

AMENDED IN SENATE MAY 18, 2016
AMENDED IN ASSEMBLY MARCH 23, 2015
CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 38

Introduced by Assembly Member Eggman

December 1, 2014

An act to add and repeal Section 1367.020 of the Health and Safety Code, relating to ~~the California State University~~. mental health.

LEGISLATIVE COUNSEL'S DIGEST

AB 38, as amended, Eggman. ~~California State University: Legislative Analyst's Office: initial analysis to assess need for new campus.~~ *Mental Health Delivery Demonstration Project: Early Diagnosis and Psychosis Treatment Program.*

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care. Existing law requires health care service plans to meet specified criteria. Existing law makes a willful violation of that act a crime.

This bill would, commencing July 1, 2017, authorize health care service plans that offer health care services within the greater Sacramento area to require enrollees seeking services for a mental health condition to participate in a Mental Health Delivery Demonstration Project through an Early Diagnosis and Psychosis Treatment (EDAPT) program, as defined. The bill would require plans that choose to participate to develop clinical guidelines for enrollees and to make those guidelines available as part of their evidence of coverage and to primary care providers and specialty mental health

providers in their contracted network. The bill would allow an enrollee to opt out of the EDAPT program if a psychiatrist notifies the plan that the enrollee is under his or her care. These provisions would be repealed on January 1, 2020. Because a willful violation of these provisions would be a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

~~Existing law establishes the California State University, under the administration of the Trustees of the California State University, as one of the segments of public postsecondary education in this state. The university comprises 23 independent campuses.~~

~~This bill would require the Legislative Analyst's Office to conduct an initial analysis to assess the need for a new campus of the university. The bill would specify data to be included in the analysis, to the extent that applicable data is available. The bill would require the university to provide whatever data is needed to meet the requirements of this bill to the Legislative Analyst's Office upon that office's request. The bill would require the Legislative Analyst's Office to submit a report containing this analysis to the Legislature and Department of Finance on or before January 1, 2017.~~

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

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

- 1 SECTION 1. (a) The Legislature finds and declares all of the
- 2 following:
- 3 (1) Despite the importance of and emphasis on mental health
- 4 parity, management of mental illness within a system of care is
- 5 far more difficult than most types of physical illness. There are
- 6 significant differences between the delivery systems for the
- 7 Medi-Cal population and the delivery systems for those covered
- 8 by private insurance, and there are unique problems associated
- 9 with each system. While changes are needed in both, there is an

1 *immediate need to look for ways to better serve the insured*
2 *population.*

3 *(2) The limited number of providers, the lack of facilities for*
4 *treatment, and the difficulties of arranging for and coordinating*
5 *ancillary services have made it extremely difficult for health*
6 *insurers to meet the needs of enrollees facing significant mental*
7 *health issues.*

8 *(3) Attempts to develop truly accessible provider networks that*
9 *can link with the array of administrative and ancillary services*
10 *that the mentally ill need to manage their disease and to improve*
11 *will take an investment of time and resources.*

12 *(4) Systems of care known as Early Diagnosis and Psychosis*
13 *Treatment (EDAPT) programs may hold the key to these problems.*
14 *These integrated systems of care provide early intervention,*
15 *assessment, diagnosis, a treatment plan, and the services necessary*
16 *to implement that plan. EDAPT programs have interdisciplinary*
17 *teams of physicians, clinicians, advocates, and staff that coordinate*
18 *care on an outpatient basis.*

19 *(5) EDAPT programs do not yet exist in sufficient number to*
20 *allow them to meet the provider network requirements health*
21 *insurers must meet. While it is possible under existing law for*
22 *health insurers to contract with existing EDAPT programs, there*
23 *are a number of regulatory and practical issues that stand in the*
24 *way of directing patients to them so that the patients' conditions*
25 *can be effectively managed. If insurers could designate an EDAPT*
26 *program as an exclusive provider for their enrollees, an assessment*
27 *can be made of the overall efficacy of the model.*

28 *(b) Therefore, it is the intent of the Legislature to establish a*
29 *demonstration project or projects in geographic areas of the state*
30 *where EDAPT programs exist to allow health insurers to opt in*
31 *to utilizing the EDAPT programs as exclusive provider networks*
32 *for the insurers' enrollees in need of these services.*

33 *SEC. 2. Section 1367.020 is added to the Health and Safety*
34 *Code, to read:*

35 *1367.020. (a) Notwithstanding any other law, commencing*
36 *July 1, 2017, a health care service plan that offers health care*
37 *services on an individual or group basis in the greater Sacramento*
38 *area may require enrollees seeking services for a mental health*
39 *condition to participate in a Mental Health Delivery Demonstration*

