



Tacoma MHSUD Funding Assessment

Findings Briefing Presentation to the Community, Vitality, & Safety Committee | April 25, 2024



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Introduction & Presentation Overview

ABOUT US



Helping communities and organizations create their best futures.

Founded in 1988, our passion is working in the public interest, helping public and nonprofit agencies address complex challenges and position themselves for success

TONIGHT'S PRESENTATION

- About the Sales and Use Tax for Chemical Dependency or Mental Health Treatment Services or Therapeutic Courts ([RCW 82.14.460](#))
- Project Objectives
- Assessment Findings
- Question & Answer

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Mental Health & Chemical Dependency Sales Tax

- **A sales and use tax authorized for counties and Tacoma in 2005 to support communities in implementing cost containment measures by:**
 - Eliminating chronic jail recidivism
 - Assuring substance abuse and mental health treatment for vulnerable populations
 - Gaining appropriate use of community safety and emergency services
- **Must be used for new or expanded programs and services**
- **Allowed tax uses:**
 - Providing chemical dependency or mental health treatment programs and services
 - Therapeutic court programs and services
 - Modifying existing facilities to address health and safety needs for the provision of eligible services (added in 2019)

Programs and Services Include

Components of a coordinated chemical dependency or mental health treatment program or service, including but not limited to,

- treatment services,
- case management,
- transportation, and
- housing

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Tacoma's MHSUD Funding Timeline

<p>2005 Washington authorizes new sales tax for mental health and chemical dependency services, therapeutic courts, and housing.</p>	<p>2012 Tacoma City Council authorizes a 0.1% sales tax</p>	<p>2015 City Council adopts Tacoma 2025</p> 	<p>2017 - 2018 City dedicates \$10.0M for Mental Health and Substance Use Disorder (MHSUD) services</p>	<p>2019 - 2020 City dedicates \$13.2M to MHSUD Services</p>	<p>2021 - 2022 City dedicates \$12.4M to MHSUD services</p>	<p>2023 - 2024 City dedicates \$17.1M to MHSUD services</p>
<p>2008 - 2010 State budget deficits lead to reduced funding at the local level. Limited services and rising need lead to increased demand on high-cost interventions such as jail and emergency rooms.</p>		 <p>2017 Tacoma City Council declares a state of emergency related to the condition of homeless encampments.</p>	<p>2020 Pierce County authorizes a 0.1% sales tax for behavioral health and therapeutic court programs.</p>	<p>2022 - 2023 Pierce County awards \$19.1M for behavioral health (BH) services.</p>	<p>2024 - 2025 Pierce County awards \$30M for behavioral health services.</p>	

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Tacoma's MHSUD Funding Assessment Purpose

- Update the Mental Health and Chemical Dependency Assessment that was completed in 2012.
- Compile more current quantitative and qualitative data to establish an accurate baseline of services and gaps in the provision of services to individuals affected by mental health and substance use disorder.

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Tacoma's MHSUD Funding Assessment Components

- 1 **Historical Review of use of MHSUD Funds (quantitative assessment)**
 - Proportion of funds by priority
 - Changes and patterns in organizations
 - Size and reach of programs and services
- 2 **Gather feedback to inform future funding strategy (qualitative assessment)**
 - Role of MHSUD funding in the current ecosystem of services
 - Comparison of city and county MHSUD funding
 - System constraints and opportunities
 - Beneficiary preferences for types of services
- 3 **Review of utilization of first responder system (forthcoming)**

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Part 1 Quantitative Assessment Purpose

How have MHSUD funds been used:

- Review of contracts since 2015
- Funding patterns by budget priority and program area
- Comparison of City- and County-funded MHSUD programs.
- Summary of number of clients served
- City of Tacoma staffing supported by MHSUD funds

High Level Findings

\$46.5 million contracted for services for City of Tacoma residents.

