

AMENDED IN SENATE APRIL 11, 2013

**SENATE BILL**

**No. 664**

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**Introduced by Senator Yee  
(Coauthor: Senator Wolk)**

February 22, 2013

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An act to amend Sections ~~5348, 5349, 5813.5, 5348 and 5892~~ *5349* of the Welfare and Institutions Code, relating to mental health, ~~and making an appropriation therefor~~ *health*.

LEGISLATIVE COUNSEL'S DIGEST

SB 664, as amended, Yee. Mental health: ~~Laura's Law: Mental Health Services Fund.~~ *Law.*

Existing law, known as Laura's Law, until January 1, 2017, regulates designated assisted outpatient treatment services, which a county may choose to provide for its residents. To implement the program, the county board of supervisors is required to, by resolution, authorize the program and make 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 program's implementation. In a county where assisted outpatient treatment services are available, a person is authorized to receive specific mental health services pursuant to an order if requisite criteria are met, as specified. ~~Under that law, a participating county is required to provide prescribed assisted outpatient services, including a service planning and delivery process that provides for services that are client-directed and employ psychosocial rehabilitation and recovery principles.~~

This bill would no longer require a county to authorize the program by resolution and make those findings to implement the program. This

bill would authorize a county to limit the number of persons to whom it provides assisted outpatient treatment services.

~~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.~~

~~This bill would make an appropriation by clarifying that mental health services provided under Laura's Law may be provided pursuant to the procedures established by the Mental Health Services Act. This bill would make other conforming changes and delete obsolete provisions.~~

Vote: majority. Appropriation: *yes-no*. Fiscal committee: *yes no*. State-mandated local program: *no*.

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

- 1 SECTION 1. Section 5348 of the Welfare and Institutions Code
- 2 is amended to read:
- 3 5348. (a) For purposes of subdivision (e) of Section 5346, a
- 4 county that chooses to provide assisted outpatient treatment
- 5 services pursuant to this article may limit the number of persons
- 6 to whom it provides assisted outpatient treatment services, and
- 7 shall offer assisted outpatient treatment services including, but not
- 8 limited to, all of the following:
- 9 (1) Community-based, mobile, multidisciplinary, highly trained
- 10 mental health teams that use high staff-to-client ratios of no more

1 than 10 clients per team member for those subject to court-ordered  
2 services pursuant to Section 5346.

3 (2) A service planning and delivery process that includes the  
4 following:

5 (A) Determination of the numbers of persons to be served and  
6 the programs and services that will be provided to meet their needs.  
7 The local director of mental health shall consult with the sheriff,  
8 the police chief, the probation officer, the mental health board,  
9 contract agencies, and family, client, ethnic, and citizen  
10 constituency groups as determined by the director.

11 (B) Plans for services, including outreach to families whose  
12 severely mentally ill adult is living with them, design of mental  
13 health services, coordination and access to medications, psychiatric  
14 and psychological services, substance abuse services, supportive  
15 housing or other housing assistance, vocational rehabilitation, and  
16 veterans' services. Plans shall also contain evaluation strategies,  
17 which shall consider cultural, linguistic, gender, age, and special  
18 needs of minorities and those based on any characteristic listed or  
19 defined in Section 11135 of the Government Code in the target  
20 populations. Provision shall be made for staff with the cultural  
21 background and linguistic skills necessary to remove barriers to  
22 mental health services as a result of having  
23 limited-English-speaking ability and cultural differences.  
24 Recipients of outreach services may include families, the public,  
25 primary care physicians, and others who are likely to come into  
26 contact with individuals who may be suffering from an untreated  
27 severe mental illness who would be likely to become homeless if  
28 the illness continued to be untreated for a substantial period of  
29 time. Outreach to adults may include adults voluntarily or  
30 involuntarily hospitalized as a result of a severe mental illness.

31 (C) Provision for services to meet the needs of persons who are  
32 physically disabled.

