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AMENDED IN ASSEMBLY MAY 4, 2015

AMENDED IN ASSEMBLY APRIL 15, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 741

Introduced by Assembly Member Williams

February 25, 2015

An act to amend Section 1502 of, and to add Sections 1562.02 and 1562.03 to, the Health and Safety Code, and to amend ~~Section 11462.01~~ *Sections 5848.5, 11462.01, and 15610.47* of the Welfare and Institutions Code, relating to mental health.

LEGISLATIVE COUNSEL'S DIGEST

AB 741, as amended, Williams. Mental health: community care facilities.

Existing

(1) *Existing* law, the California Community Care Facilities Act, provides for the licensing and regulation of community care facilities, as defined, by the State Department of Social Services. Existing law includes within the definition of community care facility a short-term residential treatment center, which is a residential facility licensed by the department and operated by any public agency or private organization that provides short-term, specialized, and intensive

treatment, and 24-hour care and supervision to children. A violation of the act is a misdemeanor.

This bill would authorize a short-term residential treatment center to be operated as a children's crisis residential center, as defined, and would require the department to regulate those programs, as specified. The bill would require the State Department of Health Care Services, in consultation with the County Behavioral Health Directors Association of ~~California~~, *California* and representatives of provider associations, ~~children's advocates, and other stakeholders~~, to establish *interim* Medi-Cal rates for children's crisis residential services, as prescribed. By expanding the types of facilities that are regulated as a community care facility, this bill would expand the scope of an existing crime, thus creating a state-mandated local program.

Existing

(2) *Existing* law establishes the Aid to Families with Dependent Children-Foster Care (AFDC-FC) program, under which counties provide payments to foster care providers on behalf of qualified children in foster care. In order to be eligible for AFDC-FC, existing law requires a child or nonminor dependent to be placed in a specified placement, including, commencing January 1, 2017, a short-term residential treatment center.

Existing law, effective January 1, 2017, authorizes a short-term residential treatment center to have a program that is certified by the State Department of Health Care Services or by a county mental health plan to which the department has delegated certification authority, or a program that is not certified, or both, and requires a short-term residential treatment center to accept for placement children who meet certain criteria, subject to specified requirements.

This bill would authorize a short-term residential treatment center that is operating as a children's crisis residential center to, subject to specified requirements, accept for admission or placement any child, referred by a parent or guardian, or by the representative of a public or private entity that has the right to make these decisions on behalf of a child who is ~~in~~ *experiencing* a mental health crisis and, absent admission to a children's crisis residential center, would otherwise require acceptance by the emergency department of a general hospital, or admission into a psychiatric hospital or the psychiatric inpatient unit of a general hospital.

(3) *Existing* law establishes the *Investment in Mental Health Wellness Act of 2013*. Existing law provides that funds appropriated by the

Legislature to the California Health Facilities Financing Authority for the purposes of the act be made available to selected counties or counties acting jointly, except as otherwise provided, and used to provide, among other things, a complete continuum of crisis services for children and youth 21 years of age and under regardless of where they live in the state. The act requires grant awards made by the authority to be used to expand local resources for the development, capital, equipment acquisition, and applicable program startup or expansion costs to increase capacity for client assistance and crisis services for children and youth 21 years of age and under in specified areas, including crisis residential treatment as authorized by specified provisions.

This bill would include within these specified areas crisis residential treatment provided at a children's crisis residential center.

(4) This bill would also make nonsubstantive, conforming changes.

~~The~~

(5) 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.

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

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

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) There is an urgent need to provide more crisis care
- 4 alternatives to hospitals for children and youth experiencing mental
- 5 health crises.
- 6 (b) The problems are especially acute for children and youth
- 7 who may have to wait for days for a hospital bed and who may be
- 8 transported, without a parent, to the nearest facility hundreds of
- 9 miles away.
- 10 (c) In 2012, the California Hospital Association reported that
- 11 two-thirds of the people taken to a hospital for a psychiatric
- 12 emergency did not meet the criteria for that level of care, but the
- 13 care they needed was not available.