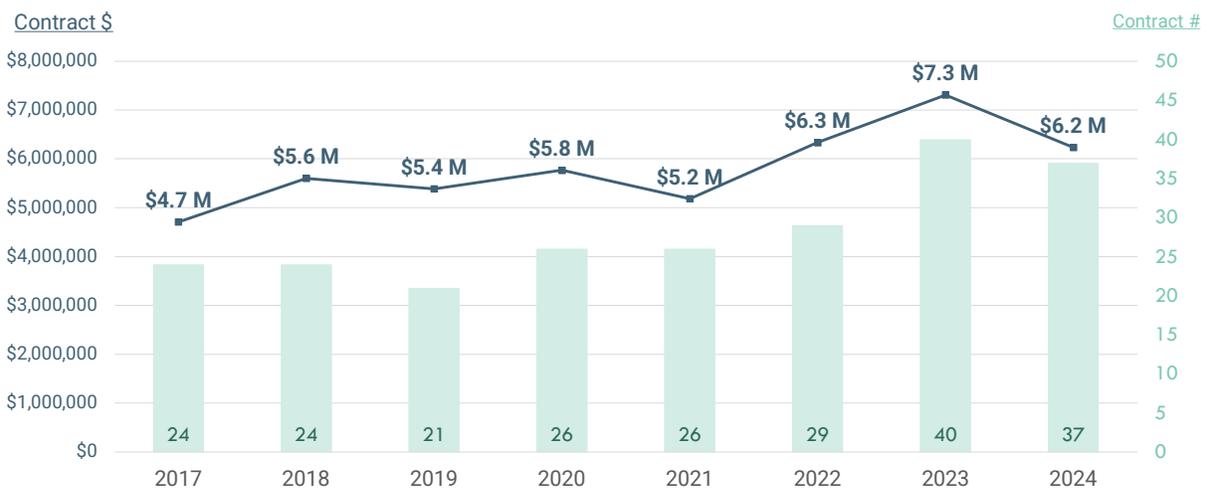
\$26.30 average per Tacoma resident (2015 - 2023)

56 unique agencies

111 unique programs

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MHSUD funding has been relatively stable, while the number of agencies funded has increased.



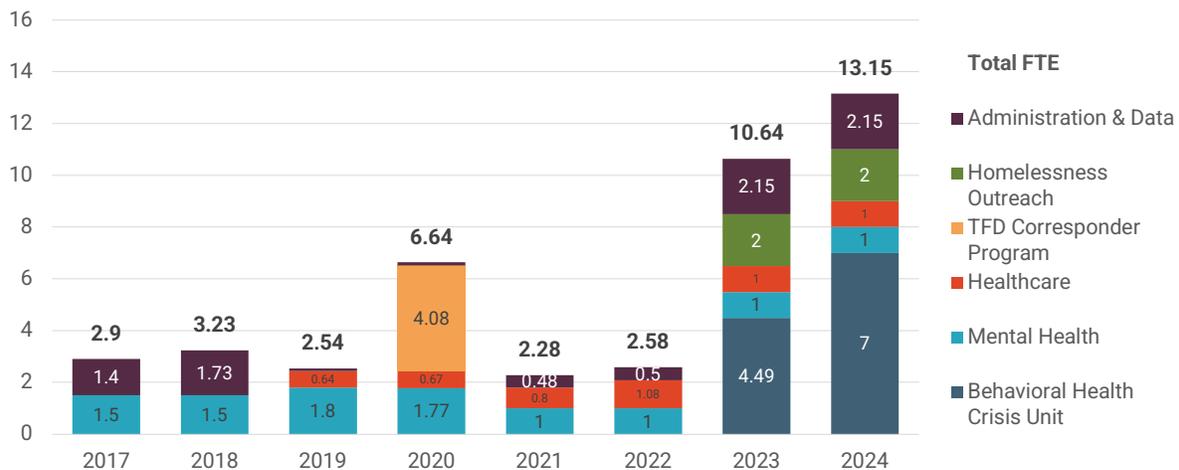
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Funding has prioritized services that support Homeless and Housing Stability.



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MHSUD Funding supports a growing number of City of Tacoma FTE positions, most recently in primarily Behavioral Health and Homelessness Outreach Functions.



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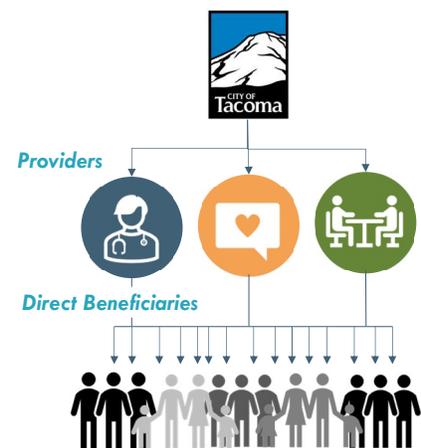
Sheltering, Housing Services, and Homeless Services comprise the greatest share of MHSUD funding



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Part 2 Qualitative Assessment Purpose

- **Gather feedback to inform future funding strategy:**
 - Role of MHSUD funding in the current ecosystem of services
 - Comparison of city and county MHSUD funding
 - System constraints and opportunities
 - Direct beneficiary preferences for types of services
- **Identify strategic options for improving funding processes to increase effectiveness and address highest needs.**



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Provider Questions

▪ City's Funding Priorities

- Does the city's MHSUD funding address the most pressing needs of Tacoma residents currently experiencing or with histories of mental health and substance use disorders?
- Within the ecosystem of funding that is available in Tacoma for people who experience mental health and substance use disorders, where do you think the city should focus its funding and why?

