

Executive Summary

Every neighborhood has a family in crisis. Economic and social stresses threaten their stability. Alcoholism and domestic violence shatter their bonds. More and more children are growing up angry, homeless – even hopeless.

For all of the wealth, innovation and productivity of 21st century California, many communities are still besieged by despair, destructive behavior and silent suffering. In many cases, mental health issues are a cause or a consequence of these public maladies.

More than 1 million children in California will experience an emotional or behavioral disorder this year, and more than 600,000 will not receive adequate treatment. For some of these children, their symptoms will go unnoticed; their needs will not be understood. For others, the symptoms will be obvious to parents, teachers and doctors, but they will not receive attention because of how California organizes, funds and delivers mental health care and other services.

With prevention and early intervention, many mental health problems could be avoided, reduced or resolved. Alternatively, inadequate care leads to a worsening of symptoms, with costlier consequences requiring more expensive responses.

Children can access public mental health through three doors: programs for low-income families; programs for children in foster care; and, in some counties, programs for children receiving other services, such as those in the juvenile justice system or in schools.

But getting through the door does not always mean getting help. More than 50,000 children in the foster care system who may need mental health services do not get them.¹ Some 50 to 90 percent of the children in the juvenile justice system need care – many of them also victims of early abuse and neglect – and many of them do not receive services.

More than Mental Health

Since 1994, the Commission has issued six reports on state policies for children, including: studies on juvenile justice, boot camps, child support, child care, abused and neglected children, and youth crime and violence prevention.

Based on those studies and this review, it is clear that mental health reform alone will not significantly improve services for troubled children and their families.

Rather, more holistic reforms are needed to integrate services to these Californians. In Recommendation 5 of this report, the Commission outlines a strategy to better align services for children with their needs. With the right reform, California can serve more children with less money and with more successful outcomes.

Some of these children are incarcerated simply because their county does not offer appropriate mental health treatment.²

Then there are the children who never get through the door – children from families that are not eligible for publicly funded services. Still, they suffer emotional, physical and psychological problems that diminish their future, their families, their classrooms and their communities.

In Los Angeles County alone, an estimated 100,000 children need help, but face barriers to care and so are adrift in a world of increasing challenge.

Defining Childhood Mental Health Needs and Responses

This report explores the needs of children from birth to their early adult years. Yet the mental health and related needs of a 2-year-old are different from those of a 12-year-old or a 22-year-old. And while researchers and practitioners are rapidly discovering how children experience mental health needs, this work is not complete.

The U.S. Surgeon General reports there is “no clear line between mental health and mental illness” in adults. Defining mental health and mental illness in children is far more complicated. The complexity is linked to the rapid social, emotional and intellectual development of children. In general, like mental illness in adults, mental illness in children is linked to not meeting expected developmental milestones. Significant variation from expected norms in development can be understood as representing a mental illness. The terms “emotional disorder” and “behavioral disorder” also are commonly used to represent childhood mental health needs.

However, some argue that because children experience such rapid and dramatic developmental changes, atypical development is best understood as delayed development or maladjustment. To them, the terms “mental illness” or “disorder” are inappropriate because children continue to develop and atypical development can be addressed with education and support. Further, atypical development can be in response to an environment that disrupts their ability to reach expected milestones. In those instances, children are developing according to the cues offered by their environments. They are not ill, but the environments in which they are living may be.

Throughout this report the Commission has attempted to capture the best available knowledge on childhood mental health. The terms “mental health,” “mental illness” and “disorder” are used in this report because they reflect the most accepted and understood terms. However, the Commission recognizes that mental health needs are linked to a child’s development and a developmental perspective might best guide mental health policy.

This ongoing dialogue on the best way to understand and describe mental health needs in children influences the notion of “curing” a mental disorder or promoting recovery. With the appropriate response and support, children can almost always overcome the hurdles that disrupt their development or result in mental health needs, particularly young children. For older children, these challenges are more difficult to address and some do experience mental illnesses, such as schizophrenia, as young adults. For the majority, however, prevention, early intervention and appropriate treatment can help them meet their developmental milestones and grow up healthy.

The value of prevention is magnified when it is recognized that like adults, children whose needs are not met turn to drug use or other destructive responses to stress, anxiety or fear. Frequent drug use can compound their needs or they can end up in the juvenile justice system. Other children end up in trouble because of aggressive, defiant behavior. Unaddressed mental health needs and their consequences can create a downward spiral of more severe symptoms, needs and concerns that are expensive to address and defy simple solutions.

California's goal should be to ensure that all children who need mental health services receive the care and support necessary to mature into healthy, productive, independent adults. These services should seize three opportunities:

1. **To prevent greater needs.** Every effort should be pursued to provide appropriate mental health care to children before their needs disrupt their learning, their healthy development, or escalate into costly and more complex issues.
2. **To intervene early.** No child should be incarcerated, refused entry into school or denied high-quality educational services because of an unaddressed mental health or related need.
3. **To treat when necessary.** All children with identified mental health needs – regardless of legal or economic status – should have access to appropriate publicly or privately funded mental health and other services that support their rehabilitation, adjustment and educational success.

