

STATE BUDGET GENERAL MAJOR HIGHLIGHTS

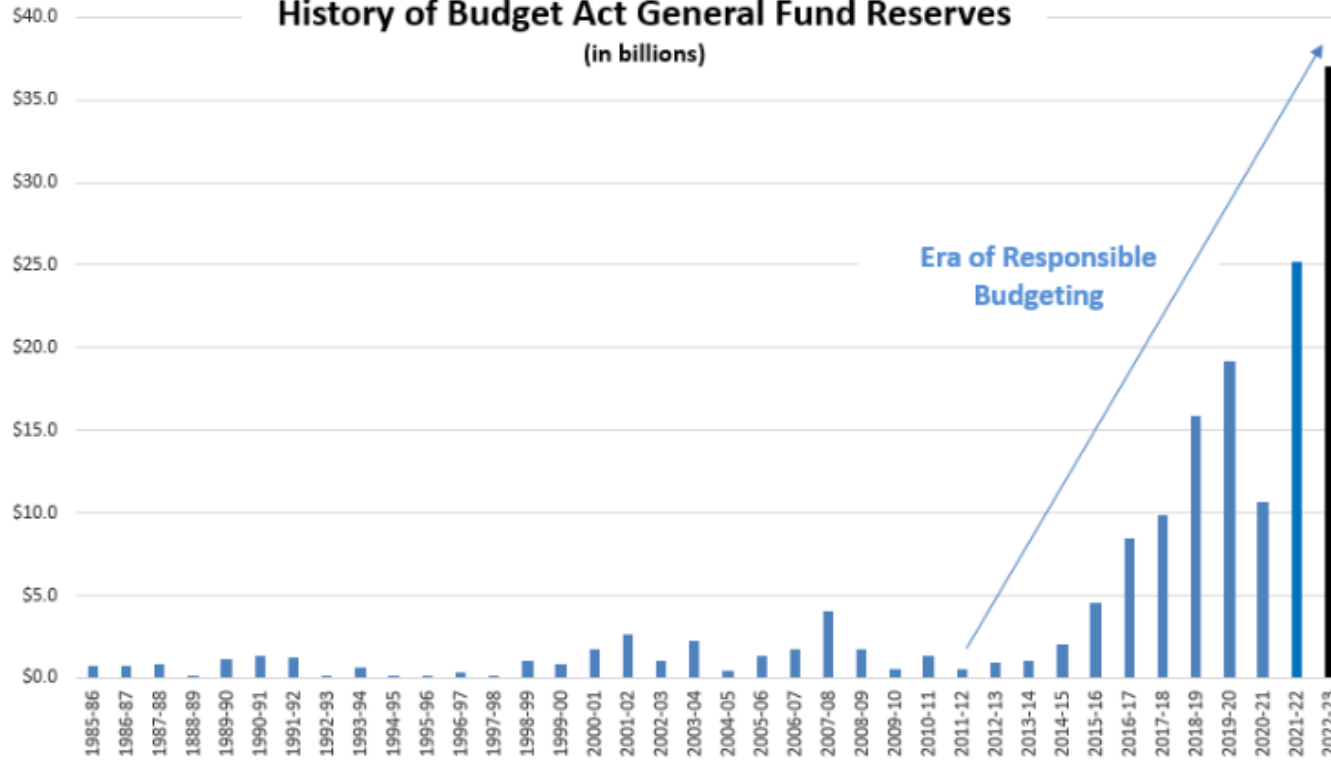
- \$300 billion state budget – largest in state history
- Meets Gann Limit requirements with a focus on one-time funding for infrastructure investments & taxpayer rebates
 - Initial estimates indicate the state is aprx. \$11 billion under the Gann Limit for both FY 2021-22 and FY 2022-23
- 92% of funding in this year's budget is one time
- Emphasis on reserves for the State for coming recession

Budget Act of 2022

Continues Responsible Budgeting Practices

History of Budget Act General Fund Reserves

(in billions)



Era of Responsible Budgeting

GENERAL MAJOR HIGHLIGHTS

- School funding increase via prop 98 puts CA in top 10 states in the US
- Inflationary relief for Californians of \$9.5 billion in tax rebates based on household income
- Increased support for the social safety net
 - Provides \$150 million to speed up SSI/SSP grant increases
 - Includes additional limited term operating subsidies of \$55 million for Board & Care Facilities providing critical support for SSI supported clients
 - Includes funding to increase CalWORKs grants levels by 21% beginning Oct. 1, 2022
 - Provides \$550 million additional GF support for broadband infrastructure

KEY BEHAVIORAL HEALTH INVESTMENTS

- \$1.5 billion over 2 years for Behavioral Health Bridge Housing to provide immediate, clinically enhanced bridge housing solutions with partial implementation via county allocation in addition to a competitive grant process
- Rejects the Governor's proposed 63% increase on residential & outpatient SUD treatment facilities & instead backfills program costs with GF funding
- Continues funding from opioid settlement, funds for workforce & establishes state fund
- Permits DHCS to elect to seek approval for the IMD Demonstration Project
- Includes provision to create Qualifying Community-Based Mobile Crisis Intervention Services

