



CALIFORNIA COMEBACK PLAN

**Governor Newsom's Comprehensive
Approach to Clean & Safe Streets For All**

Addressing Homelessness Through Housing and Mental Health Services

August 2021

To fully address homelessness, we must get people out of encampments and into the housing and mental health services they need.

The situation on our streets is unacceptable. California needs to do a better job getting the most unwell people the services they need — in treatment and conservatorships.

This has to be addressed head-on, and with everything we've got.

The LA Times editorial board agrees, writing recently that, for people with severe behavioral health issues, "The problem is the severe lack of residential treatment facilities and programs for people to enter — whether they go voluntarily or involuntarily."

California is focused on getting the most unwell individuals the services they need



Homekey includes the largest expansion of mental health beds in California history: **\$3 billion** to create tens of thousands of new treatment slots.

Unprecedented Investments

In February 2020, Governor Newsom delivered an entire State of the State focused on **homelessness and mental health**. California has since made historic strides in combating homelessness and strengthening our mental health care system.

More Mental Health Housing

The most urgent issue is not the legal inability to conserve people but the unavailability of housing and care for those who most need it. Policy is an empty promise without creating more placements.

In the **2021/22 State Budget**, Governor Newsom led the charge for a **\$3 billion mental health housing initiative** — the largest investment in California history in rebuilding the behavioral health pipeline. This \$3 billion plan is expected to create **22,000 new beds and treatment slots**.

Laura's Law Reform

Clearly, it's time to respond to the concerns of experts who argue that thresholds for conservatorships are too high and should be revisited. Take Laura's Law, which allows loved ones and service providers to ask courts to compel those who need treatment into **community-based outpatient care**. The problem is, it's too hard to use. We need to remove some of the conditions imposed on counties trying to implement the law, so we can expand who benefits.

In **September 2020, Governor Newsom signed AB 1976**, which makes county participation in Assisted Outpatient Treatment (i.e. Laura's Law) automatic unless a county opts-out. As of June 2021, a total of 31 counties in California have not opted-out and will implement Laura's Law, **covering 80 percent of the state's population**.

Funding for Substance Abuse

We must also expand the kinds of services Mental Health Services Act funds can pay for, specifically **addiction treatment**; we need to stop tolerating open drug use on our streets.

In **September 2020, Governor Newsom signed AB 2265**, which means that MHSa funding is now able to be used for co-occurring mental health and substance use disorders.

In addition, the Department of Health Care Services (DHCS) has leveraged over \$476 million in federal opioid funding to support the **Medication Assisted Treatment (MAT) Expansion Project**, allowing easy access to opioid addiction treatment in emergency departments and hospitals, primary care clinics, drug treatment programs, jails and prisons, and other health care settings.



Conservatorship Reform

We need better legal tools, ones that allow local governments, health providers, and law enforcement to more effectively **help people access the treatment they need**.

In September 2020, Governor Newsom signed AB 3242, which allows the assessment of an individual for a 5150 (72-hr hold) to be done via **telehealth**. Previously, the law required an in-person assessment before someone can be subject to a 5150 hold.



CalAIM

CalAIM is a once-in-a-generation reform of our Medi-Cal system, based on the obvious, but long-ignored principle, that **physical health and brain health are inextricably linked**.

This landmark proposal calls for leveraging Medi-Cal as a tool to help California's most vulnerable residents: the homeless, our children, and people cycling in and out of the criminal justice system.

CalAIM is moving forward, with **\$1.6 billion** included in legislation that **the Governor signed in July 2021**.

DHCS formally submitted its Section 1115 Demonstration and Section 1915b Waiver applications to the federal Center for Medicare and Medicaid Services (CMS) on June 30, 2021. The state is now in the process of discussing the applications with senior members of CMS, federal Department of Health and Human Services, and the Biden Administration.

CalAIM includes multiple initiatives to target benefits towards people experiencing homelessness and justice-involved individuals.



Resolving Encampments

We will be laser-focused on **getting the mentally ill out of tents and into treatment**.