There is broad agreement that children should have access to a quality education, grow up safe, healthy and with a clear chance to lead successful, productive lives. But the importance of mental health care in achieving those goals has not been fully recognized.

As a result, we have suffered the consequences: lower educational outcomes, lower productivity, diminished health, increased violence, and for virtually everyone, less peace of mind.

Recognizing and Responding to Stigma

The U.S. Surgeon General recognizes stigma as one of the greatest challenges to mental health policy:

Stigmatization of people with mental disorders has persisted throughout history. It is manifested by bias, distrust, stereotyping, fear, embarrassment, anger, and/or avoidance. Stigma leads others to avoid living, socializing or working with, renting to, or employing people with mental disorders, especially severe disorders such as schizophrenia. It reduces patients' access to resources and opportunities (e.g. housing, jobs) and leads to low self-esteem, isolation, and hopelessness. It deters the public from seeking, and wanting to pay for, care. In its more overt and egregious form, stigma results in outright discrimination and abuse. More tragically, it deprives people of their dignity and interferes with their full participation in society.

The U.S. Surgeon General has identified several strategies to improve understanding of mental health needs and the efficacy of responses. He suggests increasing awareness through:

- Advocacy
- Public Education
- Increased contact with people who have experienced mental health needs.
- Improved research on causes and effective responses.

In its November 2000 report the Commission recommended a statewide campaign to help all Californians understand the nature and consequences of mental illness – and prevention and treatment opportunities.

Seeing the Whole Child

Over the last 10 years, experts have documented the complex needs of troubled children, and the importance of sophisticated solutions. Yet with each new study – as with each new Columbine – we put a new program, a new remedy, into the corpus of public programs that we so desperately hope will heal our children, our families and our communities.

Despite the integrity of individual programs – and even with the extraordinary contributions of so many individual professionals – incremental efforts add up to less than the sum of their parts. The programs often fall short of providing the right services, in the right way, to the right children at the right time. Year after year, new commitments – even with additional funding – fail to achieve the goals so desperately desired.

But from the perspective of a troubled child, the quality of care is severely limited by an additional problem: the bewildering and expensive patchwork of social, health, educational and other services that fail to meet the sophisticated needs of young and developing human beings in the context of their families.

In its November 2000 report examining the public mental health system for adults, the Commission was struck that California strictly rations services to only those adults in the greatest need of help.

But from the perspective of a troubled child, the quality of care is severely limited by an additional problem: the bewildering and expensive patchwork of social, health, educational and other services that fail to meet the sophisticated needs of young and developing human beings in the context of their families.

The barriers to high-quality mental health care are the same as those for other services needed by children in foster care, or on probation, or struggling with life below the radar:

- Funding is restricted by complex rules that encourage communities to forsake those in the path of danger and focus only on those children who are physically bruised and emotionally broken.
- Service providers are required to see boys and girls as something other than children. The public's response is distorted by the legal labels of victims or perpetrators, even though we know the trauma of the first often results in the second.

- And no one individual or agency is responsible for ensuring that a child who needs five helping hands to keep from going over a cliff, does not receive just four. Rather, programs respond – and their responsibility is narrowly limited to – where children sleep, or where they learn, or how they feel, or whether they cry versus whether they hit. No one’s job is to make sure they are safe and healthy, learning and at home, and out of trouble.

California will spend over \$56 billion for an array of child and family services in the next year.³ Clearly, if the State were to design such an enormous system today, it would look different than this crazy quilt of entitlement, categorical and pilot programs. No services are holistic. No one is accountable for how decisions affect the overall quality of life of children or their families. Divergent eligibility criteria often mean that parents and children, even individual siblings, receive different services from different providers. Disparate programs translate into little or no continuity of care as children age or their needs evolve.

Reforming the way California provides services to children and families will be difficult, but will never get any easier. Each year a new layer of pilot programs and other piece-meal reforms are added, making wholesale change all the harder.

Reforming service delivery systems will take time, but the effort is warranted. The present system is failing sufficient numbers of children and families, and the investment in these programs is too large not to demand greater efficiencies and accountability.

But most important, reforming these systems is essential if to provide adequate services to everyone in need. There may be enough resources if done right. There will not be enough resources if we continue to do this wrong.

The Commission and others have previously recommended many of the solutions outlined in this report. But the problems have gone unaddressed – and continue to erode the quality of life of children, their families and California’s communities.

Many of the challenges facing troubled children and their families today are the unintended consequences of short-term fixes and narrow vision

The Costs of Failure are High

Mental health and related services can provide children the support they need to stay in school, avoid criminal behavior and remain in their homes. Unaddressed mental health needs result in increased school failure, juvenile justice costs, and residential treatment and state hospital costs.

- Local juvenile detention facilities spend about \$3,500 to house a child for the average 27-day stay. The average daily census for local detention facilities was 11,529 children.
- The California Youth Authority spends \$3,100 per month to house a child. It spends an additional \$1,750 to offer treatment. Some 7,200 youth are served each month.
- One month in the state hospital costs \$10,000. There are over 200 children in the state hospital each month.

of the past. Each recommendation includes a strategy to address a fundamental challenge and the practical first steps that can make that reform successful.

