



Modernizing Our Behavioral Health System & Building More Mental Health Housing

Gov. Newsom is proposing a 2024 ballot initiative to improve how California treats mental illness, substance abuse, and homelessness: **a bond to build state of the art mental health treatment campuses to house Californians with mental illness and substance use disorders and to create housing for homeless veterans, and modernize the Mental Health Services Act to require at least \$1 billion every year for behavioral health housing and care**

MORE HOUSING AND TREATMENT FOR THOUSANDS: The shortage of 6,000 behavioral health beds contributes to the crisis of homelessness. A general obligation bond would provide billions of dollars for thousands of new beds to treat mental illness and substance abuse, serving over **10,000 more people every year** – not in institutions of the past, but locations where people can really heal:

1. **Multi-Property Settings:** Residential campus-style settings where multiple individuals can live, attend groups, recover, and further stabilize with a number of onsite supportive services.
2. **Cottage Settings:** Smaller residential settings, where many services will be available but will also allow individuals to access existing services in the community.
3. **Home Settings:** Permanent Supportive Housing and Scattered Site Housing offer even smaller settings to integrate individuals into the community and provide long-term housing stability.

ADDITIONAL FUNDS TO PROVIDE HOUSING FOR HOMELESS VETERANS: California has 10,395 homeless veterans – the bond would provide **funding to build new housing for those who need it**.

MODERNIZING THE MENTAL HEALTH SERVICES ACT: The MHSA funds 30% of the mental health system, but it's never undergone reform in the 20 years since voters passed it. Current MHSA rules don't allow funds to be used to meet the housing needs for people with serious behavioral issues. Modernizing it will lead to \$1 billion every year for housing, treating substance abuse disorders, and more:

1. **\$1 billion annually required for behavioral health housing** and other community-based residential solutions to provide an ongoing source of funding for new settings.
2. **Include those with substance use disorders**, broadening the target population of MHSA funding to include more people who need support.
3. **Focus funding on Full-Service Partnerships and services for the most seriously ill**, prioritizing community services and supports, prevention, early intervention, and infrastructure.
4. **Require counties to bill Medi-Cal for all reimbursable services** in accordance with Medicaid State Plan and applicable waivers, to further stretch scarce dollars and leverage MHSA to maximize federal funding for services.
5. **Improve local accountability and increase transparency** by updating counties' behavioral health plans and moving the MHSA Commission under CalHHS to increase coordination.