

PUSH THE PAUSE BUTTON: SLOW DOWN REALIGNMENT OF EPSDT CHILDREN'S MENTAL HEALTH SERVICES



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(*Prevalence and penetration rates are taken from the recently completed DHCS commissioned California Mental Health and Substance Use System Needs Assessment. While most other data reports utilize one data source and define penetration rate as the percentage served across an entire population, the Needs Assessment utilized multiple data sources and defined penetration as the percentage of those served that are estimated to have the need.)

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Mental health services for children in poverty who are emotionally disturbed are funded through EPSDT, a federal Medicaid (Medi-Cal) program. By federal law, all youth who are eligible for Medi-Cal and meet medical necessity criteria are entitled to EPSDT mental health services, states must provide services to children who need them and must assure their adequate funding.

Yet, the proposed realignment of EPSDT to counties with its inadequately funded capped allocation creates a fiscal incentive for counties to reduce or curtail access to medically necessary mental health services for children, a condition contrary to the mandate of EPSDT.

Access to EPSDT mental health services is already inequitable for eligible youth across the state, with penetration rates ranging from 6% in some counties to 30% in others, and from 7% to 19% among the state's largest counties*. Despite the alarming prevalence of treatable mental health problems among foster youth, only 60% of California children who enter foster care receive the medically necessary mental health services to which they are entitled.

The capped allocation, moreover, must absorb not just foreseeable caseload growth in the EPSDT program from population increases, but the addition of 878,000 new children entering the Medi-Cal program through the elimination of the Healthy Families program and thousands more who will be newly covered by Medi-Cal due to implementation of the federal Affordable Care Act. Additionally, the recent settlement in *Katie A. v. Bonta* will require that specialized clusters of EPSDT mental health services be provided for youth at risk of group home placement.

These monumental shifts, access inequities, added beneficiaries and the realignment of EPSDT are occurring without any policy discussion at a time when the Department of Mental Health is being eliminated and responsibility for the Medi-Cal program is being transferred to the Department of Health Care Services. Taken together, these actions are very likely to result in harm to children.

We propose the following actions be taken to minimize harm to at-risk children and youth and to safeguard their entitlement to mental health services:

1. **Continue EPSDT Mental Health as an uncapped entitlement for 2012-13, using State General Fund revenue to backfill should counties exceed their realignment allocation. Use that year to:**
2. **Establish a Statewide Children's Mental Health Working Group tasked with developing a plan to improve the service delivery system, ensure equity of access between counties, increase accountability, develop outcome measures, determine if EPSDT should be realigned ongoing, and if so, ensure adequate ongoing realignment base and growth allocations for EPSDT.**
3. **Should it continue to be realigned, increase the base and growth levels of realignment funding for EPSDT Mental Health using new revenue, by amounts sufficient to cover projected costs.**