1 (d) The type of care that is needed includes crisis residential
2 treatment for children.

3 (e) This level of care is part of the full continuum of care
4 considered medically necessary for many children with serious
5 emotional disturbances.

6 (f) In 2013, the Legislature enacted the Investment in Mental
7 Health Wellness Act (Senate Bill 82, Chapter 34 of the Statutes
8 of 2013) to provide one-time funding to counties to expand the
9 availability of mental health crisis care services, including
10 short-term crisis residential treatment services. However, there is
11 currently no state licensing category for short-term crisis residential
12 programs for children. As a result, counties wanting to expand
13 local capacity to meet the needs of children and youth for crisis
14 residential treatment services were ineligible for this competitive
15 grant program.

16 (g) In most communities, inpatient crisis treatment is completely
17 unavailable for children and youth, even though it may be
18 medically necessary.

19 (h) Crisis residential care is an essential level of care for the
20 treatment of children and youth with serious emotional disturbances
21 in a mental health crisis, and it often serves as an alternative to
22 hospitalization.

23 (i) It is imperative that California identify a licensing category
24 specifically for mental health crisis residential care that can be
25 utilized for children and youth who are beneficiaries of both public
26 and private health care plans.

27 SEC. 2. Section 1502 of the Health and Safety Code is amended
28 to read:

29 1502. (a) As used in this chapter:

30 (1) "Community care facility" means any facility, place, or
31 building that is maintained and operated to provide nonmedical
32 residential care, day treatment, adult day care, or foster family
33 agency services for children, adults, or children and adults,
34 including, but not limited to, the physically handicapped, mentally
35 impaired, incompetent persons, and abused or neglected children,
36 and includes the following:

37 (A) "Residential facility" means any family home, group care
38 facility, or similar facility determined by the director, for 24-hour
39 nonmedical care of persons in need of personal services,

1 supervision, or assistance essential for sustaining the activities of
2 daily living or for the protection of the individual.

3 (B) “Adult day program” means any community-based facility
4 or program that provides care to persons 18 years of age or older
5 in need of personal services, supervision, or assistance essential
6 for sustaining the activities of daily living or for the protection of
7 these individuals on less than a 24-hour basis.

8 (C) “Therapeutic day services facility” means any facility that
9 provides nonmedical care, counseling, educational or vocational
10 support, or social rehabilitation services on less than a 24-hour
11 basis to persons under 18 years of age who would otherwise be
12 placed in foster care or who are returning to families from foster
13 care. Program standards for these facilities shall be developed by
14 the department, pursuant to Section 1530, in consultation with
15 therapeutic day services and foster care providers.

16 (D) “Foster family agency” means any public agency or private
17 organization engaged in the recruiting, certifying, and training of,
18 and providing professional support to, foster parents, or in finding
19 homes or other places for placement of children for temporary or
20 permanent care who require that level of care. Private foster family
21 agencies shall be organized and operated on a nonprofit basis.

22 (E) “Foster family home” means any residential facility
23 providing 24-hour care for six or fewer foster children that is
24 owned, leased, or rented and is the residence of the foster parent
25 or parents, including their family, in whose care the foster children
26 have been placed. The placement may be by a public or private
27 child placement agency or by a court order, or by voluntary
28 placement by a parent, parents, or guardian. It also means a foster
29 family home described in Section 1505.2.

30 (F) “Small family home” means any residential facility, in the
31 licensee’s family residence, that provides 24-hour care for six or
32 fewer foster children who have mental disorders or developmental
33 or physical disabilities and who require special care and supervision
34 as a result of their disabilities. A small family home may accept
35 children with special health care needs, pursuant to subdivision
36 (a) of Section 17710 of the Welfare and Institutions Code. In
37 addition to placing children with special health care needs, the
38 department may approve placement of children without special
39 health care needs, up to the licensed capacity.