After careful analysis, and after consulting extensively with many dedicated and knowledgeable Californians, the Commission submits the following recommendations for consideration.

Ensure Appropriate Care

Finding 1: Too many children suffer through mental health needs without the benefit of appropriate, compassionate and holistic care.

In the last decade new resources for children's mental health have encouraged local agencies to pursue innovative strategies for addressing the broader needs of children. These efforts recognize that high-quality mental health care can support a child's learning, prevent criminal behavior and promote positive physical and emotional development.

Building a Continuum that Reflects Healthy Child Development

Needs assessments and standards must reflect the range of issues affecting children throughout their lives. Appropriate health and mental health care for mothers can insure their babies develop into healthy children and then into healthy adults. Care for very young children can prevent the need for services as they age and become adults. Among the opportunities:

Birth to age 5. Young children present the greatest opportunity to respond early to risks and prevent the need for mental health services.

Ages 5 to 18. All children facing school difficulties or who are in foster care or the juvenile justice system should have access to appropriate mental health care.

Ages 18 to 25. Mental health needs do not stop when a child turns 18. This transition age is often the most stressful period in a person's life as new responsibilities are assumed and new challenges must be addressed. Counties should ensure that appropriate mental health care is available until a person is able to function on their own, transition into a robust adult mental health system or at least until age 25.

Still, thousands of families do not receive care and others receive inadequate care. Many families do not recognize that the right services could improve children's learning, prevent their incarceration, and support their success.

The challenge that families, community leaders and policy-makers face is understanding the services that are available, the services that are needed, and where improvement should be focused. Five fundamental problems underlie the mental health system:

No commitment to meeting needs. California has not established a policy vision – such as all who need care will receive services – that can guide policies and programs and outline strategies for success.

No inventory of needs. Counties have not explicitly assessed their needs. Local leaders and mental health officials are unclear on who lives in their communities and the types of risks that children and families face and how those risks

make them vulnerable to needing services.

No definitive standards. California has not established definitive standards or expectations that provide clear direction on how best to identify children at risk of needing services and how best to serve them.

No pressure for reform. In the absence of clear standards and expectations, parents and policy-makers are unsure if existing funding and programs are adequate. And where parents and other advocates are active, they are unsuccessful in their attempts to motivate policy-makers to improve the service delivery system.

No focus on prevention. Without a clear assessment of risks, needs and standards, counties have been unable to focus on preventing the need for expensive downstream services. Prevention offers the greatest opportunity to serve the most needs in the most cost-effective manner.

An immediate step toward ensuring that every child in need receives high-quality services is to make better use of existing resources to reach more children with higher quality care. More fundamental reform will require political and community support. It will require local officials to identify gaps in their service system, to document the costs of failure and to demonstrate need. Reform will require pressure from families and communities for local officials to align services with needs. It also will require advocacy and accountability at the state level to understand the statewide costs and consequences of inadequate mental health services and how state policies and funding rules inhibit improved outcomes.

Children, Learning and Mental Health

California makes an enormous investment in children. Public programs are designed to help them learn, develop problem-solving skills and rouse a curiosity for the world around them. A child's learning process starts with the family, involves child care providers and schools. Mental health providers are essential partners in this investment. Children struggling with depression, anxiety, or those who have not developed the skills to appropriately interact with peers or teachers cannot learn to their optimal ability.

Increasingly K-12 and early childhood teachers are seeking the support and guidance they need to aid struggling children. They recognize that community mental health providers can help them ensure that no child fail to learn or develop healthy social and problem-solving skills because of unaddressed mental health needs. Yet school-mental health partnerships do not happen without initiative. In Los Angeles and Vallejo, and many other communities across California, school- and childcare- based programs are helping children overcome mental health needs so that they can be better learners, family members and neighbors.

The lesson of these partnerships is that new categorical funding for school-based or child care-based mental health services would be the wrong approach. A categorical program would inevitably ration care in a few schools. A more robust solution would promote local partnerships that tap all available resources to meet local needs for as many children as possible.

Recommendation 1: The Governor and the Legislature should establish a commitment that all children with mental health needs shall be eligible for and receive high-quality, efficient mental health and related services. Legislation should:

- **Require each county to establish a Child and Family Services Board.** The role of the board could be assumed by an existing entity. The board in each county should:
 - ✓ **Assess needs.** Each county should understand how many children are at risk for needing services, how many require care and what types of services they need.
 - ✓ **Document available services.** Each county should clearly document the availability of mental health and related services in its communities.
 - ✓ **Define gaps in needed care.** Each county should compare needs with services to determine deficiencies in the availability of services in its communities.
 - ✓ **Develop a strategy to address those gaps.** Each county should develop a strategy to address unmet needs.
 - ✓ **Develop mechanisms to locally report on needs, gaps and progress toward meeting those needs.** Each county should clearly and periodically report on local needs, gaps in the continuum of care and current efforts to address those gaps.

