



May 22, 2019

The Honorable Philip Ting
Chair, Assembly Budget Committee
State Capitol, Room 6026
Sacramento, CA 95814

**RE: Issues #78 and 79 – Assembly Budget Subcommittee No. 1
Funding for Current and Future County Whole Person Care Pilot Programs
Proposed Placeholder Trailer Bill Language – SUPPORT**

Dear Assembly Member Ting,

On behalf of the members of the California State Association of Counties (CSAC), the County Welfare Directors Association of California (CWDA), the County Health Executives Association of California (CHEAC), the California Association of Public Hospitals and Health Systems (CAPH), the County Behavioral Health Directors Association of California (CBHDA), the Urban Counties of California (UCC), and the Rural County Representatives of California (RCRC), we are writing today to express our strong support for the placeholder trailer bill language proposed by Assembly Budget Subcommittee No. 1 to ensure consultation with our organizations by the Department of Health Care Services (DHCS) in the development of the final allocation methodology for the Governor's proposals to augment county Whole Person Care programs with \$100 million for existing programs and \$20 million for new programs.

January Proposal to Provide \$100 Million for Housing – Issue #78

Our members strongly support Governor Newsom's January Budget proposal to dedicate \$100 million in one-time State General Fund with expenditure authority over five years to county Whole Person Care programs. We seek to work with the Legislature and Administration to expand the Governor's stated target population and increase flexibility for the uses of the new funding to ensure this funding is used effectively and efficiently in our communities.

Target Population

The Governor's budget documents indicate that this new funding can only be used on those Medi-Cal beneficiaries living with severe mental illness and who are homeless or at risk of homelessness. However, current Whole Person Care were provided flexibility in identifying target populations of high-risk, high-utilizing Medi-Cal beneficiaries that may include, but were not limited to, individuals:

- with repeated incidents of avoidable emergency use, hospital admissions, or nursing facility placement;
- with two or more chronic conditions;
- with mental health and/or substance use disorders;
- who are currently experiencing homelessness;
- who are at risk of homelessness, including individuals with no place to live following release from an institution such as hospitals, skilled nursing facilities, IMDs, jails and state prison.

The target population for any particular WPC pilot, therefore, may or may not overlap with the proposed target population definition for use of the new housing funds. We recommend that Whole Person Care pilots be allowed discretion to identify the population that could most benefit from the state's allocation of housing funds.

Flexible Housing Services Needs are Critical

Additionally, we recommend permitting several broad categories of housing or housing-related uses with this state-only funding. In his January proposal, the Governor referred to "supportive housing," while the April DHCS funding allocation indicates that the funding may only be used for short- or long-term housing, hotel vouchers, rental subsidies, and capital investments.

Housing-related services are among the most desperately needed resources for Whole Person Care clients. The opportunity to allow Whole Person Care programs to use this state-only funding more flexibly than federal Medicaid requirements, even under the state's 1115 Medicaid Waiver, would be a great boon to the mission of the program: using the "whatever it takes" model to improve the health of Whole Person Care clients.

\$20 Million for New Whole Person Care Pilots – Issue #79

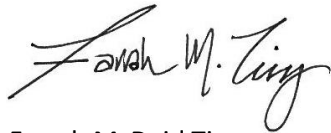
Counties that are not currently participating in the Whole Person Care pilot program are especially excited about the Governor's May Revision proposal for \$20 million from the state's Mental Health Services Fund for new Whole Person Care programs in additional counties. Like the housing allocation methodology above, it is imperative that counties be involved in the process to distribute this funding, as innovations around the coordination of services are at the heart of county-led Whole Person Care pilots.

Subcommittee No. 1 Proposal

In closing, our associations support the proposed investments of \$100 million in housing services and \$20 million to expand this innovative program to additional counties not currently leading Whole Person Care pilots and want to reiterate our commitment to partnering with the Legislature and Administration to maximize the effectiveness of this funding. Our members stand ready to leverage this funding to support the health and housing needs of our Whole Person Care clients, and would appreciate consideration of the points outlined above to assist counties.

We would be pleased to further discuss these recommendations and welcome ongoing discussions on this topic. Our members thank you, the Assembly Budget Subcommittee No. 1, and Governor Newsom for your support of county Whole Person Care programs.

Thank you,



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