33 (D) Provision for services to meet the special needs of older  
34 adults.

35 (E) Provision for family support and consultation services,  
36 parenting support and consultation services, and peer support or  
37 self-help group support, where appropriate.

38 (F) Provision for services to be client-directed and that employ  
39 psychosocial rehabilitation and recovery principles.

1 (G) Provision for psychiatric and psychological services that  
2 are integrated with other services and for psychiatric and  
3 psychological collaboration in overall service planning.

4 (H) Provision for services specifically directed to seriously  
5 mentally ill young adults 25 years of age or younger who are  
6 homeless or at significant risk of becoming homeless. These  
7 provisions may include continuation of services that still would  
8 be received through other funds had eligibility not been terminated  
9 as a result of age.

10 (I) Services reflecting special needs of women from diverse  
11 cultural backgrounds, including supportive housing that accepts  
12 children, personal services coordinator therapeutic treatment, and  
13 substance treatment programs that address gender-specific trauma  
14 and abuse in the lives of persons with mental illness, and vocational  
15 rehabilitation programs that offer job training programs free of  
16 gender bias and sensitive to the needs of women.

17 (J) Provision for housing for clients that is immediate,  
18 transitional, permanent, or all of these.

19 (K) Provision for clients who have been suffering from an  
20 untreated severe mental illness for less than one year, and who do  
21 not require the full range of services, but are at risk of becoming  
22 homeless unless a comprehensive individual and family support  
23 services plan is implemented. These clients shall be served in a  
24 manner that is designed to meet their needs.

25 (3) Each client shall have a clearly designated mental health  
26 personal services coordinator who may be part of a  
27 multidisciplinary treatment team who is responsible for providing  
28 or assuring needed services. Responsibilities include complete  
29 assessment of the client's needs, development of the client's  
30 personal services plan, linkage with all appropriate community  
31 services, monitoring of the quality and ~~follow-through~~ *follow*  
32 *through* of services, and necessary advocacy to ensure each client  
33 receives those services that are agreed to in the personal services  
34 plan. Each client shall participate in the development of his or her  
35 personal services plan, and responsible staff shall consult with the  
36 designated conservator, if one has been appointed, and, with the  
37 consent of the client, shall consult with the family and other  
38 significant persons as appropriate.

39 (4) The individual personal services plan shall ensure that  
40 persons subject to assisted outpatient treatment programs receive

1 age-appropriate, gender-appropriate, and culturally appropriate  
2 services, to the extent feasible, that are designed to enable  
3 recipients to:

4 (A) Live in the most independent, least restrictive housing  
5 feasible in the local community, and, for clients with children, to  
6 live in a supportive housing environment that strives for  
7 reunification with their children or assists clients in maintaining  
8 custody of their children as is appropriate.

9 (B) Engage in the highest level of work or productive activity  
10 appropriate to their abilities and experience.

11 (C) Create and maintain a support system consisting of friends,  
12 family, and participation in community activities.

13 (D) Access an appropriate level of academic education or  
14 vocational training.

15 (E) Obtain an adequate income.

16 (F) Self-manage their illnesses and exert as much control as  
17 possible over both the day-to-day and long-term decisions that  
18 affect their lives.

19 (G) Access necessary physical health care and maintain the best  
20 possible physical health.

21 (H) Reduce or eliminate serious antisocial or criminal behavior,  
22 and thereby reduce or eliminate their contact with the criminal  
23 justice system.

24 (I) Reduce or eliminate the distress caused by the symptoms of  
25 mental illness.

26 (J) Have freedom from dangerous addictive substances.

27 (5) The individual personal services plan shall describe the  
28 service array that meets the requirements of paragraph (4), and to  
29 the extent applicable to the individual, the requirements of  
30 paragraph (2).

31 (b) A county that provides assisted outpatient treatment services  
32 pursuant to this article also shall offer the same services on a  
33 voluntary basis.