- **Establish an Office of Prevention within the Department of Mental Health.** The Office of Prevention should be charged with identifying prevention opportunities and advocating for prevention, including documenting the costs and benefits of prevention strategies in mental health and related fields.

- **Plan for private-public universal coverage.** The Department of Mental Health, with support from the Legislative Analyst's Office and the Department of Finance should:
 - ✓ **Identify coverage goals.** The department should determine what percentage of the population should have private sector mental health insurance coverage and what percentage should be served through public sector programs.
 - ✓ **Calculate the cost.** The department should document the costs of providing public sector coverage to the target population.
 - ✓ **Develop a strategy.** The department should outline the steps to offering 100 percent needed services to the target population and participate in the task force on private sector mental health coverage outlined in Recommendation 2.

- ❑ **Establish a Human Service Research Center.** The center should be a partnership between the California Department of Mental Health, local mental health agencies, public and private universities and others. It should be charged with the following tasks:
 - ✓ **Develop clear standards to guide policy.** The center should establish clear standards that will guide expectations for the delivery of mental health and related services. Standards should be formulated that indicate the goals to be realized with public programs.
 - ✓ **Develop an information clearinghouse.** The center should document and disseminate information on the latest available knowledge on proven, promising and disproven service delivery approaches, treatment protocols and other issues relevant to the human service delivery system.
 - ✓ **Identify incentives.** The center should encourage the adoption of proven and promising approaches to service delivery. It should develop strategies that encourage local agencies and professionals to continuously upgrade skills, treatment approaches and other practices that will improve outcomes for children and families.
 - ✓ **Serve as a research and data pipeline.** The center should serve as a single point of access to state data. It should develop streamlined policies for human subject reviews and other necessary research protocols. It should develop research agendas relevant to policy-making and the delivery of services, and support grant writing and other efforts that improve awareness, dissemination and adoption of proven and promising practices. The center should guide and advise state efforts to evaluate social service programs.
 - ✓ **Provide public access to performance data.** The center should develop a publicly accessible information source, such as a Web site, that presents county and statewide data on policy goals, benchmarks, service availability, funding and outcomes.

Building a Foundation for Reform: First Steps

- ✓ The Department of Mental Health, in conjunction with other state departments, should determine what percentage of the population should be expected to receive mental health care from the public sector.
- ✓ Counties should form or designate a child and family board to determine broad community needs, assess gaps in services and outline a strategy for addressing them.
- ✓ The Department of Mental Health should develop a budget change proposal to create an Office of Prevention.
- ✓ The Legislature should direct the Department of Mental Health to solicit proposals for the development of a Human Services Research Center.

Provide Appropriate Resources

Finding 2: Mental health funding fails to promote quality, efficient care.

California has not adequately leveraged the ability of the private sector to provide mental health coverage. As a result, public funding is spread thin trying to meet multiple demands. Programs serving children and adults compete with each other for limited funding that is inadequate to address the full range of needs or the number of people needing care.

The challenge of funding reform is compounded because available resources are not well organized. Specifically:

Mental health funding is ineffective. Many children fail to receive the care they need to recover because of limits on services – including limits on who can be served and when they can be served.

Mental health funding is inefficient. Treatment services are available, but prevention services are not. Short-term treatment goals are given a higher priority than services to address long-term outcomes. And funding rules do not create incentives that encourage counties to provide children the most cost-effective treatment.

Mental health funding creates inequities. Grant and pilot programs allow some counties to provide more comprehensive services to more children, while other counties place more limits on who receives care and the services they receive. Additionally, funding rules force providers to deliver services based on diagnosis, regardless of needs. The result is some children can receive comprehensive care, while others with similar diagnoses receive only limited care, and still others are ignored until their needs escalate.

Mental health funding should motivate good outcomes. It should encourage counties to pursue the most effective, efficient strategies for providing care. It should create incentives for investing in proven and promising practices, reducing the use of unproven approaches, and documenting results. Funding should prioritize prevention and address the needs of children regardless of their diagnoses. The Commission has recommended that California reform mental health funding in the following way:

- ***Create a Stable Funding Base.*** The majority of mental health resources should be stable, provide incentives that promote efficiency and effectiveness, and give local agencies discretion to tailor programs to meet individual needs.

- **Provide Incentives to Do Better.** The State should provide financial incentives to motivate local authorities to adopt practices proven to enhance services.
- **Make Room for Innovation.** A third tier of funding should promote innovation, and encourage counties to invest in approaches that hold the promise of increasing the efficiency and effectiveness of mental health programs.

California also should expand private sector mental health insurance coverage. Mental health insurance parity is a start. The majority of Californians should receive mental health care through private insurance, allowing the public sector to concentrate on building an appropriate safety net for people without coverage.

These recommendations restate the Commission's concerns for mental health funding as outlined in its November 2000 report, *Being There: Making a Commitment to Mental Health*.

Recommendation 2: California should ensure that public or private funding is available to provide efficient, effective mental health care to all Californians.

