Funding Backgrounder: California's Behavioral Health Approach and Funding

CARE (Community Assistance, Recovery, and Empowerment) Court is a new process to assist people living with under or untreated schizophrenia spectrum or other psychotic disorders who lack medical decision-making capacity, many of whom are unhoused. CARE Court empowers Californians in crisis to access the care, treatment, and housing plan they need in their community. It includes accountability for both individuals and local governments with court orders for needed services.

Counties can tap into multiple funding sources to provide the court ordered care and treatment.

*Counties received Medi-Cal behavioral health funding for all years reflected. Estimates are included for 2014-15 and 2022-23 to provide an overall view of growth in this funding over the period reflected.

*Data between 2014-15 and 2020-21 represent actuals, except 2014-15 Medi-Cal Behavioral Health costs, which are an estimate. Data for 2021-22 and 2022-23 are estimates.

*Medi-Cal non-specialty mental health managed care state costs of $406 million in 2014-15 and $529.1 million in 2022-23 are not included in this graph. Also, not included in the graph are Medi-Cal carved-out psychotropic medications. For reference, psychotropic medications were estimated to be $1.1 billion in 2017-18. Additionally, No Place Like Home Program actual expenditures of $590 million in 2018-19 and $622 million in 2019-20, and estimated expenditures of $202 million in 2021-22 and $400 million in 2022-23 are not included in this graph. Not all Non-Medi-Cal Behavioral Health (Federal Block Grants) are available to counties.

The below represents many of the recent investments designed to support the public community behavioral health system, however the list is not exhaustive (amounts reflected in the graph above are denoted with an asterisk*):

**Housing and Homelessness**

CARE Court builds on significant new investments, including Governor Newsom’s $14 billion multi-year investment to provide 55,000 new housing units and treatment slots. The Governor’s approach focuses on quickly rehousing unsheltered individuals with behavioral health issues, all while new units come online, while also transforming Medi-Cal to provide more behavioral health services to people struggling the most. Part of the $14 billion investment reflects the following:
• Behavioral Health Continuum Infrastructure Program: $2.2 billion to support competitive grants to qualified entities to construct, acquire, and rehabilitate real estate assets or to invest in mobile crisis infrastructure to expand the community continuum of behavioral health treatment resources.

• Community Care Expansion Program: $805 million for acquisition, construction, and rehabilitation to preserve and expand adult and senior care facilities that serve SSI/SSP and Cash Assistance Program for Immigrants. This program supports seniors and adults who are at risk of or experiencing homelessness, including those who have behavioral health conditions. It expands the state’s housing and care continuum, facilitating better treatment outcomes and preventing the cycle of homelessness or unnecessary institutionalization.

• Behavioral Health Bridge Housing Program: $1.5 billion to address the immediate housing and treatment needs of people experiencing unsheltered homelessness with serious behavioral health conditions by providing time-limited operational supports in various bridge housing settings, including existing assisted living settings.

Children and Youth
• Children and Youth Behavioral Health Initiative: $4.7 billion (including $480.5 million in the Behavioral Health Continuum Infrastructure Program, described above, targeted to individuals 25 years of age and younger) to help transform the state’s behavioral health system into an innovative ecosystem in which all children and youth 25 years of age and younger, regardless of payer, are screened, supported, and served for emerging and existing behavioral health needs.

Behavioral Health Workforce
• Care Economy Workforce: $1.4 billion for Care Economy Workforce investments, including funding to recruit and train 25,000 new community health workers as well as additional psychiatric providers.

• *Peer Support: $31.3 million federal funds to add peer support specialist services as a covered Medi-Cal benefit in the public behavioral health delivery system.

Substance Use Disorder
• Opioid Settlements Funds: $86 million to support opioid abatement programs, including, but not limited to, distribution of naloxone to homeless service providers, operation of a web-based statewide addiction treatment locator platform, support of vocational rehabilitation employment services, provider training on opioid treatment, and education and outreach campaigns.

Behavioral Health Crisis Continuum
• *Behavioral Health Crisis Continuum: $20 million one-time federal funds in 2021-22 to expand capacity to the 13 accredited crisis call centers in California. In 2022, the California Health and Human Services Agency is starting a planning process to develop a clear strategy for how all the components of the behavioral health crisis continuum interact, including connections between prevention efforts like hotlines and peer support services, 9-8-8 mental health crisis call centers, and mobile crisis response at the local level.

• *Medi-Cal Mobile Crisis Benefit: $1.4 billion to add qualifying community-based mobile crisis intervention services as a Medi-Cal covered benefit available to eligible Medi-Cal beneficiaries exclusively through the Medi-Cal behavioral health delivery system. Qualifying community-based mobile crisis intervention services will be available 24 hours a day, 7 days a week, and provided by a multidisciplinary mobile crisis team to Medi-Cal beneficiaries in the community.