

**Senate Bill No. 585**

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Passed the Senate May 20, 2013

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*Secretary of the Senate*

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Passed the Assembly August 26, 2013

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*Chief Clerk of the Assembly*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2013, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to amend Sections 5349, 5801, and 5813.5 of the Welfare and Institutions Code, relating to mental health, and making an appropriation therefor.

## LEGISLATIVE COUNSEL'S DIGEST

SB 585, Steinberg. Mental health: Mental Health Services Fund.

Existing law contains provisions governing the operation and financing of community mental health services for the mentally disordered in every county through locally administered and locally controlled community mental health programs. Existing law, the Mental Health Services Act, an initiative measure enacted by the voters as Proposition 63 at the November 2, 2004, statewide general election, funds a system of county mental health plans for the provision of mental health services, as specified.

The act establishes the Mental Health Services Fund, continuously appropriated to and administered by the State Department of Health Care Services, to fund specified county mental health programs, including programs funded under the Adult and Older Adult Mental Health System of Care Act. The Adult and Older Adult Mental Health System of Care Act establishes service standards that require, among other things, that a service planning and delivery process provides for services that are client directed and employ psychosocial rehabilitation and recovery principles. The act authorizes the Legislature to clarify procedures and terms of the act by majority vote.

Existing law, the Assisted Outpatient Treatment Demonstration Project Act of 2002, known as Laura's Law, until January 1, 2017, regulates designated assisted outpatient treatment services, which counties may choose to provide for their residents. In counties where assisted outpatient treatment services are available, a person is authorized to obtain assisted outpatient treatment pursuant to an order if requisite criteria are met, as specified. Under that law, participating counties are required to provide prescribed assisted outpatient services, including a service planning and delivery process, that are client directed and employ psychosocial rehabilitation and recovery principles.

This bill would clarify that services provided under Laura’s Law may be provided pursuant to the procedures specified in the Mental Health Services Act, thereby making an appropriation.

Because the bill would clarify the procedures and terms of Proposition 63, it would require a majority vote of the Legislature.

Under existing law, the underlying philosophy for the system of care for adults and older adults includes clients who should be fully informed and volunteer for all treatments provided, unless danger to self or others or grave disability requires temporary involuntary treatment.

This bill would include within those exceptions clients who are under court order for treatment, as specified.

Existing law establishes the Local Revenue Fund, which contains specified accounts and subaccounts, including the Mental Health Subaccount, the Mental Health Equity Subaccount, and the Vehicle License Collection Account. Existing law establishes the Local Revenue Fund 2011, which contains specified accounts and subaccounts, including the Mental Health Account and the Behavioral Health Subaccount within the Support Services Account.

This bill would, to the extent otherwise permitted under state and federal law, specify that counties that elect to implement Laura’s Law may pay for those services using funds distributed to counties from the Mental Health Subaccount, the Mental Health Equity Subaccount, and the Vehicle License Collection Account of the Local Revenue Fund, funds from the Mental Health Account and the Behavioral Health Subaccount, within the Support Services Account of the Local Revenue Fund 2011, funds from the Mental Health Services Fund, and any other funds from which the Controller makes distributions to the counties, for those purposes.

Appropriation: yes.

*The people of the State of California do enact as follows:*

SECTION 1. The Legislature hereby finds and declares that the provisions of this act are consistent with, and further the intent of, the Mental Health Services Act.

SEC. 2. Section 5349 of the Welfare and Institutions Code is amended to read:

5349. This article shall be operative in those counties in which the county board of supervisors, by resolution or through the county budget process, authorizes its application and makes a finding that no voluntary mental health program serving adults, and no children's mental health program, may be reduced as a result of the implementation of this article. To the extent otherwise permitted under state and federal law, counties that elect to implement this article may pay for the provision of services under Sections 5347 and 5348 using funds distributed to the counties from the Mental Health Subaccount, the Mental Health Equity Subaccount, and the Vehicle License Collection Account of the Local Revenue Fund, funds from the Mental Health Account and the Behavioral Health Subaccount within the Support Services Account of the Local Revenue Fund 2011, funds from the Mental Health Services Fund when included in county plans pursuant to Section 5847, and any other funds from which the Controller makes distributions to the counties for those purposes. Compliance with this section shall be monitored by the State Department of Health Care Services as part of its review and approval of county performance contracts.