Immediate reform should:

- ❑ **Assess available resources.** The Department of Mental Health should provide a comprehensive analysis of why counties are not making full use of available resources.
- ❑ **Document costs.** The Department of Mental Health should identify the State's share of additional costs to provide adequate services to all who need care and the consequences of not serving these children.
- ❑ **Explore access to federal funding.** The Department of Mental Health should explore the use of federal waivers to 1) tap into additional resources and 2) make better use of existing resources. Specifically, the department should pursue a waiver to use Medi-Cal to fund mental health services in the juvenile justice system.
- ❑ **Form a Mental Health Insurance Task Force.** The task force should be charged with expanding private sector insurance coverage for mental health care. It should identify the criteria for a robust private sector mental health insurance market and outline how the State could support that market. The task force should include representatives of the insurance industry, mental health stakeholders and state departments.

Long-term reform should:

- **Revise the structure of mental health funding.** The California Department of Mental Health should develop a plan to sunset, over time, existing categorical and grant programs and fold that funding into three sources that have the following characteristics:
 - ✓ **Stable base funding that motivates quality outcomes.** The lion's share of mental health funding should include incentives for local mental health agencies to continuously improve services.
 - ✓ **Incentive funding for the adoption of best practices.** A second funding stream should be used to encourage local agencies to adopt proven programs.
 - ✓ **Innovation funding to encourage experimentation and risk taking.** A third source of funding should promote innovation and risk taking to encourage local agencies to explore new, more effective approaches to providing services.

Building a Foundation for Reform: First Steps

- ✓ The Department of Mental Health should issue a report that lists all available resources that can be used to provide mental health services.
- ✓ State associations representing local agencies should form a task force charged with developing best practices and technical assistance to ensure each county fully accesses available funding for mental health services.
- ✓ Individual counties, school districts and other local agencies should review their use of funding to support mental health services.
- ✓ The Department of Mental Health should identify counties that are not accessing all available funding for mental health and dedicate existing staff to help those counties access those funds.
- ✓ The Legislature should form a task force to determine the elements needed to provide private sector insurance coverage for mental health care for the majority of Californians.
- ✓ Local agencies should formally request that the Health and Human Services agency champion a federal waiver to use Medi-Cal funding to ensure that all children in juvenile justice programs receive mental health services. The Health and Human Services Agency should request that waiver.
- ✓ The Health and Human Services Agency should identify barriers to accessing additional federal dollars to serve children and families with mental health needs.
- ✓ The Department of Mental Health should draft a plan to collapse existing categorical funding into a three-tiered funding source for mental health services.

Invest in Leadership

Finding 3: Successful and sustained improvements in children’s mental health care require an ongoing commitment to developing talented and dynamic leaders.

The fundamental challenge in mental health care is one of leadership. Nearly all mental health needs can be addressed with existing knowledge in medicine, treatment and support services. And that knowledge is getting better each year. To improve mental health care, California must ensure that existing and new knowledge and resources are applied in an efficient and effective manner. Doing so requires leadership.

Talented leaders translate knowledge into cost-effective, timely services. And they aggressively pursue new approaches to providing efficient, effective services. Too many promising and proven approaches to helping children and families have failed because local administrators did not receive the direction and support needed to be successful.

State and local mental health leaders face enormous challenges to developing highly efficient, effective continuums of care. They must be able to:

- **Articulate a vision.** County mental health directors need to be able to establish a clear organizational vision for public programs and build the internal and external support necessary to realize and sustain that vision.
- **Build partnerships.** County mental health programs need to work closely with schools, social services, juvenile and criminal justice programs and other agencies. Local mental health directors must build partnerships with other public, private and non-profit agencies to best address shared goals for children and their families.
- **Manage people.** County mental health directors must be able to rely on the support and expertise of clinical, fiscal and administrative staff in the operation of county programs. Building the necessary trust and confidence requires directors to understand and respond to the needs of staff and empower them to contribute to the best of their ability.

State Leadership Challenges

In its report on the adult mental health system, the Commission identified a number of challenges that require leadership to resolve. Among them:

- Providing adequate funding and promoting efficient spending.
- Addressing human resource needs.
- Focusing on prevention and reducing stigma.
- Developing, documenting and disseminating best practices.
- Meeting the need for comprehensive community services.
- Managing a growing penal code client population.
- Addressing demands for reform of involuntary commitment laws.
- Implementing managed care.
- Supporting mental health parity.
- Improving oversight and accountability mechanisms.

- **Demonstrate political leadership.** County mental health directors must be able to assess the interest of elected officials, build public awareness and support for mental health care, expend political capital when necessary, work with the media and community, and represent the county as the mental health authority.

Few mental health leaders have formal training in organizational management, directing organizational change or leading complex service delivery systems. All would benefit from formal education in these areas and from a network of skilled leaders familiar with these challenges.

The structural answer to improving leadership in mental health care is to create incentives for counties to do the right thing at the right time and to streamline regulations that make it hard to do the right thing.

Incentives will encourage all counties to directly invest in leadership. In the meantime, with or without structural reform, improving services will require leadership expertise.

