



May 29, 2019

The Honorable Holly Mitchell
Chair, Budget Conference Committee
State Capitol, Room 5050
Sacramento, CA 95814

The Honorable Phil Ting
Vice-Chair, Budget Conference Committee
State Capitol, Room 6026
Sacramento, CA 95814

**RE: Budget Conference Committee Funding for Current and Future County Whole Person Care Pilot Programs
Assembly Placeholder Trailer Bill Language – SUPPORT**

Dear Senator Mitchell and 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 the Assembly 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. The Assembly placeholder trailer bill language is provided below.

January Proposal to Provide \$100 Million for Housing

Our members strongly support Governor Newsom's January Budget proposal, as approved by both Houses of the Legislature, to dedicate \$100 million in one-time State General Fund to county Whole Person Care programs. We are grateful for your support of these critical, innovative county pilot programs.

The Assembly Budget Committee also approved our proposal for placeholder trailer bill language to expand the Governor's stated target population and increase flexibility for the uses of the new \$100 million and to require DHCS to consult with counties in the allocations of both

the \$100 million and \$20 million. This language is necessary to the effective and efficient implementation of this new funding to help house Whole Person Care clients and assist additional counties in implementing the Whole Person Care concept.

Target Population

The Governor proposed that the new \$100 million may only be used for Whole Person Care clients who are Medi-Cal beneficiaries living with severe mental illness and who are homeless or at risk of homelessness. However, the 25 current county Whole Person Care pilots enroll a range of Medi-Cal beneficiaries who are high-risk high-utilizers of health care who may have significant housing needs, including individuals who:

- Have repeated incidents of avoidable emergency use, hospital admissions, or nursing facility placement;
- live with two or more chronic conditions;
- live with mental health and/or substance use disorders;
- are currently experiencing homelessness;
- 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 county Whole Person Care pilot, therefore, may or may not entirely overlap with the Governor's proposed target population for the new housing funds; creating new criteria for a target population that overlaps, but is different from, the Whole Person Care pilots, is an administrative burden in return for little to no gains in prioritizing funding use among the many individuals we serve who have housing needs. We therefore 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, consistent with their approved pilot agreement with DHCS.

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, along with funding to create or rehab potential housing. It is imperative that the Conference Committee preserve the opportunity for Whole Person Care programs to use this state-only funding more flexibly than the Governor's proposal or federal Medicaid requirements. By codifying this flexibility, the new funding will 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.

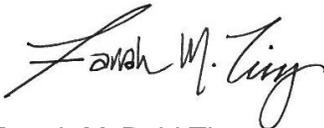
\$20 Million for New Whole Person Care Pilots

Counties that are not currently participating in the Whole Person Care pilot program are especially excited about the Governor's May Revision proposal, and as approved by both Houses, for \$20 million from the state's Mental Health Services Fund to assist new Whole

Person Care efforts in additional counties. Like the housing allocation methodology above, it is imperative that counties be involved in the process with DHCS to distribute this funding. Counties, as the ground-level experts on the innovations around the coordination of services, are at the heart of county-led Whole Person Care efforts and can assist the state in leveraging the new funding to the highest extent possible.

In closing, our associations strongly support the proposed investments of \$100 million in housing services and \$20 million to expand this innovative program to additional counties with the Assembly's proposed placeholder trailer bill language provided below. Our members stand ready to leverage this welcome funding from the state to support the health and housing needs of our Whole Person Care clients. We appreciate your consideration of our request to adopt the Assembly's placeholder trailer bill language and are available to assist as the process moves forward.

Thank you,



Farrah McDaid Ting
CSAC
(916) 650-8110



Michelle Cabrera
CBHDA
(916) 556-3477



Cathy Senderling-McDonald
CWDA
(916) 443-1749



Kelly Brooks-Lindsey
UCC
(916) 327-7531



Sarah (Muller) Hesketh
CAPH
(510) 874-7100



Tracy Rhine
RCRC
(916) 447-4806



Michelle Gibbons
CHEAC
(916) 327-7540

cc: Honorable Members, Budget Conference Committee 2019
Marjorie Swartz, Policy Consultant, Office of Senate Pro Tem Toni Atkins
Scott Ogus, Consultant, Senate Budget & Fiscal Review Subcommittee No. 3
Agnes Lee, Policy Consultant, Office of Assembly Speaker Rendon
Andrea Margolis, Consultant, Assembly Budget Subcommittee No. 1
Jennifer Kent, Director, Department of Health Care Services
Kirk Feely, Fiscal Director, Senate Republican Caucus
Cyndi Hillery, Budget Director, Assembly Republican Caucus
Joe Parra, Senate Republican Caucus
Anthony Archie, Consultant, Senate Republican Caucus

Assembly Placeholder trailer Bill Language

Notwithstanding any other law, of the funds appropriated in this item, \$100,000,000 shall be available for expenditure until June 30, 2025 by the State Department of Health Care Services for the Whole Person Care Pilots Program, or a successor program, to provide housing and other supportive services, including but not limited to short and long-term housing, capital investments for short and long-term housing, supportive housing services, stipends for living expenses, and landlord engagement and master-lease arrangements. Funding shall be prioritized for individuals with mental illness who are also homeless or are at risk of becoming homeless or a Program's defined Target Population. Programs may seek approval from the Department to provide supportive housing services to additional at-risk populations. The funds may be used to match local county investments towards the specified services in the Whole Person Care Pilots Program, or a successor program, and shall not supplant existing local county investments for these purposes. The Department will develop a funding methodology for distribution of the funds in consultation with the California State Association of Counties and other county affiliates.