



April 16, 2020

Delivered by Email

Hon. Anthony Rendon
Speaker
California State Assembly
State Capitol, Room 219
Sacramento, CA 95814

Hon. Toni Atkins
President pro Tempore
California State Senate
State Capitol, Room 205
Sacramento, CA 95814

Hon. Phil Ting
Chair, Budget Committee
California State Assembly
State Capitol, Room 6026
Sacramento, CA 95814

Hon. Holly Mitchell
Chair, Senate Budget and Fiscal Review
California State Senate
State Capitol, Room 5019
Sacramento, CA 95814

Re: Special Legislative Budget Hearings on COVID-19: Request for a Hearing Dedicated to the Public Behavioral Health Delivery System and Support for COVID-19 Relief Funding to Support Critical Behavioral Health Safety Net Infrastructure

Dear Honorable Members,

The undersigned behavioral health entities and organizations appreciate the efforts on the part of the California Legislature to strengthen California's already commendable response to the COVID-19 public

health crisis. The upcoming oversight hearings assessing the use of the emergency funds allocated to combat COVID-19 will help inform future distributions of emergency funds. The Legislature announced its intention to identify any gaps in the services or resources necessary to address the COVID-19 pandemic, and as such, we respectfully request the Legislature carefully consider the effects of the pandemic on the delivery of mental health and substance use treatment, and the need for behavioral health services resulting from the trauma, stress, and anxiety associated with COVID-19.

The undersigned organizations request that the Legislature convene a special hearing dedicated to the impacts of COVID-19 on the public behavioral health delivery system, which will continue to serve as the safety net for millions of Californians with serious mental illness, substance use disorders and for all children with behavioral health needs in Medi-Cal. In particular, behavioral health entities expect many millions more Californians will need to rely on the public behavioral health system as they lose employer coverage and qualify for Medi-Cal or become uninsured. [A new report](#) from [Health Management Associates](#) estimates California could see up to 3 million new Medi-Cal enrollees due to the economic downturn stemming from the COVID-19 pandemic, almost a 25% increase in the state.

Additionally, we urge support for \$100 million in emergency relief funding under SB 89 to stabilize critical public behavioral health safety net infrastructure. The need for this funding is a result of the immediate impacts of COVID-19 on the ability for the public behavioral health system to bill for services, and the need to build out additional capacity and new types of services to meet Californians where they are at – whether in their homes, residential treatment facilities, or experiencing homelessness. The viability of California’s public behavioral health delivery system is contingent upon the ability of providers – both publicly-operated as well as contracted providers, to bill Medi-Cal for services. In the short period since efforts to self-quarantine and mitigate the impacts of the COVID-19 pandemic started, the public behavioral health system and their contracted providers are experiencing significant fiscal impacts which threaten the viability and sustainability of the public system. Among one survey of county contracted behavioral health providers, 58% of providers reported a decrease in service provision since the quarantining efforts were implemented. Among this cohort, approximately 33% reported that they had clients who were too physically sick to engage in treatment. Over 30% of survey respondents are considering substantial staff layoffs or furloughs without immediate relief via emergency funding.

In “meeting the moment” of the pandemic, several state policy changes have been implemented that result in an increased demand for the public behavioral health system without new dedicated resources, including: Project Roomkey, the closure of the State Hospitals to new admissions, the release of 3,500 inmates from the California Department of Corrections and Rehabilitation (CDCR), and the Judicial Council’s recent \$0 bail emergency Rule of Court. These changes, along with the mass transition of services from in-person to telephonic or telehealth-based applications for a population that is largely Medi-Cal eligible and often faces challenges rooted in poverty to migrate those services, has created significant strain on the availability and accessibility of life-saving behavioral health services.

The undersigned request an allocation from the emergency relief funding available pursuant to Senate Bill 89 (Committee on Budget and Fiscal Review, Chapter 2, Statutes of 2020) pursuant to the previous request submitted by County Behavioral Health Directors Association (CBHDA), California Council of Community Behavioral Health Agencies (CBHA) and the California Alliance of Child and Family Services (Alliance) and supported by 15 organizations.

The public behavioral health delivery system is being threatened at the very moment when it should be strengthened in anticipation of skyrocketing behavioral health needs. In the weeks and months ahead, as

we continue to experience the individual and collective trauma associated with this unprecedented global pandemic, the need for behavioral health services – both mental health and substance use disorder services, will increase. Many millions of Californians will be hit with devastating life changes associated with the pandemic – from life-threatening illness, to the death of loved ones, to job loss, prolonged school closures and effects of prolonged isolation. Increases in anxiety, depression, and ultimately substance use disorders and suicide rates, will be felt across populations. At the same time, the economic devastation associated with the virus will result in millions of Californians qualifying for public behavioral health services under Medi-Cal. It is for these reasons that the organizations listed below request that legislative leadership conduct a dedicated special behavioral health hearing on COVID-19 and support funding the proposal for \$100 million in public behavioral health emergency relief.

Respectfully yours,



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Executive Director
County Behavioral Health Directors Association



Christine Stoner-Mertz, LCSW
CEO
California Alliance of Child and Family Services



Le Ondra Clark Harvey, Ph.D.
Director of Policy and Legislative Affairs
California Council of Community Behavioral Health Agencies



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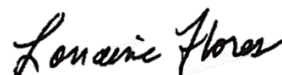
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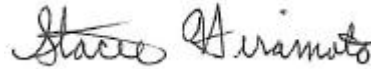
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Stacie Hiramoto, MSW
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Racial and Ethnic Mental Health Disparities Coalition



Maggie Merritt
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cc: Members of the Assembly Budget Subcommittee #6 on Budget Process Oversight and Program Evaluation
Members of the Senate Special Budget and Fiscal Review Subcommittee on COVID-19 Response
Keely Martin Bosler, Finance Director, California Department of Finance
Dr. Mark Ghaly, Secretary, California Health and Human Services Agency
Richard Figueroa Jr., Office of Governor Newsom
Tam Ma, Office of Governor Newsom
Marjorie Swartz, Principal Consultant, Office of Senate pro Tem Atkins
Scott Ogus, Consultant, Senate Budget and Fiscal Review Committee
Agnes Lee, Policy Consultant, Speaker's Office of Policy
Andrea Margolis, Consultant, Assembly Committee on Budget