HOW MENTAL HEALTH SERVICES ACT FUNDS COULD BE USED TO ALLEVIATE CALIFORNIA’S GROWING SHORTAGE OF PSYCHIATRISTS

BACKGROUND

The California Future Health Workforce Commission’s 2019 final report identified 10 priorities for action to address the state’s growing health workforce shortages. To close shortfalls of behavioral health providers in particular—and create a more diverse workforce—the Commission proposed expanding the number of psychiatry residency and psychiatric mental health nurse practitioner (PMHNP) positions to recruit and train providers in underserved communities.

The state has taken an important step toward this goal with the development of its 2020-2025 Mental Health Services Act Workforce Education and Training (WET) Five-Year Plan, a strategy for addressing mental health system shortages that prioritizes increasing the number of psychiatrists and PMHNPs. After the previous WET plan expended nearly $235 million over five years, the 2019-20 state budget includes $60 million toward implementing the updated plan.

OPTIONS FOR CLOSING TODAY’S GAPS

Over the next decade, California is expected to have 41% fewer psychiatrists than it needs—a shortfall of 2,682 qualified health professionals. This year’s budget won’t be enough to close this gap, but a series of targeted investments can begin to address these shortfalls—and create a template for fully addressing this issue in future years. The Commission estimated it would cost $627.8 million over 10 years to completely close the state’s shortfall of psychiatrists—an investment of just over $60 million per year.

If the state were to commit a portion of this year’s WET funds toward closing its behavioral health workforce gaps, how many providers could it produce? The table below outlines options for psychiatrists and PMHNPs—the two types of specialists authorized to prescribe medications for behavioral health issues. This analysis assumes California’s Office of Statewide Health Planning and Development (OSHPD) would spend $246,000 per resident to educate psychiatry residents and $52,000 per PMHNP student.

**PROVIDER PRODUCTION SCENARIOS – WET SPENDING IN 2019-20 BUDGET**

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<thead>
<tr>
<th>Scenario</th>
<th>Psychiatrists</th>
<th>PMHNPs</th>
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<tbody>
<tr>
<td><strong>$20 Million</strong></td>
<td>65 psychiatrists</td>
<td>77 PMHNPs</td>
</tr>
<tr>
<td><strong>$30 Million</strong></td>
<td>98 psychiatrists</td>
<td>115 PMHNPs</td>
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<tr>
<td><strong>$40 Million</strong></td>
<td>130 psychiatrists</td>
<td>154 PMHNPs</td>
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80% psychiatrists • 20% PMHNPs
70% psychiatrists • 30% PMHNPs
60% psychiatrists • 40% PMHNPs
WHERE NEW WORKERS AND PROGRAMS HAVE THE BIGGEST IMPACT

Not all communities across California are experiencing the state’s shortage of behavioral health professionals in the same way. While some areas already have a sufficient pool of providers, others do not: Indeed, ten inland counties have been sanctioned by the Department of Health Care Services for having inadequate behavioral health provider networks. Meanwhile, many counties with the lowest supplies of psychiatrists and PMHNPs do not have local training programs—making recruitment and retention difficult, especially in underserved communities.

As the state considers where and how to invest this year’s WET resources, it should consider taking steps to ensure significant portions of this year’s funding goes to psychiatry residency programs and PMHNP programs in areas experiencing these shortages. WET funding will be most beneficial if it also supports programs with a strong commitment to recruiting racially/ethnically and socio-economically diverse trainees, as well as trainees to work with underserved populations following graduation.

California faces a mismatch between its most significant behavioral health workforce shortfalls and the location of existing training programs. Addressing this challenge will require more providers—of all types—as well as new programs in shortage areas.

ADDITIONAL CONSIDERATIONS: HOW THESE DOLLARS COULD BE SPENT

This year’s state budget allocates another $75 million in ways that explicitly support Commission recommendations for expanding the number of primary care physician and psychiatry residency positions, but since most of those funds are distributed to primary care residency programs (e.g., the Song-Brown Healthcare Workforce Training program), it is worth considering investing a larger share of WET dollars in fields such as psychiatry.

At all three levels of investment outlined on the previous page, it is also worth noting that allocating a larger share of funding to PMHNPs will increase the total number of new professionals trained—and the number of patients served—due to the lower cost of training a PMHNP versus a psychiatrist. Investing even more state resources in these programs would further increase the number of professionals trained, but OSHPD must also assess the feasibility of expanding existing psychiatry residency programs and establishing new programs.