State policy-makers should recognize that to achieve the results they want from mental health programs they must support the ability of counties to be successful.

The challenge is to increase the number of counties aggressively implementing proven and promising practices, identifying the barriers to improved efficiency and effectiveness, and building

leaders skilled at advocating for the relief and support necessary to serve all families in need of care.

Losing Institutional Knowledge

The California Mental Health Directors Association has identified leadership as a fundamental challenge facing California's mental health system.

In the last five years, 24 percent of local mental health directors have retired. In July 2001, 12 percent of all director positions were vacant. And another 25 percent of directors are expected to retire within the next five years.

Source: California Institute for Mental Health.

Recommendation 3: The Governor and the Legislature should invest in a leadership initiative that will provide existing and emerging leaders with the skills they need to be successful. The initiative should:

- ***Involve the right partners.*** The initiative should involve the California Department of Mental Health, the California Mental Health Directors Association, the California Department of Personnel Administration, clients and family-members, university-based experts and others to fully address the needs of current, emerging and potential mental health leaders.
- ***Cover the essential topics.*** The initiative should provide intensive, and continuing education on the topics essential to building and managing a high-quality mental health system, including:

articulating a vision, building partnerships, managing people, accessing funding, communicating goals and measuring progress.

- ❑ **Utilize a range of strategies.** The initiative should include a range of strategies to address the needs of diverse leaders. It could provide classroom education on the latest in conflict management, personnel laws, management approaches and other on-going issues. It could provide workshops around the state on topics of particular concern, such as cultural competency, blending funding and team building. And it could convene high profile conferences to identify, explore and educate on emerging issues impacting statewide goals, such as the need for residential care, providing mental health care through the juvenile justice system and ensuring that all children with mental health needs receive adequate educational services.
- ❑ **Offer incentives to participation.** The initiative should explore the value of a certificate program or other strategies that will encourage public and private mental health providers to determine the most cost-effective way to involve potential, emerging and existing mental health leaders in the activities of the initiative.
- ❑ **Build capacity for continuous improvement.** The initiative should bring together existing leaders to develop and implement special projects that offer the potential for statewide benefit and demonstrate the value of continuous improvement. The initiative could explore the potential of universal healthcare – such as the program underway in Santa Clara County - the employment of mental health clients as para-professionals, or the role of the state mental hospital in providing a continuum of services.

Building a Foundation for Reform: First Steps

- ✓ The Legislature should enact legislation to create and fund a leadership initiative under the direction of the Health and Human Services Agency.
- ✓ The Health and Human Services Agency should form a working group with statewide association representatives, researchers and other partners to outline the goals and strategies for a leadership initiative across the human services.
- ✓ The California Mental Health Directors Association should outline the skills of an effective mental health director and issue recommended training and skill standards for new local agency directors. The Association should identify training opportunities for local directors and identify funding sources to encourage existing and emerging directors to participate in formal training programs.
- ✓ Local mental health directors should solicit funding from their Boards of Supervisors to pay for their training needs.
- ✓ Local mental health organizations should advocate with local Boards of Supervisors to require and fund leadership training for local mental health directors.

Ensure Sufficient Personnel

Finding 4: Children and families are denied access to adequate and appropriate care because California has not appropriately addressed the acute shortage of qualified mental health professionals.

People make California's health care system effective. Without professional service providers there is no health care, no cures, no recovery for children or adults. California cannot expand high-quality mental health care, enhance prevention, and improve the efficiency of care without sufficient mental health personnel.

California's Human Resource Crisis

According to the California Mental Health Planning Council, the vacancy rates for mental health professional positions statewide exceeds 30 percent.

- In the Bay Area it takes four months to fill licensed clinical social worker positions.
- In the Central Valley, it can take 10 months to fill similar positions.
- Los Angeles County has a 30 percent vacancy rate for psychiatrists.
- In the northern region, it can take almost a year and a half to fill vacancies for psychiatrists and psychologists.

In its November 2000 report on mental health, the Commission argued that addressing the human resource challenge should be a fundamental concern of the California Department of Mental Health. This recommendation outlines a strategy for addressing this challenge.

Marvin Southard, the director of the Los Angeles County Department of Mental Health, testified that more than money, his county needs the mental health staff to serve the children and families of Los Angeles. Because of staff shortages children suffer through excruciatingly long waiting periods to see doctors, social workers or case managers. Sometimes care is delayed. Other times people end up in hospitals, jails or on the streets because no one was available to care for them.

There are many potential barriers to addressing this issue. Certainly there are too few applicants to work in the mental health field. But why more people are not applying for these positions has not been determined. The California Mental Health Planning Council attributes bureaucratic barriers within county personnel systems as a contributing factor. The Assembly Human Services Committee has heard that a poor image

discourages people from entering human service fields. The multiple efforts to understand this issue have identified the following problems:

- ✓ Inadequate supply of trained staff.
- ✓ Complex hiring rules cause undue delay.
- ✓ Poor public image of the field turns away potential applicants.
- ✓ Stressful workloads discourage new entrants and increase turnover.
- ✓ Poor alignment of training with the realities of the workforce limit retention.
- ✓ Limited support for staff and professional development encourages turnover.
- ✓ Low pay and benefits reduce the attractiveness of the profession and retention.