34 (c) Involuntary medication shall not be allowed absent a separate  
35 order by the court pursuant to Sections 5332 to 5336, inclusive.

36 (d) A county that operates an assisted outpatient treatment  
37 program pursuant to this article shall provide data to the State  
38 Department of Health Care Services and, based on the data, the  
39 department shall report to the Legislature on or before May 1 of  
40 each year in which the county provides services pursuant to this

1 article. The report shall include, at a minimum, an evaluation of  
2 the effectiveness of the strategies employed by each program  
3 operated pursuant to this article in reducing homelessness and  
4 hospitalization of persons in the program and in reducing  
5 involvement with local law enforcement by persons in the program.  
6 The evaluation and report shall also include any other measures  
7 identified by the department regarding persons in the program and  
8 all of the following, based on information that is available:

9 (1) The number of persons served by the program and, of those,  
10 the number who are able to maintain housing and the number who  
11 maintain contact with the treatment system.

12 (2) The number of persons in the program with contacts with  
13 local law enforcement, and the extent to which local and state  
14 incarceration of persons in the program has been reduced or  
15 avoided.

16 (3) The number of persons in the program participating in  
17 employment services programs, including competitive employment.

18 (4) The days of hospitalization of persons in the program that  
19 have been reduced or avoided.

20 (5) Adherence to prescribed treatment by persons in the program.

21 (6) Other indicators of successful engagement, if any, by persons  
22 in the program.

23 (7) Victimization of persons in the program.

24 (8) Violent behavior of persons in the program.

25 (9) Substance abuse by persons in the program.

26 (10) Type, intensity, and frequency of treatment of persons in  
27 the program.

28 (11) Extent to which enforcement mechanisms are used by the  
29 program, when applicable.

30 (12) Social functioning of persons in the program.

31 (13) Skills in independent living of persons in the program.

32 (14) Satisfaction with program services both by those receiving  
33 them and by their families, when relevant.

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

36 5349. Compliance with this section shall be monitored by the  
37 State Department of Health Care Services as part of its review and  
38 approval of county performance contracts.

39 ~~SEC. 3. Section 5813.5 of the Welfare and Institutions Code~~  
40 ~~is amended to read:~~

1     ~~5813.5.— Subject to the availability of funds from the Mental~~  
2 ~~Health Services Fund, the state shall distribute funds for the~~  
3 ~~provision of services under Sections 5347, 5348, 5801, 5802, and~~  
4 ~~5806 to county mental health programs. Services shall be available~~  
5 ~~to adults and seniors with severe illnesses who meet the eligibility~~  
6 ~~criteria in subdivisions (b) and (c) of Section 5600.3. For purposes~~  
7 ~~of the Mental Health Services Act, seniors means older adult~~  
8 ~~persons identified in this part.~~

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

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

18     ~~(c) Each county mental health programs plan shall provide for~~  
19 ~~services in accordance with the system of care for adults and~~  
20 ~~seniors who meet the eligibility criteria in subdivisions (b) and (c)~~  
21 ~~of Section 5600.3.~~

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

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

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

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

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

33     ~~(e) The plan for each county mental health program shall~~  
34 ~~indicate, subject to the availability of funds as determined by Part~~  
35 ~~4.5 (commencing with Section 5890) of this division, and other~~  
36 ~~funds available for mental health services, adults and seniors with~~  
37 ~~a severe mental illness being served by this program are either~~  
38 ~~receiving services from this program or have a mental illness that~~  
39 ~~is not sufficiently severe to require the level of services required~~  
40 ~~of this program.~~

1 ~~(f) Each county plan and annual update pursuant to Section~~  
2 ~~5847 shall consider ways to provide services similar to those~~  
3 ~~established pursuant to the Mentally Ill Offender Crime Reduction~~  
4 ~~Grant Program. Funds shall not be used to pay for persons~~  
5 ~~incarcerated in state prison or parolees from state prisons. Funds~~  
6 ~~may be used to provide persons with assisted outpatient treatment~~  
7 ~~services, as defined in Section 5345.~~

