



# MENTAL HEALTH SERVICES ACT Annual Update for Programs & Expenditures Fiscal Year (FY) 2022-23

## Executive Summary

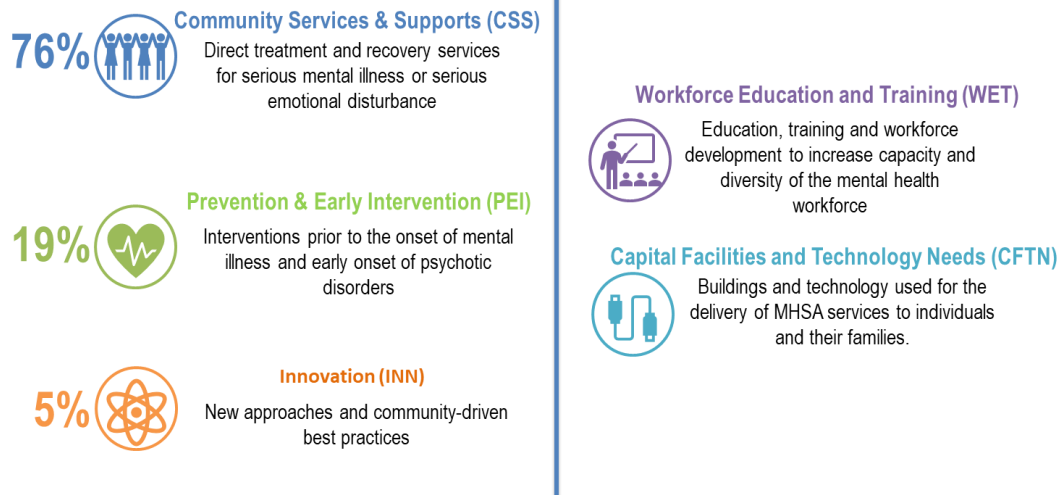


SAN MATEO COUNTY HEALTH  
**BEHAVIORAL HEALTH  
& RECOVERY SERVICES**

# BACKGROUND

Proposition 63, the Mental Health Services Act (MHSA), was approved by California voters in November 2004 and provided dedicated funding to transform behavioral health systems, by imposing a 1% tax on personal income over \$1 million dollars. San Mateo County received an annual average of \$34.3 million, in the last five years through Fiscal Year 2020-21.

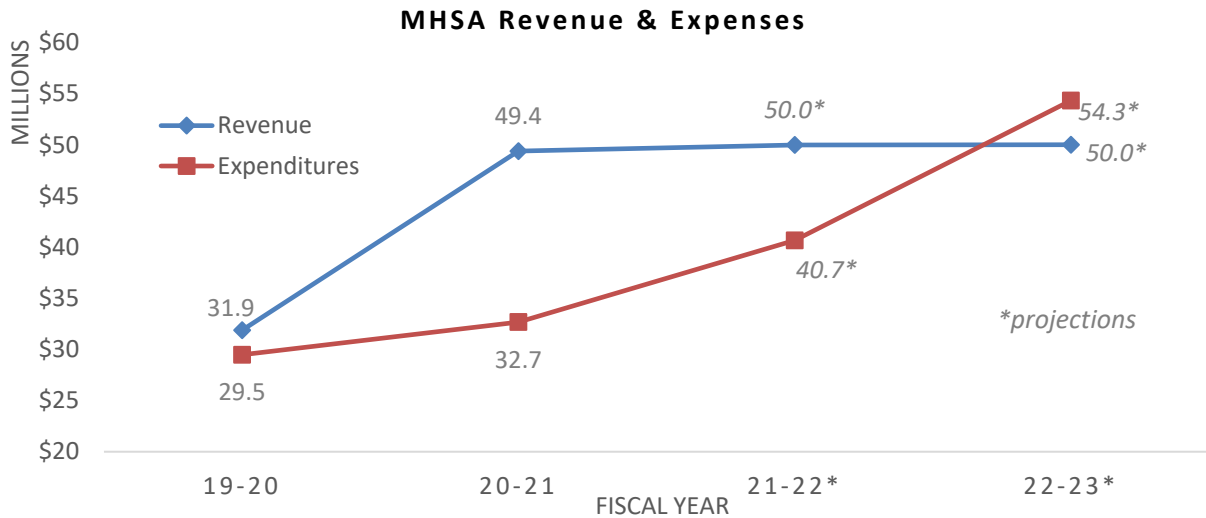
MHSA funded programs and activities are grouped into “Components” as listed below, each one with its own set of funding allocations, guidelines and rules.