1 *Project through an Early Diagnosis and Psychosis Treatment*
2 *Program.*

3 *(b) If a plan chooses to require its enrollees to participate in*
4 *the project, it shall develop clinical guidelines for those enrollees*
5 *and make those guidelines available as part of its evidence of*
6 *coverage. The plan shall also make those guidelines available to*
7 *all primary care providers and specialty mental health providers*
8 *in its contracted network.*

9 *(c) An enrollee directed to a Mental Health Delivery*
10 *Demonstration Project site for services shall be able to opt out of*
11 *those services if a psychiatrist notifies the plan that the enrollee*
12 *is under his or her care.*

13 *(d) For purposes of this section, “Early Diagnosis and Psychosis*
14 *Treatment Program” means a mental health service program that*
15 *provides early intervention, diagnosis, treatment, and necessary*
16 *support through interdisciplinary teams of physicians, mental*
17 *health professionals, social workers, and advocates on an*
18 *outpatient basis and through a single point of entry.*

19 *(e) This section shall remain in effect only until January 1, 2020,*
20 *and as of that date is repealed, unless a later enacted statute, that*
21 *is enacted before January 1, 2020, deletes or extends that date.*

22 *SEC. 3. No reimbursement is required by this act pursuant to*
23 *Section 6 of Article XIII B of the California Constitution because*
24 *the only costs that may be incurred by a local agency or school*
25 *district will be incurred because this act creates a new crime or*
26 *infraction, eliminates a crime or infraction, or changes the penalty*
27 *for a crime or infraction, within the meaning of Section 17556 of*
28 *the Government Code, or changes the definition of a crime within*
29 *the meaning of Section 6 of Article XIII B of the California*
30 *Constitution.*

31 ~~SECTION 1. (a) The Legislature finds and declares all of the~~
32 ~~following:~~

33 ~~(1) The Master Plan for Higher Education in California~~
34 ~~established the following criteria for determining the need for a~~
35 ~~new public university campus:~~

36 ~~(A) The relative numbers of high school graduates, the location~~
37 ~~of existing institutions in the various areas of the state, and the~~
38 ~~relation between their capacities and the estimated enrollment in~~
39 ~~the area served by each such institution.~~

1 ~~(B) The relative numbers of potential students within reasonable~~
2 ~~commuting distance of each of the proposed sites.~~
3 ~~(2) The need to accommodate students in excess of the physical~~
4 ~~capacities of existing community colleges, California State~~
5 ~~University (CSU) campuses, and University of California~~
6 ~~campuses.~~
7 ~~(3) The Master Plan designates CSU to draw its freshman class~~
8 ~~from the top third of the state's public high school graduates and~~
9 ~~admit transfer-prepared applicants with a minimum GPA of 2.0.~~
10 ~~Most CSU campuses provide priority admission to local applicants.~~
11 ~~(b) The Legislative Analyst's Office shall conduct an initial~~
12 ~~analysis to assess the need for a new CSU campus. The analysis~~
13 ~~shall consist of the following parts:~~
14 ~~(1) An analysis of the need within certain regions for a CSU~~
15 ~~campus. This part shall include all of the following to the extent~~
16 ~~applicable data are available:~~
17 ~~(A) Consideration of enrollment demand based on relative~~
18 ~~demographic levels and eligible students for each county. This~~
19 ~~part shall include five- to 10-year projections of the college-age~~
20 ~~population and public high school graduates. It also shall include~~
21 ~~data for the most recent year available on college preparedness,~~
22 ~~including the number and share of high school graduates~~
23 ~~completing the "A-G" admissions requirements and the number~~
24 ~~and share of transfer-prepared community college students.~~
25 ~~(B) For each county, data on CSU applications, admissions, and~~
26 ~~enrollment for the most recent year available to estimate~~
27 ~~college-going rates to CSU.~~
28 ~~(C) Data on adult educational attainment by county for the most~~
29 ~~recent year available.~~
30 ~~(2) An analysis of the physical capacities of existing CSU~~
31 ~~campuses, as set forth in their master plans, relative to current~~
32 ~~enrollment. This analysis shall identify CSU campuses already at~~
33 ~~maximum capacity and those with remaining physical capacity.~~
34 ~~The analysis also shall identify which CSU campuses no longer~~
35 ~~provide enrollment priority for local applicants.~~
36 ~~(e) The CSU shall provide whatever data is needed to meet the~~
37 ~~requirements of this section to the Legislative Analyst's Office~~
38 ~~upon that office's request. The Legislative Analyst's Office shall~~
39 ~~submit a report containing the analysis required by this section to~~

1 the Legislature and Department of Finance on or before January
2 1, 2017.

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