Unfortunately, there is no comprehensive analysis of these barriers, how they interact, or where attention should be concentrated. Potential solutions include:

Recruitment. California could investigate the extent that improved recruitment, including a coordinated national recruitment campaign, could attract more applicants to the field.

Training Academies. Some counties have found success with training academies that allow an individual to study while gaining on-the-job experience with a mental health agency.

Scholarships/Loan Forgiveness Programs. The Office of Statewide Health Planning and Development provides financial assistance to students entering the health professions. Additional investment in this strategy should assess the effectiveness of existing efforts and ways to improve the efficiency and effectiveness of these programs.

Workload Analysis. A workforce analysis could assess the extent that vacancies are caused by people moving out of the mental health field rather than simply a limited supply of qualified workers.

Core Competencies. Workforce development efforts could assess the alignment of training programs and the needs of the field. California has the infrastructure to address this issue, but its public agencies are not working together to do so. Among the agencies that should be enlisted:

- The Employment Development Department offers the technical knowledge to forecast needs and assess trends in mental health employment.
- The Office of Statewide Health Planning and Development has the experience and responsibility to move people into health fields.
- The Employment Development Panel and the community colleges have the capacity to link employers with training and education providers.
- The Regional Collaborative model, which brings together education, workforce preparation, and economic development interests in five regions of the state, could be expanded to address human service workforce needs throughout the state.⁴

But these efforts will not be successful if pursued independently. Workforce development efforts should be coordinated and continuous. They should capitalize on the forecasting and data analysis skills of the EDD and identify emerging needs before they reach crisis proportions.

California has all the elements needed to ensure adequate numbers of trained professionals for the mental health and human service fields. The right leadership, the right goals and accountability for outcomes could bring those elements together to address this critical need.

Recommendation 4: The Governor and the Legislature should direct the Health and Human Services Agency to address this crisis. Specifically, the legislation should:

- ***Call for a human service workforce summit.*** The Health and Human Services Agency should convene a human service workforce summit to better understand and address the personnel needs of public and private sector human service employers and personnel. The summit should bring together public and private agencies and organizations working to address this issue. The summit should:
 - ✓ ***Document needs.*** The summit should bring together researchers and others to clarify the present and future human service workforce needs in California.
 - ✓ ***Document barriers to entering the workforce.*** The summit should identify and clarify the barriers that make it difficult for people to enter the human service workforce. Barriers to be considered should include inadequate supply of trained personnel, compensation, workload, work environment and any other factors considered to impede the recruitment and retention of qualified human service employees for public sector and private sector employment.
 - ✓ ***Identify strategies to respond.*** The summit should identify the present capacity of California to respond to these barriers. It should document where present capacities are inadequate. And it should identify strategies for improving the ability of public and private training institutions, public and private employers, guilds, unions and others to work together to improve the capacity of California to respond.
 - ✓ ***Review the appropriateness of expanding the use of para-professionals in mental health and related fields.*** Expanding the use of practice models that rely on mental health clients, peer support groups, and other para-professionals to address mental health and related needs could improve access to care and address staffing needs.

- ❑ **Assess overlap, duplication and gaps of mission, authority and funding of workforce development programs.** The Health and Human Services Agency should form a task force to review the allocation and organization of existing workforce development resources and make recommendations to reduce duplication and conflict. The task force should:
 - ✓ **Identify unmet needs.** The task force should assess whether California has adequately invested in workforce development and can respond comprehensively to workforce needs. It should include recommendations for improvements.
 - ✓ **Document the ability and incentives of workforce development programs to work together to forecast needs and formulate responses.** Public entities should work together to address needs and strive to continuously improve California's response to workforce development needs.
 - ✓ **Review the appropriateness of existing data, data analysis and forecasting models** The task force should review whether the Employment Development Department and its programs are presently able to accurately reflect and respond to the realities of a changing workforce and workforce needs and how those programs can be improved to guide the efforts of policy-makers interested in improving workforce development.

Building a Foundation for Reform: First Steps

- ✓ The Legislature should direct the Health and Human Services Agency to convene a human services workforce summit.
- ✓ Statewide and local mental health organizations should collectively ask the Health and Human Services Agency to detail the efforts underway to address present workforce needs and align ongoing research and intervention programs to ensure adequate and culturally competent personnel are available as the need for mental health services evolves.
- ✓ Local mental health departments should develop partnerships with community colleges, CSU and UC campuses to align training programs with the demands of employment. Where necessary, local Boards of Supervisors should be encouraged to ensure that community college leaders prioritize public sector workforce needs when determining how to best use limited community college resources.

Remember the Child

Through numerous public policy reviews the Commission has looked at how California provides services to children and families. The Commission has examined the child welfare and juvenile justice systems. It has looked at education, youth crime and violence and child care and child support policies. And in this report and a November 2000 report it has looked at mental health policy.

