,576	5,576
Monterey County	-	44,425	44,425	Ventura County	147,622	19,527	167,149
Napa County	-	14,098	14,098	Yolo County	-	22,568	22,568
Nevada County	-	10,210	10,210	Yuba County	-	8,052	8,052
Orange County	554,134	73,300	627,434	<b>Total</b>	<b>\$5,795,720</b>	<b>\$1,289,065</b>	<b>\$7,084,785</b>

<sup>1/</sup> Numbers may not tie due to rounding.

- Counties: The May Revision allocates \$1.3 billion of its CARES Act funding directly to counties based on population size to address the public health, behavioral health, and other health and human services needs that have arisen as a result of the COVID-19 pandemic.

- **Cities:** The May Revision supplements what the 6 largest cities received directly by providing \$450 million to all cities that did not receive a direct allocation. Of these recipients, cities with populations above 300,000 will receive a direct state allocation while all other cities will be provided funding through their counties. Recipient jurisdictions must spend these funds consistent with federal law and are advised to prioritize these dollars to supplement existing efforts by counties and Continuums of Care to address the impacts of COVID-19 on people experiencing homelessness, including but not limited to outreach and hygiene efforts, shelter and housing supports, public safety, and rental subsidies.

The funding is contingent on adherence to federal guidance and the state’s stay-at-home orders and will be released upon certification of both by jurisdictions.

## **Criminal Justice and Behavioral Health**

### California Department of Corrections and Rehabilitation

The Administration indicates if trends hold that the state would close one prison beginning in 2021-2022 and a second facility in 2022-23. The closures are estimated to result in a savings of \$100 million in 2021-2022, \$300 million in 2022-23 and \$400 million ongoing.

The Governor’s May Revision proposes cutting the Integrated Services for Mentally Ill Parolee Program saving \$8.1 million GF in 2020-2021 and \$16.3 million ongoing. The Department will adjust policies to connect these individuals with community resources, which ultimately provides better continuity of care long-term.

The Governor’s May Revision proposes to cut Parole Outpatient Clinics to eliminate redundancy in services and utilize services where the state receives financial participation from the federal government through Medi-Cal. The proposal retains Parole Outpatient Clinic psychiatrists to continue to meet emergency medication needs for parolees with mental illness. The proposal is expected to result in a savings of \$9.1 million GF in 2020-2021 and \$17.6 million ongoing.

With cuts to these two programs, it is highly anticipated that counties will be expected to serve these parolees. CBHDA intends to engage CDCR and the Administration over these proposed cuts.

### Department of State Hospitals-- Community Care Collaborative Pilot Program Eliminated

The Governor’s May Revision proposes cutting the January Community Care Collaborative Pilot Program for three counties, saving \$24.6 million GF in FY 20-21 and \$364.2 million over six years. The initiative was intended to develop community-based treatment options for individuals deemed Incompetent to Stand Trial (IST).

The Governor’s May Revision maintains investments in the department’s Conditional Release Program, of which the funding level is unclear at this time.

### Board of State and Community Corrections

The Governor's Budget stated the intent to strengthen the state's oversight of county jails. The Board will more actively engage counties regarding deficiencies identified as part of its inspections through its public board meeting process and to the extent resources allow, conduct more frequent follow-up inspections. The Board will also provide additional technical assistance to those counties where issues are identified. Also, as part of the Title 15 jail standards review, the Board will make sure the standards are consistent with national best practices.

Absent federal funds, the Adult Reentry Grant will be cut which provides \$37 million for competitive awards to community-based organizations to support offenders formerly incarcerated in state prison.

### Proposition 47 Savings

The May Revision anticipates \$102.9 million GF net savings from Proposition 47, reflecting a decrease of \$19.6 million from the Governor's January Budget. These funds will be allocated according to formula in the initiative which require 65 percent to be allocated for grants to public agencies to support recidivism reduction programs including mental health and substance use disorder services.

### Realignment of Division of Juvenile Justice

The May Revision proposes to transfer the responsibility of all youth offenders to local jurisdictions. The May Revision proposes to stop intake of new juvenile offenders effective January 1, 2021 and begin the closure of all three state facilities and the fire camp through attrition.

The current local juvenile hall and camp and ranches average daily population is about 3,600 and their rated capacity is about 11,200. The May Revision includes \$2.4 million GF in 2020-21, increases to \$9.6 million to be awarded as competitive grants by the BSCC to county probation departments to meet treatment needs of youth throughout the juvenile justice system.

## **Children/Youth and Behavioral Health**

### Department of Social Services (CDSS)

The May Revision includes \$32.1 billion (\$13 billion GF) for CDSS programs in 2020-21.

### CDSS - Children's Programs

Child Welfare Services include family support and maltreatment prevention services, child protective services, foster care services, and permanency programs. California's child welfare system provides a continuum of services for children who are either at risk of, or have suffered, abuse, neglect, or exploitation.