KEY BEHAVIORAL HEALTH INVESTMENTS

- Requires DHCS to seek federal approval to provide Medi-Cal coverage for community-based mobile crisis intervention services
 - Includes those that are furnished by a multidisciplinary mobile crisis team
 - Requires DHCS to consult with interested stakeholders regarding regulations
- Requires DHCS to establish requirements for the receipt of the services by eligible Medi-Cal beneficiaries and for authorized service providers., and to oversee & enforce guidelines.
 - Authorizes these provisions to be implemented by Jan. 1, 2023
 - Will last up to the end of the 5 year period specified under federal law
 - Subject to the receipt of federal approvals and availability for financial participation

KEY BEHAVIORAL HEALTH INVESTMENTS

- CARE Court placeholder funding items contingent on related legislation. Significant policy provisions remain unresolved, such as a deliberative phase-in schedule for counties, housing access and availability for participants, and sanctions.
- Medi-Cal For All
 - Expands of eligibility, regardless of immigration status, to income eligible Californians from 25-49 years old beginning Jan.1, 2024
 - Enacts continuous Medi-Cal coverage for children 0-5 to beginning Jan. 1, 2024
- Provides for over \$200 million in key reproductive rights investments
- Office of Health Care Affordability
 - Established to analyze cost & quality trends to oversee state's progress towards meeting health care cost targets
 - Requires the preparation of a report on baseline health care spending on or before Jun 1, 2025
 - Requires annual reports on spending trends with necessary policy recommendations to improve quality performance & equity

KEY WORKFORCE INVESTMENTS



- \$25 million to create additional slots for Addiction Psychiatry & Addiction Medicine Fellowship programs
- \$26 million to increase number of licensed behavioral health professionals through grants to existing training programs
- \$30 million to provide grants to public schools of social work to expand number of MSW's
- \$5 million to support competitive grants to psychiatry graduate medical education programs that prioritize medically underserved populations
- \$14 million to support loan repayment programs for psychiatrists who agree to a 5 year service commitment at DSH
- \$12,500,000 to support Culturally Diverse Future Behavioral Health Workers –high school partnerships

DEPARTMENT OF STATE HOSPITALS (DSH)

Early Access to Treatment & Stabilization

- Clarifies that psychiatrists or psychologists can make a finding that a defendant needs medication to understand proceedings & assist in their own defense
- A psychologist can find that it is diagnostically appropriate for the defendant to receive medication
- Only a psychiatrist can say medication is both medically & diagnostically appropriate
- If a psychologist or psychiatrist opines that medication is appropriate, the court can authorize it

Care Coordination & Waitlist Management

- Adds to list of documents that court must provide state hospital or treatment facility
 - ❖ Copy of courts rejection of a certification of restoration/competency & new computation of time served
 - ❖ Jail classification records from current incarceration
 - ❖ Jail mental health records
- Clarifies anyone waiting for admission can receive reevaluation
- Declares that only county jails required to allow DHS access to defendant information

Expand Diversion & Restoration Capacity

- Requires courts to consider placing a person in an outpatient treatment program first
- Limits the program to only people that have been found IST
- Programs that are currently funded by the department serve people who have the potential to be found IST can continue until a new contract and funds have been dispersed

CONREP

- Pilot independent Evaluation Panel for Forensic Conditional Release Program
- Creates a pilot statewide panel of independent evaluators who are responsible for Forensic Conditional Release Program placement determinations
- Panelists will identify which state hospital patients are ready for discharge rather than the hospital director or community program director
- Panel to consist of contracted civil service licensed psychologists & social workers

FELONY IST GROWTH CAP

Cap Calculation

- DSH will create a cap for each county
- Baseline number of individuals determined to be IST on felony charges for each county based on FY 2021-22
- Calculation will be based on the “published per individual rate” determined by DSH

Penalty

- DSH will charge counties penalty payments to go to Mental Health Diversion Fund
- Penalty will be
 - ❖ 50% of rate for first 5-7 IST determinations over baseline
 - ❖ 75% of rate for 8-9 IST determinations over baseline
 - ❖ 100% of rate for all additional IST determinations
 - ❖ Increases to 150% for 3rd determination and beyond in FY 2025-26
- Payments will be due FY 2023-24 & can use any county funds

Mental Health Diversion Fund

- Funds are continually appropriated back to the county that paid the penalty to be used for:
 - ❖ Pre-booking mental health diversion specifically for people exhibiting symptoms of diagnosis at time of interaction
 - ❖ Post-booking mental health diversion to serve those with serious mental illness & likely IST
 - ❖ Re-Entry services & supports to serve those who have been restored to competency
- Counties must submit report on how funds were used

HOUSING & HOMELESSNESS



- \$300 million in FY 2022-23, and \$400 million in FY 2023-24 for local Encampment Resolution Grants
- Additional \$150 million from GF for Project Homekey to augment the roughly \$1.4 billion already budgeted for this program
- \$1 billion in FY 2023-24 for Homeless Housing, Accountability, & Prevention Program (HHAPP)
- \$30 million in FY 2022-23 to increase funding for legal aid to support eviction protection
- \$2 billion for student housing projects across the UC, CSU, & CCC (bringing total to roughly \$4 billion in FY 2021-22 to FY 2024-25)
- \$100 million over 2 years to continue the Veterans Housing & Homelessness Prevention Program created by Prop 41