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FACT SHEET

How Can MHSA Be Used To Support Homeless Individuals?

MHSA statute acknowledges that a system of care for individuals with severe mental illness is vital for successful management of mental health. It requires a comprehensive and coordinated system of care that includes criminal justice, employment, housing, public welfare, health, and mental health to address mental illness and deliver cost-effective programs.¹

Like any program funded through MHSA, the program must be set forth in the 3-year expenditure plan and annual update pursuant to W&I Code § 5847 and be vetted through a local stakeholder process.

MHSA funded services and assistance are available to persons who are homeless or at risk of being homeless, who are also suffering from serious mental illness.²

Counties are authorized to fund services to the homeless and housing assistance through the **Community Services and Supports (CSS), Prevention and Early Intervention (PEI), Innovation (INN), and Capital Facilities and Technological Needs (CF/TN) components** of MHSA.

CSS Programs

CSS is the largest MHSA component at 76% of county MHSA funding.³ CSS funds may be used to serve the homeless population through the following services and programs.

Full Service Partnership (FSP)

Counties are required to direct a majority of their CSS funds to FSPs.⁴ Individuals eligible for an FSP include those who are unserved or underserved and may be homeless or at risk of becoming homeless.⁵ FSPs

¹ Welfare & Institutions (W&I) Code § 5802.

² W&I Code §§ 5600.3(b)(4)(A) and 5600.4(j).

³ California Code of Regulations (CCR) § 3420; W&I Code § 5892(a)(5).

⁴ CCR § 3620(c).

⁵ CCR § 3620.05(b)(c)(d).

provide wrap-around or “whatever it takes” services to clients. FSP mental health services and supports⁶ include:

- Mental Health Treatment
- Supportive Services to Assist the Individual in Obtaining and Maintaining Employment, Housing and/or Education.
- Peer Support
- Wellness Centers.
- Personal Service Coordination/Case Management
- Needs Assessment
- Individual Services and Supports Plan (ISSP) Development
- Crisis Intervention/Stabilization Services
- Family Education and Reunification Services

FSP non-mental health services and supports⁷ include:

- Food
- Clothing
- Housing, including, but not limited to:
 - Rent Subsidies
 - Housing Vouchers
 - House Payments
 - Residence in a Drug/Alcohol Rehabilitation Program
 - Transitional and Temporary Housing
- Cost of Health Care Treatment
- Cost of Treatment of Co-Occurring Conditions, such as Substance Abuse
- Respite Care

General System Development (GSD) Programs

CSS funds can also be used to fund GSD programs, which may include mental health treatment, peer support, and personal service coordination. Such programs could include assistance in accessing housing and crisis intervention/stabilization services.⁸ Examples of such programs include:

- Countywide housing specialist teams that provide housing placement services.
- Crisis teams that provide linkage to county mental health programs.

Additionally, under GSD, a county may transfer funds to their local government housing entity for a specific Project-Based Housing Program.⁹

Examples of Project Based Housing include:

- Rehabilitation of a hotel for short-term housing.
- Purchase of a house for transitional housing.
- Construction of a building for master leasing of units.

⁶ CCR § 3620(a)(1)(A).

⁷ CCR § 3620(a)(1)(A).

⁸ CCR § 3630(b).

⁹ CCR § 3630.05(a).

Outreach and Engagement (O&E)

CSS can be used to fund outreach activities/programs that are intended to identify unserved individuals who meet certain criteria¹⁰, in order to engage them in the mental health system so that they receive the appropriate services.¹¹

- O&E funds may pay for food, clothing, and shelter, *but only when* the purpose is to engage unserved individuals, and when appropriate their families, in the mental health system. Examples:
 - Multi-Disciplinary Teams that Engage Homeless
 - Peer Services
 - TAY Targeted Teams
 - Navigators
- O&E activities include:
 - Outreach to entities such as schools, tribal communities, public places such as streets and trails, jails and hospitals.
 - Outreach to individuals who are homeless and those who are incarcerated in county facilities.

Housing Assistance

CSS funds may be used for “housing assistance”¹² which includes:

- Rental assistance or capitalized operating subsidies.
- Security deposits, utility deposits, or other move-in cost assistance.
- Utility payments.
- Moving cost assistance.
- Capital funding to build or rehabilitate housing for homeless, mentally ill persons or mentally ill persons who are at risk of being homeless.¹³
- Housing may include short-term housing (ex. hotel), transitional and permanent supportive housing.

No Place Like Home (NPLH) MHSA-Funded Supportive Services

NPLH funding is a separate funding source from MHSA, but to get the funding through NPLH, an applicant county has to commit to providing the NPLH tenant population mental health supportive services for at least 20 years. They can use multiple funding sources to provide the supportive services, including MHSA funding. The NPLH program is dedicated to the development of permanent supportive housing for persons who are in need of mental health services and are experiencing homelessness, chronic homelessness, or who are at risk of chronic homelessness. Under this program, counties can use the money awarded them to fund housing, and subsidize extremely low rent levels. If a county is awarded NPLH funding, then the program requires

¹⁰ W&I Code § 5600.3 (criteria).

¹¹ CCR § 3640(a).