The 2021/22 Budget includes **\$3 billion for behavioral health housing**. There is only one way to solve homelessness — and that's housing with supportive services. Governor Newsom has gone all-in on this approach.



Clean & Safe Streets

There's nothing compassionate about allowing fellow Californians to live on the streets, huddled in cars or makeshift encampments. And there's nothing just about sidewalks and street corners that aren't safe and clean for everybody.

The 2021/22 Budget includes **\$12 billion over two years for housing, shelter, prevention, and services**. This is the largest investment in American history. Housing is the answer — but first we have to help people out of dangerous, unhealthy encampments. To that end, the Budget also includes **\$147 million specifically for encampment resolution and hazardous material removal**.

There is also the much larger Clean California initiative — \$1.1 billion overall — to **significantly increase trash pick-up along California's highways**, as well as providing \$296 million to support local governments' efforts to address encampments.



Excess State Property

Governor Newsom made available 286 state properties — vacant lots, fairgrounds, armories and other state buildings — to be used by local governments, for free, for homelessness solutions. The Governor also directed Caltrans to **make better use of other unoccupied spaces to get homeless housing up as fast as possible**.

Caltrans has entered into leases with local governments throughout the state to utilize excess state property for navigation centers, shelter and bridge housing models. Nine sites are currently operational, providing nearly **900 beds for people experiencing homelessness**, and six additional sites are in progress.

Record funding for housing and mental health services

The largest investment in state history.

Mental Health Housing **\$3 billion**



We understand that to tackle homelessness, we have to get to the root issues of why people end up on the street in the first place. For many, that's due to deteriorating mental health conditions. The network of clinics and homes for people with very severe mental health issues was dismantled by Governor Reagan, directly leading to the homeless crisis we see today. So we're doing something about it: investing **\$3 billion for behavioral health and conservatorship housing**.

This \$3 billion (included in the \$5.8 billion for additional Homekey acquisitions) will be used to help over 22,000 people through board & care homes for people needing conservatorships, Laura's Law placements, and a wide variety of other behavioral health treatments.

Flexible Local Aid **\$2 billion**



The situation with street encampments is simply unacceptable. We're making **\$2 billion available over two years to local governments to help people out of tents and into housing**. With these new, historic investments, counties and cities also have new responsibilities to allocate the resources effectively, with metrics we will measure and hold them accountable to, including limiting or restricting funding if they don't step up.

Encampment Resolution & Clean-Up Efforts **\$147 million**



With unprecedented resources come heightened expectations for how effectively local governments will address encampments.

To ensure that local governments fulfill their obligation to provide services to people experiencing homelessness and to ensure safe & clean streets for all Californians, the 2021/22 Budget includes **\$147 million over two years for encampment resolution and clean-up efforts**.

Previous Investments in Enhanced Services for People with Severe Mental Health Challenges **\$250 million**

(From 2019/20 and 2020/21 Budgets)



Whole Person Care Pilots **\$120 million**

\$100 million one-time General Fund for county pilots that coordinate health, behavioral health, and social services focused on individuals who are experiencing homelessness, or who are at risk of becoming homeless, and have a demonstrated medical need for housing and/or supportive services. In addition, the Budget includes \$20 million one-time General Fund for counties that currently do not operate pilots.



Behavioral Health Counselors in Emergency Departments **\$20 million**

\$20 million one-time General Fund to hire trained behavioral health counselors in emergency departments of acute care hospitals to screen patients and offer intervention and referral to mental health or substance use disorder programs.



Mental Health Workforce Investments **\$50 million**

One-time \$50 million General Fund to increase training opportunities in existing mental health workforce programs administered by the Office of Statewide Health Planning and Development. This funding includes \$2.65 million allocated for a Primary Care Clinician Psychiatry Fellowship Program and \$1 million allocated for mental health professionals formerly in the foster care system.



Workforce Education and Training (WET) **\$60 million**

One-time \$35 million General Fund and one-time \$25 million Mental Health Services Fund to implement the new 2020-25 WET Five-Year Plan to address the shortage of mental health practitioners in the public mental health system.