In each of these studies the Commission unearthed a core set of concerns that prevent many children and their families from accessing the care they need. They include: Services are provided by multiple programs that do not share common goals. Parents and families have difficulty finding reliable information that can ensure the best care is available to their children and themselves. And elected officials do not consistently know which programs are working, which are not, and where the next few dollars should be spent.

The primary challenges facing children and families who need care are tied to funding and how services are organized. Separate human service agencies have distinct program goals because their responsibilities have been defined as mutually exclusive. Families are confused and frustrated because services are organized in ways that are confusing and frustrating. And policy-makers have no clear guidance because the system is so complicated and unmet needs so enormous. The result is public policy guided by small changes in policy or funding that are much easier to achieve than the right changes. And many small changes further complicate, confuse and frustrate.

As part of this report, and based on the Commission's previous works, this finding and recommendation outline a strategy to begin needed reform across multiple service systems and programs. The Commission is compelled to recommend such large scale reform because the present service delivery system fails so many families, at such great cost and consequence. This recommendation outlines the steps to redesigning that system.

Serve Children and Families

Finding 5: California does not fund, organize or administer services to comprehensively meet the needs of children and families.

Children and families need more than mental health reform. So many of the barriers they face to accessing appropriate care, are not part of “mental health” policy. They involve the educational system, child welfare programs, juvenile justice policies, foster care services, as well as other programs and policies.

The previous recommendations would improve the ability of the mental health system to provide quality, appropriate care. But they do not address the core barrier limiting the ability of California to improve care. California does not have a single system to serve children. Rather, it has multiple systems that do not work together and are often at odds. The complexity of these systems and how they interact frustrates parents, misses opportunities to prevent problems and reduces opportunities for improving services. This complexity drives up costs and diminishes the effectiveness of well-intended social programs.

The State and local agencies have begun to build integrated services around the needs of children and families. Service integration is intended to provide the following:

- ✓ Consistent care regardless of how the system is accessed.
- ✓ Comprehensive services to meet a full range of needs.
- ✓ Consistent care as children age or needs evolve.
- ✓ A single point of responsibility and accountability for outcomes.
- ✓ Services designed around long-term individual, family and community goals.

While integration offers great promise – and hope that services can be driven by needs, focused on prevention and cost-effectiveness – existing efforts have been limited.

- ✓ They have been implemented on a small scale, primarily for targeted populations, not for all children and families in need.
- ✓ Counties have assumed the majority of the risk associated with change and have received limited support from the State.
- ✓ Integration efforts have not removed administrative barriers that increase workload and bureaucracy.
- ✓ Integration has not allowed discretionary use of primary funding.
- ✓ Pilot programs and targeted integration efforts have not been taken to scale, limiting investment in building a true system of care.

California should commit itself to truly integrated services. Policy-makers should understand what has worked in the past, the progress of present efforts, and how to maximize the potential of this service delivery approach.

Ultimately, every county should build a single system of care for all children and families that is designed, funded, staffed and held accountable for ensuring that all children and families are safe, healthy, at home, in school/in work and out of trouble.

Recommendation 5: The Governor and the Legislature should ensure that no child or family suffers needlessly because state and local programs fail to work toward common objectives. The Legislation should:

- ❑ ***Establish policy goals.*** California must ensure that state and local policies and programs support the overall well-being of children and families. All public policies should be guided by the following goals: All children and families should be safe, healthy, at home, in school or in work, and out of trouble.
- ❑ ***Establish an innovation project.*** A five-year innovation project should allow local agencies to design a service delivery system to achieve the above policy goals. Innovation projects should designate a single county entity that is responsible and accountable for outcomes. The State should offer a range of support for counties interested in participating, including:
 - ✓ ***Planning grants.*** Some counties are ill-equipped to move forward without significant planning. The State should offer planning grants to support local efforts.
 - ✓ ***Technical assistance.*** The State should provide technical assistance to counties struggling to address issues of confidentiality, blended funding and other concerns.
 - ✓ ***Regulatory relief.*** The State should expand and streamline existing efforts to provide regulatory relief.
 - ✓ ***Discretionary funding.*** The State should buy-out any state, federal or other funding that restricts local efforts to integrate services.
- ❑ ***Create a Secretary for Children's Services.*** In previous reports, the Commission has recommended a high-ranking official responsible for integrating disparate programs serving children and youth. The Commission reiterates that recommendation with a call for a Secretary of Children's Services.

- ❑ **Form a multi-agency coordinating committee.** The State should offer a single point of contact to counties. The coordinating committee, headed by the Secretary, should include representatives of all state entities responsible for assisting, funding and regulating agencies that provide services to children and their families. It should evaluate the innovation project and be charged with developing strategies for overcoming barriers to statewide policy goals for counties not participating in the project.

- ❑ **Create mechanisms for local accountability.** Local elected officials are ultimately responsible for the performance of county programs. The coordinating committee should identify measurable outcomes for the policy goals listed above. It should provide the guidance for local officials to develop uniform reporting mechanisms, and it should publicize outcomes.

