## STAFF REPORT

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| **Agenda Item:** | 8 | **Name:** | Wendy Soo Hoo |
| **Proposed No**.: | 2016-B0036 | **Date:** | February 17, 2016 |

**SUBJECT**

A BRIEFING on the Mental Illness and Drug Dependency Review and Renewal Progress Report (2015-RPT0164) transmitted by the Department of Community and Human Services, as required by Ordinance 17998.

**SUMMARY**

In March 2015, the King County Council passed Ordinance 17988 setting requirements for a comprehensive review and potential modification of the MIDD strategies described in the council-adopted MIDD Implementation Plan. The ordinance requires three deliverables: (1) a retrospective analysis of the MIDD strategies and programs and policy goals; (2) a prospective plan for recommended new and revised strategies and programs, and; (3) a mid-point progress report on the deliverables required under (1) and (2). This briefing focuses on the mid-point progress report and key upcoming dates in the potential renewal of the MIDD sales tax.

**BACKGROUND**

In 2007, the King County Council adopted Ordinance 15949 authorizing the levy and collection of an additional sales and use tax of one-tenth of one percent for the delivery of mental health and chemical dependency services and therapeutic courts.[[1]](#footnote-1) This tax is referred to as the Mental Illness and Drug Dependency sales tax (MIDD1) and is projected to generate approximately $117 million in the 2015/2016 biennium.[[2]](#footnote-2)

Ordinance 15949 also established a policy framework for measuring the effectiveness of the public's investment in MIDD1 programs, requiring the King County executive to submit oversight, implementation and evaluation plans for the programs funded with the tax revenue. The ordinance set forth five policy goals for the programs supported with MIDD1 funds, as shown in the table below.

**Policy Goal 1:** A reduction in the number of mentally ill and chemically dependent people using costly interventions, such as, jail, emergency rooms, and hospitals.

**Policy Goal 2:** A reduction in the number of people who recycle through the jail, returning repeatedly as a result of their mental illness or chemical dependency.

**Policy Goal 3:** A reduction of the incidence and severity of chemical dependency and mental and emotional disorders in youth and adults.

**Policy Goal 4:** Diversion of mentally ill and chemically dependent youth and adults from initial or further justice system involvement.

**Policy Goal 5:** Explicit linkage with, and furthering the work of, other Council directed efforts including, the Adult and Juvenile Justice Operational Master plans, the Plan to End Homelessness, the Veterans and Human Services Levy Service Improvement Plan and the King County Mental Health Recovery Plan.

Subsequent ordinances established the MIDD Oversight Committee (April 2008)[[3]](#footnote-3) and the MIDD Implementation Plan and MIDD Evaluation Plan (October 2008).[[4]](#footnote-4)

Ordinance 17988 Passed by Council in March 2015

In March 2015, the King County Council passed Ordinance 17988 setting requirements for a comprehensive review and potential modification of the MIDD1 strategies described in the council-adopted MIDD1 Implementation Plan. (Page 33 of the progress report, Attachment 1 to the staff report, contains a listing of the 37 adopted MIDD strategies.) The required review and reporting processes were intended to provide key information to decision makers in considering renewal of the MIDD sales tax in 2016, taking into consideration the changing landscape of mental health and substance abuse services and policy. (The existing MIDD is referred to as “MIDD1” and a potentially renewed MIDD is referred to as “MIDD2.”) Significant changes since MIDD1 was established include:

* the U.S. Affordable Care Act,
* reduced state funding for mental health and substance abuse, and
* the August 2014 Washington State Supreme Court decision on psychiatric boarding.[[5]](#footnote-5)

While some of the implementation plan strategies have been modified over the life of MIDD1, most of the MIDD1 strategies have largely remained unchanged and the MIDD Oversight Committee and Executive have not undertaken a comprehensive review of the MIDD strategies to consider significant updates.

Ordinance 17998 requires a comprehensive review of the current MIDD1 strategies and analysis of the MIDD1 investments and sets forth a process and criteria for recommendations for new strategies to be considered for a renewed MIDD2. *Note that the Executive is anticipated to transmit legislation that would renew the MIDD sales tax in June 2016.*

Ordinance 17998 requires three deliverables: (1) a retrospective analysis of the MIDD strategies and programs and policy goals; (2) a prospective plan for recommended new and revised strategies and programs, and; (3) a mid-point progress report on the deliverables required under (1) and (2).

