

INFORMATION

TAB SECTION: 4

  X   ACTION REQUIRED

DATE OF MEETING: 7/29/10

PREPARED BY: Lemonds

DATE MATERIAL PREPARED: 7/20/10

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**AGENDA ITEM:** Priority 1: Fund and Execute All MHSA Components

- Adopt Comments to Proposed Regulations for MHSA General System Development Housing

**ENCLOSURES:**

- DMH Information Notice No.: 08-12 – Community Services and Supports General System Development Housing
- Initial Statement of Reasons for Proposed Regulations Regarding General System Development Housing
- Proposed Regulations for General System Development Housing
- Draft letter to the Department of Mental Health submitting the MHSOAC comments to the proposed regulations for General System Development Housing

**OTHER MATERIAL RELATED TO ITEM:**

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**ISSUE:**

The Mental Health Services Act (MHSA) charges the MHSOAC to oversee the public community mental health system and to review and comment on the Three-Year Program and Expenditure Plans and Updates which includes Community Services and Supports (CSS). (Sections 5845(a) and 5847 (a) of the Welfare and Institutions Code.)

On July 2, 2010, the Department of Mental Health (DMH) released proposed regulations for CSS General System Development (GSD) Housing, which allows Counties to purchase, renovate, construct or master lease housing units using their approved GSD funds. The housing units acquired with GSD funds are intended to serve persons that qualify for MHSA services.

Because expenditures for GSD Housing are part of the Three-Year Program and Expenditure Plans and Updates submitted by Counties, the MHSOAC is providing review and comment on the proposed regulations.

The DMH is accepting public comments on the proposed regulations for a period of 45 days, which ends on August 16, 2010. On July 20, 2010, the Services Committee met to review the proposed regulations and provide comments. A draft letter to DMH setting forth the comments to the proposed regulations is included in this packet for your review and approval. Once the Commission adopts the draft letter, Staff will forward it to DMH for consideration.

**BACKGROUND:**

Four types of service categories exist under CSS: 1) Full Service Partnerships; 2) Outreach and Engagement; 3) the MHSA Housing Program; and 4) General System Development. Each of the four CSS service categories allows expenditures for some type of housing.

**BACKGROUND (Cont'd)**

**Housing Tied to Specific Individuals**

Two of these service categories, FSP and Outreach and Engagement, provide housing as part of a comprehensive array of services tied to a specific person:

- Full Service Partnerships (FSPs), intended to provide all necessary services and supports for the persons they serve, are able to provide rent subsidies and temporary housing as needed.
- Outreach and Engagement programs also provide rent subsidies or assistance with temporary housing to persons and families being served through these programs. In this instance housing is also part of the array of Outreach and Engagement services.

**Project-Based Housing**

The other two service categories, the MHSA Housing Program and General System Development, are considered Project-Based Housing. Project-Based Housing is intended to expand housing resources available to persons within the mental health system but do not cover housing expenses for specific individuals being served:

- The MHSA Housing Program allows counties to construct, purchase and or renovate homes or apartment buildings for the purpose of providing permanent supported housing units for persons served pursuant to the MHSA. In this instance \$400 million was made available from CSS funds to increase the availability of affordable housing units for persons served by county mental health. This funding is not available for services but only for construction, purchase or renovation of housing units.
- Housing expenditures allowed under General System Development, similar to the MHSA Housing Program, are limited to purchasing, renovating, constructing or Master Leasing housing to expand the housing resources available in the County to improve the mental health delivery system.

**Additional Background Information**

- In March 2008, the DMH issued Information Notice No.: 08-05 clarifying when housing is an eligible expenditure under CSS GSD
- In April 2008, the DMH issued Information Notice No.: 08-12, further clarifying when housing is an eligible expenditure under CSS GSD. This information notice superseded Information Notice No.: 08-05.
- On July 2, 2010, the DMH issued proposed regulations for GSD Housing and the Initial Statement of Reasons for those proposed regulations
- On July 20, 2010, the MHSOAC Services Committee reviewed and provided comments on the proposed regulations which were incorporated into the enclosed draft letter to the DMH

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- The 45 day public comment period on the proposed regulations ends at 5:00 PM on August 16, 2010 or at the conclusion of the Public Hearing that begins at 10:00 AM on August 18, 2010.

**Proposed Motion:**

***The Commission adopts the draft letter providing public comment to the DMH from the MHSOAC on the proposed regulations for CSS General System Development Housing and the Initial Statement of Reasons for the proposed regulations.***