SEC. 3. Section 5801 of the Welfare and Institutions Code is amended to read:

5801. (a) A system of care for adults and older adults with severe mental illness results in the highest benefit to the client, family, and community while ensuring that the public sector meets its legal responsibility and fiscal liability at the lowest possible cost.

(b) The underlying philosophy for these systems of care includes the following:

- (1) Mental health care is a basic human service.
- (2) Seriously mentally disordered adults and older adults are citizens of a community with all the rights, privileges, opportunities, and responsibilities accorded other citizens.
- (3) Seriously mentally disordered adults and older adults usually have multiple disorders and disabling conditions and should have the highest priority among adults for mental health services.
- (4) Seriously mentally disordered adults and older adults should have an interagency network of services with multiple points of access and be assigned a single person or team to be responsible for all treatment, case management, and community support services.

(5) The client should be fully informed and volunteer for all treatment provided, unless danger to self or others or grave disability requires temporary involuntary treatment, or the client is under a court order for assisted outpatient treatment pursuant to Section 5346 and, prior to the filing of the petition for assisted outpatient treatment pursuant to Section 5346, the client has been offered an opportunity to participate in a treatment plan on a voluntary basis and has failed to engage in that treatment.

(6) Clients and families should directly participate in making decisions about services and resource allocations that affect their lives.

(7) People in local communities are the most knowledgeable regarding their particular environments, issues, service gaps and strengths, and opportunities.

(8) Mental health services should be responsive to the unique characteristics of people with mental disorders including age, gender, minority and ethnic status, and the effect of multiple disorders.

(9) For the majority of seriously mentally disordered adults and older adults, treatment is best provided in the client's natural setting in the community. Treatment, case management, and community support services should be designed to prevent inappropriate removal from the natural environment to more restrictive and costly placements.

(10) Mental health systems of care shall have measurable goals and be fully accountable by providing measures of client outcomes and cost of services.

(11) State and county government agencies each have responsibilities and fiscal liabilities for seriously mentally disordered adults and seniors.

SEC. 4. Section 5813.5 of the Welfare and Institutions Code is amended to read:

5813.5. Subject to the availability of funds from the Mental Health Services Fund, the state shall distribute funds for the provision of services under Sections 5801, 5802, and 5806 to county mental health programs. Services shall be available to adults and seniors with severe illnesses who meet the eligibility criteria in subdivisions (b) and (c) of Section 5600.3. For purposes of this act, seniors means older adult persons identified in Part 3 (commencing with Section 5800) of this division.

(a) Funding shall be provided at sufficient levels to ensure that counties can provide each adult and senior served pursuant to this part with the medically necessary mental health services, medications, and supportive services set forth in the applicable treatment plan.

(b) The funding shall only cover the portions of those costs of services that cannot be paid for with other funds including other mental health funds, public and private insurance, and other local, state, and federal funds.

(c) Each county mental health program's plan shall provide for services in accordance with the system of care for adults and seniors who meet the eligibility criteria in subdivisions (b) and (c) of Section 5600.3.

(d) Planning for services shall be consistent with the philosophy, principles, and practices of the Recovery Vision for mental health consumers:

(1) To promote concepts key to the recovery for individuals who have mental illness: hope, personal empowerment, respect, social connections, self-responsibility, and self-determination.

(2) To promote consumer-operated services as a way to support recovery.

(3) To reflect the cultural, ethnic, and racial diversity of mental health consumers.

(4) To plan for each consumer's individual needs.

(e) The plan for each county mental health program shall indicate, subject to the availability of funds as determined by Part 4.5 (commencing with Section 5890) of this division, and other funds available for mental health services, adults and seniors with a severe mental illness being served by this program are either receiving services from this program or have a mental illness that is not sufficiently severe to require the level of services required of this program.

(f) Each county plan and annual update pursuant to Section 5847 shall consider ways to provide services similar to those established pursuant to the Mentally Ill Offender Crime Reduction Grant Program. Funds shall not be used to pay for persons incarcerated in state prison or parolees from state prisons. When included in county plans pursuant to Section 5847, funds may be used for the provision of mental health services under Sections 5347 and 5348 in counties that elect to participate in the Assisted

Outpatient Treatment Demonstration Project Act of 2002 (Article 9 (commencing with Section 5345) of Chapter 2 of Part 1).

(g) The department shall contract for services with county mental health programs pursuant to Section 5897. After the effective date of this section, the term grants referred to in Sections 5814 and 5814.5 shall refer to such contracts.

Approved \_\_\_\_\_, 2013

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*Governor*