**Key Components of Ordinance 17998**

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| A comprehensive, historical review and assessment report of the MIDD-funded strategies, services and programs in meeting the five policy goals outlined in Ordinance 15949. | -Comprehensive review of performance measurements targets and a summary of performance outcome findings by type by year  -Proposed recommendations on improvements to MIDD performance measures, evaluation data gathering, including a review of the evaluation processes, timeframes, and data gathering  -Proposed modifications to the MIDD policy goals outlined in Ordinance 15949 and the basis of the proposed modifications | Due no later than June 30, 2016 for review and approval by motion |
| A MIDD service improvement plan to guide the investment of a renewed MIDD sales tax | Part I: New and Updated Strategies  -A detailed description of each strategy, service and program to be funded from the renewed MIDD beginning in 2017  -A schedule for the implementation of the strategies, a spending plan with detailed explanation for the basis for the funding levels  -An initial list of performance measures, outcomes, and/or evaluation data for each proposed strategy  Part 2: Strategy Requirements:  -Evidence and best or promising practice based  -Incorporate the goals and principles of recovery and resilience within a trauma informed framework, as specified by K.C.C. chapter 2.43 and Ordinance 17553  -Integrate and expand the sequential intercept model that addresses the criminalization of mentally ill individuals;  -reflect the county's existing adopted policy goals included in Equity and Social Justice Initiative and Strategic Plan (more)  Part 3 Process and Administrative Improvements  - Identify processes and procedures to add, delete or modify MIDD strategies, services and programs, including specifying how and when the MIDD oversight committee is to be engaged in the recommendations  -Recommend MIDD fund balance reserve policies for the fund  -Review and confirm or recommend modifications to the purpose, role, and composition of the MIDD Oversight Committee. | Due no later than December 1, 2016, for review and approval by ordinance  *(Note: the Executive plans to transmit the service improvement plan with the 2017/2018 Biennial Budget in September 2016)* |
| A progress report on the work called for by the legislation |  | Due no later than November 5, 2015  *(Note: Transmitted on November 5, 2015 – filed as 2015-RPT00164)* |

**ANALYSIS**

This briefing focuses on the Mental lllness and Drug Dependency Review and Renewal Progress Report that was transmitted to Council on November 5, 2015 in fulfilling the requirements of Ordinance 17998. The report was shared with the MIDD Oversight Committee in advance and was reviewed by the committee at its September 24, 2015 meeting.

The transmitted report provides an update on DCHS’s efforts to complete the retrospective evaluation of MIDD1, the service improvement plan update, and other activities related to the potential renewal of MIDD.

Comprehensive, Historical Review and Assessment of MIDD: Due June 30, 2016

The progress report indicates that DCHS staff are reviewing all evaluation data collected over the life of the MIDD1, comparing it to legislative requirements, changed strategies, and performance measurement targets and outcomes. Ordinance 17998 specifically calls for a review of the MIDD evaluation process. At the time the progress report was drafted, DCHS planned to engage a consultant to support this work. However, due to budgetary and time constraints, DCHS is instead engaging analysts and an economist from the Office of Performance, Strategy and Budget to conduct an independent assessment the County's evaluation and reporting approach. In addition, DCHS is utilizing both a survey and in- person meetings to seek feedback from the community, including providers, consumers and other MIDD stakeholders.[[6]](#footnote-6)

The progress report provides some early findings of the MIDD1 assessment. Several challenges that have been identified with MIDD1 include:

* data challenges such as availability, timeliness, quality and compatibility;
* insufficient workforce diversity and cultural competency;
* declining workforce;
* availability of services in some areas of the county; and
* interest in utilizing fund balance during an improved economy for emerging needs that are identified through clearly defined and transparent processes.

MIDD2 Service lmprovement Plan: Due December 1, 2016 *(expected transmittal: September 26, 2016)*

Ordinance 17998 requires transmittal of an updated MIDD service improvement plan by December 1, 2016. Note, however, that the Executive plans to transmit the service improvement plan with the proposed 2017/2018 budget to help inform the Council’s 2017/2018 budget deliberations.

In contrast to the current MIDD1’s 37 strategies, which are focused on programs and activities, a major component of the Executive’s MIDD2 framework is identification of broader strategy areas reflecting the continuum of behavioral health care and services, as summarized in the table below:

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| **MIDD2 Strategy Area** | **Purpose** |
| Prevention and Early Intervention | Keep people healthy by stopping problems before they start and preventing problems from escalating |
| Crisis Diversion | Assist people who are in crisis or at risk of crisis get the help they need |
| Recovery and Reentry | Empower people to become healthy and safely reintegrate into community after crisis |
| System Improvements | Strengthen the behavioral health system to become more accessible and deliver on outcomes |

As part of the outreach process, DCHS staff are working to identify program performance measures and indicators for each of the four strategy areas, including seeking feedback from the community and stakeholders.