¹² W&I Code § 5892(a)(5).

¹³ W&I Code § 5892.5.

the following mandatory supportive services (which can be funded through MHSA) to be provided to NPLH tenants¹⁴:

- Case management.
- Peer support activities.
- Mental health care, such as assessment, crisis counseling, individual and group therapy, and peer support groups.
- Substance use disorder services, such as treatment, relapse prevention, and peer support groups.
- Support in linking to physical health care, including access to routine and preventive health and dental care, medication management, and wellness services.
- Benefits counseling and advocacy, including assistance in accessing SSI/SSP, and enrolling in Medi-Cal.
- Basic housing retention skills (such as unit maintenance and upkeep, cooking, laundry, and money management).

And the following services to be made available and encouraged¹⁵:

- Services for persons with co-occurring mental and physical disabilities or co-occurring mental health and substance use disorders not listed above.
- Recreational and social activities.
- Educational services, including assessment, GED, school enrollment, assistance accessing higher education benefits and grants, and assistance in obtaining reasonable accommodations in the education process.
- Employment services, such as supported employment, job readiness, job skills training, job placement, and retention services, or programs promoting volunteer opportunities for those unable to work.
- Obtaining access to other needed services, such as civil legal services, or access to food and clothing.

MHSA Housing Program

This program provided funding for the capital costs and operating subsidies to develop permanent supportive housing for individuals with serious mental illness who are homeless, or at risk of homelessness. In 2016 the MHSA Housing Program was replaced with the Local Government Special Needs Housing Program (SNHP), which was intended to be a bridge between the MHSA Housing Program and NPLH. Effective January 3, 2020, the California Housing and Finance Agency (CalHFA) discontinued SNHP. While no longer in effect, this program:

- Created over 2,500 supportive housing units dedicated to individuals with serious mental illness.
- Used MHSA funds to leverage public, local, state, and federal funding to develop over 10,000 affordable housing units.

¹⁴ [NPLH Program Guidelines](#), pp 24-25.

¹⁵ [NPLH Program Guidelines](#), pp 25.

- For each dollar that MHSA provided, the federal government provided \$4.50, private banks and non-profit organizations provided \$3.50, locals provided \$1.50, and the Housing and Community Development agency provided \$1.

PEI Programs

PEI is the second largest component at 20% of a county's MHSA funding.¹⁶ PEI programs emphasize strategies to reduce negative outcomes that may result from untreated mental illness, including, but not limited to, prolonged suffering and homelessness.¹⁷ Some examples of PEI programs offering support to the homeless or at risk of being homeless are:

- **Landlord Outreach and Recruitment**
These programs may prevent homelessness and build relationships that may lead to the availability of additional housing units. The county/provider acts as an intermediary by providing support to the tenant and conflict resolution assistance with the landlord.
- **Emancipating, Emancipated, and Homeless TAY Targeted Projects**
These projects identify, support, treat, and minimize the impact for youth who may be in the early stages of a serious mental illness.
- **Wellness Centers**
These centers provide recovery/supportive services for people with co-occurring conditions (mental, substance use or physical health conditions). This may include linkage to housing.

INN Projects

INN projects are funded with 5% of the total of CSS and PEI funds.¹⁸ An INN project may affect virtually any aspect of mental health practices or assess a new or changed application of a promising approach to solving persistent, seemingly intractable mental health challenges, including, but not limited to, permanent supportive housing development.¹⁹ A primary purpose of an INN project may be to:

- Increase access to underserved groups, which may include providing access through the provision of permanent supportive housing.²⁰
- Support innovative approaches by participating in a housing program designed to stabilize a person's living situation while also providing supportive services on site.²¹

¹⁶ W&I Code § 5892(a)(3).

¹⁷ W&I Code § 5840(d).

¹⁸ W&I Code § 5892(a)(6).

¹⁹ W&I Code § 5830(c)(9).

²⁰ W&I Code § 5830(b)(1)(A).

²¹ W&I Code § 5830(b)(2)(D).

CF/TN Projects

A county may transfer CSS funds to the CF/TN component provided the transfer does not exceed 20 percent of the average amount of funds allocated to the county for the previous five fiscal years.²² CF/TN projects are meant enhance the infrastructure needed to support implementation of MHSA, which includes improving or replacing existing technology systems and/or developing capital facilities to meet increased needs of the local mental health system. All plans for proposed facilities with restrictive settings must demonstrate that the needs of the people to be served cannot be met in a less restrictive or more integrated setting, such as permanent supportive housing.²³ Examples include homeless shelters and navigation centers.

MHSA funding can be versatile in its application to assist individuals with mental health issues at risk for homelessness or experiencing homelessness. It is important to remember that if a county is interested in using MHSA funding for such programs, every program must be reflected in the Three-Year Program and Expenditure Plan and annual update, and counties are required to partner with constituents and stakeholders throughout the planning and development process. The next county plan is due to the Mental Health Services Oversight & Accountability Commission (MHOAC) and the Department of Health Care Services (DHCS) in FY 2020 and will cover FY 2020-2023.

²² W&I Code §5892(b).

²³ W&I Code § 5847(b)(5).