8 ~~(g) The department shall contract for services with county~~  
9 ~~mental health programs pursuant to Section 5897. After January~~  
10 ~~1, 2005, the term “grant” as used in Sections 5814 and 5814.5~~  
11 ~~means a contract described in this subdivision.~~

12 ~~SEC. 4. Section 5892 of the Welfare and Institutions Code is~~  
13 ~~amended to read:~~

14 ~~5892. (a) In order to promote efficient implementation of the~~  
15 ~~Mental Health Services Act, the county shall use funds distributed~~  
16 ~~from the Mental Health Services Fund as follows:~~

17 ~~(1) In 2005–06, 2006–07, and in 2007–08 10 percent shall be~~  
18 ~~placed in a trust fund to be expended for education and training~~  
19 ~~programs pursuant to Part 3.1 (commencing with Section 5820)~~  
20 ~~of this division.~~

21 ~~(2) In 2005–06, 2006–07 and in 2007–08 10 percent for capital~~  
22 ~~facilities and technological needs distributed to counties in~~  
23 ~~accordance with a formula developed in consultation with the~~  
24 ~~California Mental Health Directors Association to implement plans~~  
25 ~~developed pursuant to Section 5847.~~

26 ~~(3) Twenty percent of funds distributed to the counties pursuant~~  
27 ~~to subdivision (c) of Section 5891 shall be used for prevention and~~  
28 ~~early intervention programs in accordance with Part 3.6~~  
29 ~~(commencing with Section 5840) of this division.~~

30 ~~(4) The expenditure for prevention and early intervention may~~  
31 ~~be increased in any county in which the department determines~~  
32 ~~that the increase will decrease the need and cost for additional~~  
33 ~~services to severely mentally ill persons in that county by an~~  
34 ~~amount at least commensurate with the proposed increase.~~

35 ~~(5) The balance of funds shall be distributed to county mental~~  
36 ~~health programs for services to persons with severe mental illnesses~~  
37 ~~pursuant to Part 4 (commencing with Section 5850), for the~~  
38 ~~children’s system of care, Part 3 (commencing with Section 5800),~~  
39 ~~for the adult and older adult system of care, and Sections 5347 and~~  
40 ~~5348.~~



1 ~~(6) Five percent of the total funding for each county mental~~  
2 ~~health program for Part 3 (commencing with Section 5800), Part~~  
3 ~~3.6 (commencing with Section 5840), and Part 4 (commencing~~  
4 ~~with Section 5850) of this division, shall be utilized for innovative~~  
5 ~~programs in accordance with Sections 5830, 5847, and 5848.~~

6 ~~(b) In any year after 2007-08, programs for services pursuant~~  
7 ~~to Part 3 (commencing with Section 5800), and Part 4~~  
8 ~~(commencing with Section 5850) of this division may include~~  
9 ~~funds for technological needs and capital facilities, human resource~~  
10 ~~needs, and a prudent reserve to ensure services do not have to be~~  
11 ~~significantly reduced in years in which revenues are below the~~  
12 ~~average of previous years. The total allocation for purposes~~  
13 ~~authorized by this subdivision shall not exceed 20 percent of the~~  
14 ~~average amount of funds allocated to that county for the previous~~  
15 ~~five years pursuant to this section.~~

16 ~~(e) The allocations pursuant to subdivisions (a) and (b) shall~~  
17 ~~include funding for annual planning costs pursuant to Section 5848.~~  
18 ~~The total of these costs shall not exceed 5 percent of the total of~~  
19 ~~annual revenues received for the fund. The planning costs shall~~  
20 ~~include funds for county mental health programs to pay for the~~  
21 ~~costs of consumers, family members, and other stakeholders to~~  
22 ~~participate in the planning process and for the planning and~~  
23 ~~implementation required for private provider contracts to be~~  
24 ~~significantly expanded to provide additional services pursuant to~~  
25 ~~Part 3 (commencing with Section 5800), and Part 4 (commencing~~  
26 ~~with Section 5850) of this division.~~

