



STATE OF CALIFORNIA
EDMUND G. BROWN JR., Governor



Mental Health Services
Oversight & Accountability Commission



WELLNESS • RECOVERY • RESILIENCE

RICHARD VAN HORN
Chair

July 19, 2013

DAVID PATING, M.D.
Vice Chair

KHATERA ASLAMI
Commissioner

Elaine M. Howle, State Auditor*
Bureau of State Audits
555 Capitol Mall, Suite 300
Sacramento, CA 95814

WILLIAM BROWN
Sheriff
Commissioner

JOHN BOYD, Psy.D.
Commissioner

Re: Response to State Audit Report 2012-122

JOHN BUCK
Commissioner

Dear Ms. Howle:

VICTOR G. CARRION, M.D.
Commissioner

Please find enclosed the response of the Mental Health Services Oversight and Accountability Commission to the confidential redacted draft of the State Audit Report 2012-122.

LOU CORREA
Senator
Commissioner

Consistent with your request, we have submitted this written response in the envelope provided and the entire response, including this cover letter, on the enclosed CD using a PDF file.

DAVID GORDON
Commissioner

On behalf of the Commission, we wish to express our appreciation for your audit team's hard work and professionalism.

PAUL KEITH, M.D.
Commissioner

BONNIE LOWENTHAL
Assemblymember
Commissioner

Sincerely,

LEEANNE MALLEL
Commissioner

RALPH NELSON, M.D.
Commissioner

SHERRI GAUGER
Executive Director
Mental Health Services Oversight & Accountability Commission

LARRY POASTER, PhD
Commissioner

TINA WOOTON
Commissioner

SHERRI GAUGER
Executive Director

* California State Auditor's comments begin on page 139.

Elaine M. Howle
Response to State Audit Report 2012-122
July 19, 2013
Page 2

Overall Response

The Mental Health Services Oversight and Accountability Commission (MHSOAC) appreciates the Bureau of State Audit's (BSA) fundamental finding that the MHSOAC has generally satisfied the Mental Health Services Act's (MHSA) oversight requirements and joins the BSA in acknowledging that more can be, and is being, done. As the BSA report states, the MHSOAC's oversight authority changed overtime. During the first five years of its existence the initial focus of the MHSOAC's oversight was on the responsible implementation of expanded services and appropriate expenditure of MHSA funds. On November 8, 2010, the MHSOAC broadened its focus from "inputs" to "outputs" when it adopted "Accountability through Evaluative Efforts." Evaluation remains one of seven oversight strategies and the MHSOAC joins the BSA in its recommendations that, generally, the MHSOAC continue its current evaluation efforts.

BSA Recommendation

To fulfill its responsibilities to evaluate MHSA-funded programs, the Accountability Commission should undertake the evaluations specified in its implementation plan.

Response

The MHSOAC agrees with this recommendation.

① The MHSOAC entered into its first evaluation of the Mental Health Services Act (MHSA) in 2009, the same year it was first statutorily authorized to evaluate the MHSA. Soon after in 2010, the Commission adopted an initial framework for evaluation. The Evaluation Master Plan continues and builds upon these past efforts and current MHSOAC evaluations to complete a comprehensive, cohesive look at community mental health. In the May Revision to the Fiscal Year (FY) 2013-14 budget, the Governor proposed and the Legislature supported beginning implementing the Evaluation Master Plan. For FY 2013-14 some highlights include continuing measuring priority indicators and transferring this function to the MHSOAC, developing a system to track outcomes for persons receiving services that are less intensive than a full service partnership, and determining the effectiveness of methods for engaging and serving transitional age youth clients. Highlights of future years include determining the effectiveness of selected programs for older adults, consumer run services, and services for children.

The MHSOC appreciates the BSA's endorsement of the MHSOAC continuing these efforts.

Elaine M. Howle
Response to State Audit Report 2012-122
July 19, 2013
Page 3

BSA Recommendation

To ensure it can fulfill its responsibilities to evaluate MHSOAC-funded programs, the Accountability Commission should examine its prioritization of resources to ensure it is performing necessary evaluations.