MHSA legislation requires counties to develop Annual Updates and Three-Year Plans. MHSA legislation also requires that the local behavioral health board open a 30-day public comment process, hold a public hearing and vote to recommend the approval by the Board of Supervisors.

The FY 22-23 MHSA Annual Update includes:

1. Fiscal Projections
2. Implementation Highlights
3. Summary of Updates to the Three-Year Plan
4. Program Narratives, Successes/Challenges & Outcomes



## FISCAL PROJECTIONS AND PROPOSAL

The above chart depicts MHSA revenue (blue line) and expenditures (red line). The actual revenue for Fiscal Year 2020-21 came in at over \$5M from last year’s projections. This means that while we increased the ongoing budget, there remained a gap of over \$15M in unallocated funding.

The previous MHSA Annual Update included several strategies to spend down excess revenue, given the unanticipated significant increases due to the COVID-19 pandemic:

1. Updated \$6.9 million One-Time Spend Plan, to be implemented through FY 2022-23.
2. New \$11.7 million One-Time Spend Plan for Housing developments and post-COVID recovery supports.
3. Increases in the ongoing budget to a slight over-revenue budget by FY 2022-23.

A status update on the new MHSA One-Time Spend Plan is included in the next page.

For this MHSA Annual Update, the proposal is to increase the ongoing budget to maintain the over-revenue strategy that will dig into the excess funds. Increases to the ongoing budget must be aligned with MHSA priorities.

The increases to the MHSA ongoing budget will be prioritized for Full Service Partnerships (FSP) given the recent recommendations from the FSP Workgroup and a new FSP cost modeling conducted by independent consultants, Third Sector, as part of a statewide Multi-County FSP partnership. FSP services will be increased by a total of \$2.8 million overall. MHSA budget increases include the following:

- FSPs at \$807,734 (MHSA portion only; FSP’s are funded by a number of revenue sources including MediCal, AB109 for criminal justice FSP slots, realignment funds, etc.)
  - \$2,087,656 increase to adult/older adult FSP services (\$522,378 MHSA)
  - \$756,240 increase to child/youth/transitional youth FSP services (\$285,356 MHSA)
- PEI by \$420,000 to meet 19% requirement

In summary, the following strategies are being implemented in FY 2022-23 to align MHSA expenditures with the increased projected revenue.

1. Continue implementing one-time spend plans
2. Increase the ongoing budget by \$1.23 million to about \$4.3 million over-revenue budget.

The FY 22-23 MHSA proposed budget can be found on Appendix 5 of the MHSA Annual Update.

## One Time Spend Plan – Status Update

Priority	Item	FY 21/22 Allocation	FY 21/22 Status	FY 22/23 Allocation
<b>Housing Initiative Taskforce</b>	BHRS Housing Webpage	\$100,000	Delayed	\$0
	Development of Supportive Housing Units	\$5,000,000	Completed	\$5,000,000
<b>Post-COVID Supports (Prevention and Early Intervention)</b>	Community mental health and substance use education	\$50,000	In Progress	\$50,000
	Community wellness and recovery supports	\$50,000	Delayed	\$50,000
	Field and group supports	\$100,000	Delayed	\$100,000
	Older adult supports	\$50,000	In Progress	\$50,000
	Health Equity Initiative capacity development	\$30,000	Delayed	\$30,000
	School mental health supports	\$46,000	Completed	\$46,000
	Racial Equity and Multicultural Organizational Development	\$125,000	In Progress	\$125,000
<b>Mental Health Surge Needs</b>	Workforce Development	\$200,000	In Progress	\$200,000
	Workforce Wellness	\$100,000	In Progress	\$100,000
	SMI Private Provider Network (SSPN) incentives	\$125,000	In Progress	
	<b>Grand Total</b>			<b>\$11,727,000</b>

# IMPLEMENTATION HIGHLIGHTS

## NEW Innovation Project Launch

The Social Enterprise Cultural and Wellness Café for Filipino/a/x Youth, now known as the **Kapwa Kultural Center**, was awarded to the Daly City Peninsula Partnership in collaboration with the Daily City Youth Health Center. The Kapwa Kultural Center, a 5-year Innovation project, was approved August 27, 2020 and Launched October 2021

- Estimated Project: \$2,625,000
- The proposed project is a cultural arts and wellness-focused Social Enterprise Cafe that offers youth development and mental health programming on site. The Social Enterprise Cafe will hire and train at-risk youth from northern San Mateo County and serve as a culturally affirming space for Filipino/a/x youth and community. The social enterprise model has proven to be a sustainable funding approach.
- Annual projected number of participants served: 2,000 unique visitors; 300 referrals; 150 receive behavioral health services; 90 participate in services; 40 in full programming.