27 ~~(d) Prior to making the allocations pursuant to subdivisions (a),~~  
28 ~~(b), and (c), funds shall be reserved for the costs for the State~~  
29 ~~Department of Health Care Services, the California Mental Health~~  
30 ~~Planning Council, the Office of Statewide Health Planning and~~  
31 ~~Development, the Mental Health Services Oversight and~~  
32 ~~Accountability Commission, the State Department of Public Health,~~  
33 ~~and any other state agency to implement all duties pursuant to the~~  
34 ~~programs set forth in this section. These costs shall not exceed 3.5~~  
35 ~~percent of the total of annual revenues received for the fund. The~~  
36 ~~administrative costs shall include funds to assist consumers and~~  
37 ~~family members to ensure the appropriate state and county agencies~~  
38 ~~give full consideration to concerns about quality, structure of~~  
39 ~~service delivery, or access to services. The amounts allocated for~~  
40 ~~administration shall include amounts sufficient to ensure adequate~~

1 ~~research and evaluation regarding the effectiveness of services~~  
2 ~~being provided and achievement of the outcome measures set forth~~  
3 ~~in Part 3 (commencing with Section 5800), Part 3.6 (commencing~~  
4 ~~with Section 5840), and Part 4 (commencing with Section 5850)~~  
5 ~~of this division. The amount of funds available for the purposes~~  
6 ~~of this subdivision in any fiscal year shall be subject to~~  
7 ~~appropriation in the annual Budget Act.~~

8 ~~(e) In 2004-05 funds shall be allocated as follows:~~

9 ~~(1) Forty-five percent for education and training pursuant to~~  
10 ~~Part 3.1 (commencing with Section 5820) of this division.~~

11 ~~(2) Forty-five percent for capital facilities and technology needs~~  
12 ~~in the manner specified by paragraph (2) of subdivision (a).~~

13 ~~(3) Five percent for local planning in the manner specified in~~  
14 ~~subdivision (c).~~

15 ~~(4) Five percent for state implementation in the manner specified~~  
16 ~~in subdivision (d).~~

17 ~~(f) Each county shall place all funds received from the State~~  
18 ~~Mental Health Services Fund in a local Mental Health Services~~  
19 ~~Fund. The Local Mental Health Services Fund balance shall be~~  
20 ~~invested consistent with other county funds and the interest earned~~  
21 ~~on the investments shall be transferred into the fund. The earnings~~  
22 ~~on investment of these funds shall be available for distribution~~  
23 ~~from the fund in future years.~~

24 ~~(g) All expenditures for county mental health programs shall~~  
25 ~~be consistent with a currently approved plan or update pursuant~~  
26 ~~to Section 5847.~~

27 ~~(h) Other than funds placed in a reserve in accordance with an~~  
28 ~~approved plan, any funds allocated to a county which have not~~  
29 ~~been spent for their authorized purpose within three years shall~~  
30 ~~revert to the state to be deposited into the fund and available for~~  
31 ~~other counties in future years, provided however, that funds for~~  
32 ~~capital facilities, technological needs, or education and training~~  
33 ~~may be retained for up to 10 years before reverting to the fund.~~

34 ~~(i) If there are still additional revenues available in the fund~~  
35 ~~after the Mental Health Services Oversight and Accountability~~  
36 ~~Commission has determined there are prudent reserves and no~~  
37 ~~unmet needs for any of the programs funded pursuant to this~~  
38 ~~section, including all purposes of the Prevention and Early~~  
39 ~~Intervention Program, the commission shall develop a plan for~~  
40 ~~expenditures of these revenues to further the purposes of this act~~

1 and the Legislature may appropriate these funds for any purpose  
2 consistent with the commission's adopted plan which furthers the  
3 purposes of this act.

O