

## Mental Health Services Act “101”

**Background.** In 2004, voters approved Proposition 63, the Mental Health Services Act (MHSA), to change the way California treats mental illness by expanding the availability of innovative and preventative programs, reducing stigma and long-term adverse impacts for those suffering from untreated mental illness, and holding funded programs accountable for achieving those outcomes. The MHSA directed the majority of revenues to county mental health programs and services in the following five categories:

**1. Community Services and Supports (CSS):** 80 percent of county MHSA funding treats severely mentally ill Californians through a variety of programs and services, including full service partnerships and outreach and engagement activities aimed at reaching unserved populations.

**2. Prevention and Early Intervention (PEI):** Up to 20 percent of county MHSA funds may be used for PEI programs, which are designed to identify early mental illness, improve timely access to services for underserved populations, and reduce negative outcomes from untreated mental illness, such as suicide, incarceration, school failure or dropping out, unemployment, homelessness and removal of children from homes.

**3. Innovation:** Up to 5 percent of MHSA funds received for CSS and PEI may be used for innovative programs that develop, test and implement promising practices that have not yet demonstrated their effectiveness.

MHSA also required counties to spend a portion of their revenues on two additional components to build the infrastructure to support mental health programs. Since 2008-09, counties have the option of using a portion of their CSS funding in these areas or to build a prudent reserve:

**4. Workforce Education and Training:** This component aims to train more people to remedy the shortage of qualified individuals who provide services to address severe mental illness. Counties may use funds to promote employment of mental health clients and their family members in the mental health system and increase the cultural competency of staff and workforce development programs.

**5. Capital Facilities and Technological Needs:** This component finances necessary capital and infrastructure to support implementation of other MHSA programs. It includes funding to improve or replace technology systems and other capital projects.

MHSA funds are allocated to counties through a formula that weighs each county’s need for mental health services, the size of its population most likely to apply for services, and the prevalence of mental illness in the county. Adjustments are made for the cost of living and other available funding resources. The formula also provides a minimum allocation to rural counties for the CSS and PEI components.

MHSA authorizes the use of up to five percent of annual revenues for state administration and specifies that these funds are to be used by state agencies to “implement all duties pursuant to the [MHSA] programs.” This includes ensuring adequate research and evaluation regarding the effectiveness and outcomes of MHSA services and programs.

**How this looks in a graphic:**