## NEW Innovation Workgroup

The MHSA Steering Committee hosts up to two small workgroups per year focused on a specific MHSA topic that is aligned with MHSA planning needs. These topics require more intensive planning, improvements, evaluation and/or other recommendations. The workgroups are open to public participation, are time-limited and 10-12 participants are selected via an interest survey.

A new Innovaiton Workgoup launched February 17<sup>th</sup>.

## Full Service Partnership Workgroup

Between September-November 2021, a Full Service Partnership (FSP) Workgroup made up of clients, family members, adult and children and youth FSP providers and stakeholders, was convened to provide input on FSP service requirements, improvements and outcomes that would support continuous improvement.

The FSP Workgroup was intended to build off of the Multi-County FSP partnership effort to transform how behavioral health systems use data to innovate and improve FSP services across California. Locally, an independent consultant, Third Sector, conducted two rounds of interviews and focus groups with FSP clients and providers to help inform decisions, technical assistance was provided to support the development of eligibility criteria; minimum service requirements of FSP programs; and standardized step-down guidelines for clients. The FSP Workgroup concluded with recommendations across nine areas of FSP improvement, listed below:

1. Set Minimum FSP Service Requirements
2. Identify Additional FSP Client/Family Resources
3. Support Staff Retention and Appropriate Contractor Rates
4. Develop Trauma-Informed FSP Providers
5. Prioritize Substance Use Integration
6. Strengthen Peer and Family Supports
7. Ensure Housing Access and Retention Services
8. Incorporate Step Down Services Within FSP Programs
9. Enhance Ongoing Data Collection

The FSP Workgroup Recommendations document can be found in Appendix 4 of the MHSA Annual Update.

## Housing Taskforce – Status Update

A Housing Taskforce made up of diverse stakeholders including clients, family members, service providers and County departments convened between March and May 2021, to prioritize and make recommendations related to housing resources and supports. The details of this taskforce were reported in the previous MHSA Annual Update. The following table is intended to report on the progress since the 11 Housing Taskforce Recommendations were released in May 2021.

	Funding Recommendations (May 2021 - listed in order of priority)	Progress	Notes
1.	Establishment of an ongoing Housing Fund with Department of Housing for the development of Supportive Housing Units for clients	Year 1 Completed	Year 2 – targeted for 2022
2.	Housing locator contract: a) Maintenance of BHRS Housing website with real-time housing availability; b) Linkages to BHRS case managers; c) Landlord engagement; d) Community mental health 101; and e) housing locators/peer navigators	In Progress	Input sessions + Request for Proposal process (items 2, 6, 7 combined) targeted for Spring 2022
3.	Supportive services for new housing units	Not Yet Started	For new housing units being developed
4.	Mental health workers for Homeless Outreach	In Progress	
5.	Transitional housing supports and training to adequately serve SMI population	Not Yet Started	Target TBD
6.	Outreach and field-based services to support ongoing and long-term housing retention; a team of Occupational Therapist and Peer to support independent living skills development	In Progress	Input sessions + Request for Proposal process (items 2, 6, 7 combined) targeted for Spring 2022
7.	Development of an online BHRS Housing webpage with comprehensive one-stop housing information (including data dashboard for unmet need) for clients and staff	In Progress	Input sessions + Request for Proposal process (items 2, 6, 7 combined) targeted for Spring 2022
8.	Flexible funds for housing related expenses (moving costs, deposits, first month rent)	Not Yet Started	The revenue for this item is highly inconsistent; will propose for FY 22-23
9.	Increase FSP housing funds	In Progress	Current FSP housing rate increased;
10.	Incentives and supports for licensed Board and Cares to improve quality of services	In Progress	
11.	Increase Full Service Partnerships (FSP) slots for children/youth and transition-age youth	Completed	10 Children/Youth and 5 TAY FSP slots



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