DCHS is also working with the community – including the public at large -- and stakeholders to identify new potential concepts for recommendation under each of the four strategy areas. DCHS solicited input on new concepts from mid-September through October 2015 and the department received 140 proposals for new concepts. DCHS is currently developing briefing papers on the concepts that will move forward for consideration through a panel process.[[7]](#footnote-7)

Panels comprised of MIDD Oversight Committee members and other community members and stakeholders will review, assess and prioritize concepts during the first week of March based on key factors such as responsiveness to community need, effectiveness, and furtherance of social justice and equity considerations, among other elements. The panels will sort the concepts into “high,” “medium,” and “low” categories for the purpose of considering each concept for inclusion in the MIDD2 service improvement plan. According to the progress report, no decisions will be made regarding programming or resource allocation during the panel process; instead, County staff will be responsible for making programmatic and funding recommendations to the MIDD Oversight Committee for the MIDD2 service improvement plan, including initial budget recommendations.

The progress report states that programmatic and budget recommendations for MIDD2 will be made by King County staff and then shared with the MIDD Oversight Committee and made available for public review and input to be provided to County staff and the MIDD Oversight Committee. Similar to other County plans, the draft service improvement plan will be released electronically for a period of time so that a broader public review can occur. The public review period of the draft service improvement plan is tentatively scheduled for two weeks in July – exact dates are still to be determined.

The MIDD Oversight Committee's recommendations will then be forwarded to Executive Dow Constantine who will transmit the final recommendations to the King County Council for final adoption. The report further states that “while every effort will be made to reflect the recommendations of the Oversight Committee and public feedback in the MIDD ll service improvement plan that is transmitted to the Council…the Executive determines contents of the final Service lmprovement Plan that will be transmitted.”

**KEY UPCOMING DATES:**

* First week of March 2016: Panel process to review and sort new concepts
* May: MIDD Oversight Committee review and approval of programmatic recommendations for draft service improvement plan
* June:
  + Transmittal of legislation to renew the MIDD sales tax to Council
  + Transmittal of retrospective review of MIDD1 to Council
  + MIDD Oversight Committee review of draft service improvement plan
* July:
  + Public comment on draft service improvement plan
  + MIDD Oversight Committee review and approval of final service improvement plan
* September 26th: Transmittal of final service improvement plan to Council
* September/early October: Potential action by Council to meet October 18 deadline for notification to Department of Revenue to ensure uninterrupted collections

**INVITED:**

* Kelli Carroll, Strategic Policy Advisor, Mental Health and Chemical Dependency Services, Department of Community and Human Services

**ATTACHMENTS:**

1. 2015-RPT0164: Mental Illness and Drug Dependency Review and Renewal Progress Report
2. Transmittal Letter dated November 5, 2015

1. In 2005, the Washington state legislature authorized counties to implement a one-tenth of one percent sales and use tax to support new or expanded chemical dependency or mental health treatment programs and services and for the operation of new or expanded therapeutic court programs and services. [↑](#footnote-ref-1)
2. Revenue estimate is the 2015/2016 Estimated Revenue from the November 2015 update to the Financial Plan for the Mental Illness & Drug Dependency fund. [↑](#footnote-ref-2)
3. The MIDD Oversight Committee was established in Ordinance 16077 and is an advisory body to the King County executive and the council. The purpose of the Oversight Committee is to ensure that the implementation and evaluation of the strategies and programs funded by the tax revenue are transparent, accountable and collaborative. [↑](#footnote-ref-3)
4. In October 2008, the Council adopted the MIDD Implementation Plan and the MIDD Evaluation Plan via Ordinance 16261 and Ordinance 16262. [↑](#footnote-ref-4)
5. The Washington state Supreme Court ruled in *Detention of D.W., WA. Sup. Court, Docket No. 9011-4 (2014)* that hospital boarding of individuals in mental health crisis, absent medical need, is unlawful. [↑](#footnote-ref-5)
6. DCHS had hoped to distribute a paper survey to community providers to share with consumers who may not have access to electronic devices, but was unable to do so. [↑](#footnote-ref-6)
7. According to the progress report, new concepts will move forward for continued consideration if they are determined to be “1. Allowable under MIDD's statutory requirements under the RCW; 2. Feasible; and 3. Fit into the four MIDD ll strategy areas.” [↑](#footnote-ref-7)