

Summary

The innovation provisions of the Mental Health Services Act (MHSA) provide California the opportunity to develop, test and scale new approaches to service delivery with the potential to significantly improve mental health services and outcomes. The primary purpose of MHSA's innovation projects is to achieve the following:

- ▶ Increase access to mental health services to underserved groups, including but not limited to, services provided through permanent supportive housing
- ▶ Promote interagency and community collaboration related to mental health services
- ▶ Increase the quality of mental health services and measurable outcomes, including the reduction of:
 - ◆ homelessness
 - ◆ incarceration
 - ◆ suicide
 - ◆ unemployment
 - ◆ other mental health related challenges

From April to July 2018, the Mental Health Services Oversight and Accountability Commission (MHSOAC), in partnership with California Forward and X Sector Labs, will undergo a series of public meetings and design labs to explore the administrative functions, build a business plan, and develop criteria for the management of an organization that can incubate mental health innovation in California. This process will inform the MHSOAC on best practices and analogous models, and it will provide an opportunity for stakeholder engagement. A proposal will be

completed for presentation and discussion at the MHSOAC Commission meeting in July 2018.

This innovation incubator would help counties:

- ▶ **Work collectively** to develop partnerships within their communities and among counties
- ▶ Secure **technical assistance** and connect the incubation process with the formal community planning process
- ▶ Design and implement better **community engagement** strategies, including innovation with consumers and community partners at the center
- ▶ **Evaluate** projects and emerging practices to encourage replication and continuous improvement
- ▶ Disseminate information on challenges and progress through a **community of practice**

Key Questions to Investigate

1. What are the desired functions of the innovation incubator (challenges, solutions, services delivered, outputs and outcomes)?
2. What is the business model (or set of models) for a sustainable innovation incubator?
 - Which agencies and organizations should be involved and how can they be involved from the beginning to support, own and make it successful and viable?
3. What is the best model for management, governance and operation?
4. Who will run the incubator over time (operator selection process)?

Challenge and Opportunity

Counties develop plans for spending innovation funds and the Commission reviews and approves those plans. The Commission has found that the innovation component of the MHSA could be enhanced through the support and technical assistance of external innovators and subject matter experts, as well as strategies to encourage cross-county collaboration.

The Commission recently explored the circumstances, procedures and services associated with individuals with mental health needs who become involved in the criminal justice system. State policymakers are concerned about the significant increase in court referrals to State Hospitals for those deemed incompetent to stand trial. The growing costs and unsatisfactory outcomes associated with this intersection of the mental health and criminal justice systems are unacceptable, and these circumstances present the need and opportunity for innovation in services and practices that could reduce the number of and better manage these cases.

The Commission believes there are opportunities throughout the mental health system to transform practices and services in ways that improve care and results. The Commission aspires to work with counties to develop the right support structure to produce these innovations. The incubator will be a consulting service that brings together experts from health care, technology, communications, translation science and management sectors to improve California's use of innovation funds. The Commission will establish a selection process to identify a partner to design, create and launch this incubation service.

The incubator will be a physical venue for innovation where groups of counties can come for human-centered design experiences, collaboration opportunities, and prototyping interventions that can be funded for implementation. The initial

focus of the incubator will be on reducing the number of mental health consumers who become involved in the criminal justice system as a strategy to reduce the number of people declared incompetent to stand trial in California, while also exploring other high priority mental health needs.

Timeline and Key Dates

APRIL 26
MHSOAC COMMISSIONER MEETING
LOS ANGELES

TBD
STAKEHOLDER MEETING
SACRAMENTO

MAY-JUNE: DESIGN LABS
SAN FRANCISCO BAY AREA & L.A. COUNTY

- **Focus:** Desired functions/services/outcomes/business model/partners
- **Participants:** County/State Agencies, Community Partners, Mental Health Services Providers, and Innovation/Design Experts

MAY 24: COMMISSION MEETING PRESENTATION OF EARLY LEARNINGS
SACRAMENTO

JULY 26: COMMISSION MEETING PRESENTATION OF BUSINESS PLAN
LOS ANGELES

Background

In November 2004, California voters passed Proposition 63, the Mental Health Services Act (MHSA) to expand mental health service throughout the state. The Act specifies allocations for county expenditures but permits each county to develop plans to address their specific needs. Of the total funding provided to each county, five percent (5%) is required to support innovation projects. The Act created the Mental Health Services Oversight and Accountability Commission (MHSOAC) to provide broad oversight and leadership in the community mental health system statewide. MHSOAC is charged with numerous roles, including the exploration of innovative strategies to transform community mental health services and oversight and approval of over \$100 million per year in county innovation projects.