▪ Tacoma Services System

- From your perspective, which people currently experience or with histories of mental health and substance use disorders are most underserved by Tacoma's current services system?
- What one new program would create the most significant benefits for the community?

▪ Planned Changes to Programs

▪ Experience With Application Process

▪ Planned Data Changes or Evaluations



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Direct Beneficiary Questions

1. How do you learn about available programs in your community?
2. In your opinion, what types of services are needed but not available or hard to find?
3. What are the barriers to services in Tacoma? How could services be more accessible?
4. What are some misconceptions about mental health and substance use disorders that the City could work to address?
5. What assistance, opportunity, or support would increase your chances of establishing or maintaining a secure home?

Assessment Responses

6 interviews with current and former MHSUD contractors

16 detailed questionnaire responses from current, former, or potential contractors

2 focus groups with people experiencing mental health, substance use, or homelessness challenges



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High Level Qualitative Assessment Findings

Section 1. Gaps in Tacoma's System of MHSUD Services

- Need is greater than the MHSUD services available.
- Housing is an under-resourced need for people experiencing or with (or histories of) mental health and substance use challenges.
- Engagement and outreach are underfunded and critical for reaching hard-to-serve individuals.
- There are persistent barriers for accessing services
 - Transportation barriers
 - Timely eligibility assessments
 - Poor hand-offs between systems
- Underserved populations include:
 - Youth
 - Families
 - People not eligible for Medicaid
 - Speakers of languages other than English
 - People with intellectual or development disabilities
 - Undocumented or under documented people

City of Tacoma Response:

- In 2023-24 the City invested \$639K in MHSUD contracted services to provide street outreach and services to Tacoma businesses negatively impacted by homelessness and to individuals experiencing homelessness.
- Providers can include client support such as transportation vouchers in their budget.
-  The City will investigate prioritizing programs that demonstrate coordination between providers.
-  In 2025-26 the City will prioritize engagement and outreach as part of the competitive funding process, as shown in the Issue Statement.
-  The City will increase our outreach to attract providers that focus on serving under-served populations, particularly non-English and undocumented or under-documented people.



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High Level Qualitative Assessment Findings

Section 2. System Challenges Facing MHSUD Providers and those in need of MHSUD Services

- Maintaining sufficient staffing is the most common organizational challenge reported by providers.
- More flexible funding is needed.
- Need a better continuum of care with low barriers to entry. Currently the lack of coordination of care leads to fragmented and delayed diagnoses.
- Clients face services access difficulties when transferring services as they move or their needs change.
- The Medicaid system is the primary funder of medical services; however, some administrative requirements result in insufficient treatment times, longer bed wait times, and reduced access to services.

City of Tacoma Response:

- The City advocated for [E2SHB 1477 to implement a national 988 system to enhance and expand behavioral health crisis response and suicide prevention services statewide.](#)
- The City allows a programs with staffing challenges to negotiate a hiring or retention bonus to assist with recruitment.
- The City allows programs to negotiate flexible funding and terms, such as upfront payments, to assist with cash flow.
- Previously, the City hosted a MHSUD Collaboration meeting, these meeting were discontinued in 2018 due to feedback that the meetings were not valuable. Since 2023, the City has hosted quarterly provider meetings to share information about services and provide technical assistance on City services.



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High Level Qualitative Assessment Findings

Section 3. Tacoma's MHSUD Funding Priorities and Process

- The City's priorities for MHSUD funding align well with the needs of Tacoma residents.
- Providers are generally satisfied with the grant award process.
- Providers report good relationships with Tacoma Neighborhood & Community Services staff.
- Smaller organizations feel they are disadvantaged in the funding process.
- Some providers noted burdensome and misaligned reporting requirements.
- The City and County funding processes run in parallel and are not well-aligned or complementary.
- Providers commonly report that their contracts with the City only cover part of the cost of administering the contract and delivering the contracted services.

City of Tacoma Response:

- ☑ The City has contracted with a capacity building provider to provide training to organizations operating and/or providing services in the City of Tacoma, with a priority focus on Black, Indigenous, and People of Color (BIPOC), and newly funded organizations.
- ☑ The City continuously evaluates ways to remove barriers and streamline the application process.
- ☑ Improvements have been made to the competitive process to support a diverse applicant pool.
- ☑ The City and County Council have different priorities, and budget cycles. However, NCS Director and staff frequently meet with Pierce County staff to align our services.
- ☑ During the competitive process, the City asks the applicants to specify the least amount of funding they can accept. If the funding recommendation is less than the amount, they are willing to accept, funding is not awarded.



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What's next?

- **Additional Informational Inputs:**
 - Qualitative assessment on the utilization of the first responder system (Police, Fire, and Jails)
- **New issue statement and notice of funding availability**



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Questions about the Assessment Findings