The May Revision includes \$506.1 million GF in 2020-21 for these programs which is a decrease of \$90.5 million GF since the Governor's January proposed budget. When federal, state, 1991 Realignment, and 2011 Realignment funds are included, total funding for children's programs is over \$6.7 billion in 2020-21.

- Eliminates Foster Family Agencies Rate Increases - The May Revision eliminates FFA Social Worker rate increases. This proposal results in a savings of \$4.8 million GF in 2020-21.
- Elimination of Family Urgent Response System (FURS) – Legislation and funds appropriated last year authorized the California Department of Social Services to develop FURS. FURS is designed to provide 24/7 trauma-informed support to current and former foster youth and their caregivers through a statewide hotline and county mobile response systems. The May Revision eliminates FURS. This proposal results in a savings of \$30 million SFG in 2020-21.
- Reduction in Continuum of Care Reform (CCR) Rates - The May Revision includes reduction in CCR STRTP provider payment rates of 5%. It also assumes the suspension of additional level of care rates 2 through 4 and would result in a savings of \$28.8 million GF in 2020-21.

### Department of Early Childhood Development

The May Revision proposes to transfer childcare programs to CDSS. This will align all childcare programs within a single department in state government and will ease the administration of collective bargaining commencing later this year. The May Revision maintains \$2 million GF in 2020-21 to support this transition.

### K-12 Education

The May Revision proposes a one-time investment of \$4.4 billion (\$4 billion federal Coronavirus Relief Fund and \$355 million federal Governor’s Emergency Education Relief Fund) to local educational agencies to address learning loss related to COVID-19 school closures. Funds may be used for providing additional academic services for pupils, including:

- Diagnostic assessments of student learning needs
- Intensive instruction for addressing gaps in core academic skills
- Devices and connectivity for the provision of in-classroom and distance learning
- *Provision of health, counseling or mental health services*
- Professional development opportunities to help teachers and parents support pupils in distance-learning context
- Access to school breakfast and lunch programs
- *Programs to address student trauma and social-emotional learning*

California received \$1.6 billion in federal Elementary and Secondary School Emergency Relief funds. Of this amount, \$1.5 billion will be allocated to local educational agencies and the remaining \$164.7 million is available for COVID-19 related state-level activities. The May Revision proposes to allocate these funds in the following manner:

- \$100 million for grants to county offices of education for developing networks of community schools and coordinating health, mental health, and social service supports for high-needs students.
- \$63.2 million for training and professional development for teachers, administrators, and other school personnel, focused on mitigating opportunity gaps and providing enhanced equity in learning opportunities addressing trauma-related health and mental health barriers to learning, and developing strategies to support necessary changes in the educational program, such as implementing distance learning and social distancing.

### Mental Health Services for Veterans

The May Revision includes \$1.1 million GF in 2020-21 and \$2.1 million ongoing to improve behavioral health services at the veterans homes by standardizing mental health support staffing. This reflects a six-month delay in the implementation of this Governor’s Budget proposal, resulting in a decrease of \$1.1 million GF in 2020-21.

### Department of Developmental Services

The Governor’s May Revision removes the January Proposal for the Systemic, Therapeutic, Assessment, Resources and Treatment Training which would have provided training and supportive services for individuals with co-occurring developmental disabilities and mental health needs. This results in a savings of \$2.6 million GF in 2020-2021.

## **HEROES Act**

According to Governor Newsom, the many reductions proposed in the May Revise are contingent on whether Congress and the federal Administration pass the Health and Economic Recovery Omnibus Emergency Solutions Act (HEROES Act) (H.R. 6800) – a \$3 trillion package to provide additional coronavirus relief. If California secures relief through the passage of the HEROES Act, programs proposed to be reduced in the May Revise will, instead, be protected.

The HEROES Act package includes:

Provider Relief Fund – \$100 billion in grants for hospital and health care providers to be reimbursed for health care related expenses or lost revenue directly attributable to the public health emergency, as well \$75 billion for testing, contact tracing, and other activities.

Coronavirus Relief Fund – \$500 billion to states, \$375 billion to localities, \$20 billion to territories, and \$20 billion to tribes.

Medicaid – Increases the Federal Medical Assistance Percentage (FMAP) payments to state Medicaid programs by 14 percent through June 30, 2021; increases Medicaid disproportionate share hospital (DSH) payments by 2.5 percent; and increases federal payments for the Medicaid home- and community-based services (HCBS) benefit by 10 percent.

Substance Abuse and Mental Health Services Administration – Provides \$3 billion to SAMHSA, including: \$1.5 billion for the Substance Abuse Prevention and Treatment Block Grant; \$1 billion for the Community Mental Health Services Block Grant; \$265 million for emergency response grants to address immediate behavioral health needs as a result of COVID-19; \$100 million for services to homeless individuals; and \$100 million for Project AWARE to identify students and connect them with mental health services.

Broadband – \$2 billion for a temporary expansion of the FCC’s Rural Health Care Program (RHCP) to partially subsidize their health care providers’ broadband service.

Heroes Fund – \$190 billion to the Heroes Fund which would be administered by the Department of Treasury and provide premium pay to essential workers.