

The Mental Health Services Act of 2004

Purpose and Intent

In 2004, California voters approved Proposition 63—the Mental Health Services Act (MHSA)—a landmark initiative that not only significantly increases funding for the community mental health system, but lays the groundwork for the eventual transformation of the mental health service delivery system.

Purpose and Intent of the MHSA

The overall purpose and intent of the MHSA is to expand system of care services to children, adults and older adults with a serious mental illness, with a focus on innovation, prevention and early intervention services. Specifically, the MHSA is intended to:

- Build upon and expand prevention and early intervention services for children, adults, and older adults with severe mental illness.
- Reduce the long-term adverse impact on individuals, families, and state and local budgets resulting from untreated serious mental illness.
- Increase integration of mental health services and outreach to individuals most severely affected by or at risk of serious mental illness, and expand programs that have demonstrated their effectiveness, such as the proven integrated approach of programs created under AB 34/2034.
- Expand services to include culturally and linguistically competent approaches for unserved and underserved populations.
- Focus on a vision of recovery for individuals served.

Stakeholder Involvement. Requires the involvement of local stakeholders -- particularly among individuals with severe mental illness and their family members -- in the development of the local mental health plan that is submitted to the state for MHSA funding.

Program Development. Requires the development and expansion of new programs that are *complementary* to existing mental health programs -- including the Children’s System of Care and Adult and Older Adult System of Care programs -- for individuals with severe mental illness and serious emotional disturbance. Requires investment in the development of programs to expand outreach and treatment to underserved and unserved populations; increase training and educational opportunities for mental health professionals; expand information technology and capital infrastructure; and create innovative programs to support already existing programs.

Funding Provisions. Requires funding to be used **only** for purposes that are expressly specified within the scope of the Act – that is, to **expand** mental health services for individuals with severe mental illness, including prevention and early intervention services. Additionally, the Act prohibits the funds from being used “to supplant existing state or county funds utilized to provide mental health services.” The state must continue to provide financial support for mental health programs with not less than the same entitlements, amounts of allocations from the General Fund and formula distributions of dedicated funds as provided in the last fiscal year which ended prior to the effective date of the Act. The state also may not make any change to the structure of financing mental health services that increases a county’s share of costs or financial risk for mental health services “unless the State includes adequate funding to fully compensate for such increased costs or financial risk.”

Oversight and Accountability. Establishes an oversight commission to review and approve the portions of each county’s funding request related to prevention, early intervention and innovative programs. Requires the Department of Mental Health to review and approve the allocation of all other MHSA funding requests, and to ensure that plans comply with the purpose and intent of the Act.