Response

The MHSOAC agrees and will continue to examine its budget for potentially available resources to support evaluation efforts.

The Governor and Legislature provide the MHSOAC with specific resources to accomplish identified tasks in fulfilling statutory functions. The MHSOAC has followed standard state best management practices by utilizing resources given to it for those purposes, including evaluation. Evaluation is one of the MHSOAC's many statutory responsibilities and one of seven strategies for oversight adopted by the Commission in its Logic Model. While evaluation is a priority, it is not the sole priority, and the MHSOAC has balanced the resources it receives with its statutory responsibilities and strategies to oversee the community mental health system. ②

While the MHSOAC's budget has increased over the past years, it has been for a specified purpose. For example, in FY 2012-13, the MHSOAC budget increased by approximately \$1.6 million. That change was the result of contracts being reassigned from the former California Department of Mental Health to the MHSOAC to support specific organizations. These contracts and amounts are part of fulfilling the statutory responsibility that resources "assist consumers and family members to ensure the appropriate state and county agencies give full consideration to concerns about quality, structure of service delivery, or access to services." To redirect these resources to evaluation would be improper. ②

Even while managing within state practices, the MHSOAC spent more than the budgeted amounts on evaluation for the past three fiscal years due to year-end savings. Occasionally, a department can identify year-end, one-time savings in its budget. The MHSOAC was able to commit an additional \$394,000 in FY 2010-11, \$616,000 in FY 2011-12, and \$285,000 in FY 2012-13 for a total of an additional \$1.295 million that was prioritized for evaluation. ②

Additionally, the MHSOAC leveraged an opportunity to redirect personnel to evaluation. When Assembly Bill 100 (Chapter 5, Statutes of 2011) eliminated plan review at the state level, the MHSOAC identified three vacant positions that were used for plan review and reclassified them to further support evaluation.

The MHSOAC agrees with the priority the BSA places on evaluation, appreciates the value the Governor and Legislature have placed on funding implementing the Evaluation Master Plan, and will continue to look for opportunities to identify additional resources from year-end, one-time funds for additional evaluations.

Elaine M. Howle
Response to State Audit Report 2012-122
July 19, 2013
Page 4

BSA Recommendation

To report on the progress of MHSA-funded programs and support continuous improvement, the Accountability Commission should use the results of its evaluations to demonstrate to taxpayers and counties the successes and challenges of MHSA-funded programs.

Response

The MHSOAC agrees with this recommendation and one of the strategies the MHSOAC formally adopted in its Logic Model to oversee the community mental health system is to "utilize evaluation results for quality improvement."

The results of MHSOAC evaluations are already being used in this way. In January 2013, California Senate President Pro Tempore Darrell Steinberg advanced a National Framework for Investment in Mental Health to the Vice President of the United States Joseph Biden. This framework offered seven different MHSOAC evaluation results to support the national model.

These evaluations laid a foundation for supporting Senator Steinberg's "A Call for State Action: Invest in Mental Health Services for Community Wellness," a \$206 million increase for items, including crisis residential treatment capacity, mobile crisis support teams, and triage personnel, which became the Investment in Mental Health Wellness Act of 2013.

Evaluation results have been used locally too. For example, the results of mapping disparities to access in services was then brought to select counties so this information could be used when developing service plans.

Each of the MHSOAC's Committees' charters include as a task to "receive regular updates on MHSOAC evaluation efforts, consider implications of pertinent results, and make plans to act on those that are relevant to Committee purpose and objectives." MHSOAC Committees are actively engaged in this task.

The MHSOAC will continue to use evaluation results to accomplish this recommendation.

BSA Recommendation

To ensure that counties have needed guidance to implement and evaluate MHSA-funded programs, the Accountability Commission should do the following:

- Issue regulations, as appropriate, for Prevention and Innovation programs.
- Commence the regulatory process no later than January 2014.

Response

The Commission agrees with this recommendation. The Commission first received regulatory authority in June 2013 and has begun the regulatory process for Prevention and Early Intervention and Innovation programs.