(G) “Social rehabilitation facility” means any residential facility that provides social rehabilitation services for no longer than 18 months in a group setting to adults recovering from mental illness who temporarily need assistance, guidance, or counseling. Program components shall be subject to program standards pursuant to Article 1 (commencing with Section 5670) of Chapter 2.5 of Part 2 of Division 5 of the Welfare and Institutions Code.

(H) “Community treatment facility” means any residential facility that provides mental health treatment services to children in a group setting and that has the capacity to provide secure containment. Program components shall be subject to program standards developed and enforced by the State Department of Health Care Services pursuant to Section 4094 of the Welfare and Institutions Code.

(I) (i) “Full-service adoption agency” means any licensed entity engaged in the business of providing adoption services, that does all of the following:

(I) Assumes care, custody, and control of a child through relinquishment of the child to the agency or involuntary termination of parental rights to the child.

(II) Assesses the birth parents, prospective adoptive parents, or child.

(III) Places children for adoption.

(IV) Supervises adoptive placements.

(ii) Private full-service adoption agencies shall be organized and operated on a nonprofit basis. As a condition of licensure to provide intercountry adoption services, a full-service adoption agency shall be accredited and in good standing according to Part 96 of Title 22 of the Code of Federal Regulations, or supervised by an accredited primary provider, or acting as an exempted provider, in compliance with Subpart F (commencing with Section 96.29) of Part 96 of Title 22 of the Code of Federal Regulations.

(J) (i) “Noncustodial adoption agency” means any licensed entity engaged in the business of providing adoption services, that does all of the following:

(I) Assesses the prospective adoptive parents.

(II) Cooperatively matches children freed for adoption, who are under the care, custody, and control of a licensed adoption agency, for adoption, with assessed and approved adoptive applicants.

1 (III) Cooperatively supervises adoptive placements with a
2 full-service adoptive agency, but does not disrupt a placement or
3 remove a child from a placement.

4 (ii) Private noncustodial adoption agencies shall be organized
5 and operated on a nonprofit basis. As a condition of licensure to
6 provide intercountry adoption services, a noncustodial adoption
7 agency shall be accredited and in good standing according to Part
8 96 of Title 22 of the Code of Federal Regulations, or supervised
9 by an accredited primary provider, or acting as an exempted
10 provider, in compliance with Subpart F (commencing with Section
11 96.29) of Part 96 of Title 22 of the Code of Federal Regulations.

12 (K) “Transitional shelter care facility” means any group care
13 facility that provides for 24-hour nonmedical care of persons in
14 need of personal services, supervision, or assistance essential for
15 sustaining the activities of daily living or for the protection of the
16 individual. Program components shall be subject to program
17 standards developed by the State Department of Social Services
18 pursuant to Section 1502.3.

19 (L) “Transitional housing placement provider” means an
20 organization licensed by the department pursuant to Section
21 1559.110 and Section 16522.1 of the Welfare and Institutions Code
22 to provide transitional housing to foster children at least 16 years
23 of age and not more than 18 years of age, and nonminor
24 dependents, as defined in subdivision (v) of Section 11400 of the
25 Welfare and Institutions Code, to promote their transition to
26 adulthood. A transitional housing placement provider shall be
27 privately operated and organized on a nonprofit basis.

28 (M) “Group home” means a residential facility that provides
29 24-hour care and supervision to children, delivered at least in part
30 by staff employed by the licensee in a structured environment. The
31 care and supervision provided by a group home shall be
32 nonmedical, except as otherwise permitted by law.

33 (N) “Runaway and homeless youth shelter” means a group home
34 licensed by the department to operate a program pursuant to Section
35 1502.35 to provide voluntary, short-term shelter and personal
36 services to runaway youth or homeless youth, as defined in
37 paragraph (2) of subdivision (a) of Section 1502.35.

38 (O) “Enhanced behavioral supports home” means a facility
39 certified by the State Department of Developmental Services
40 pursuant to Article 3.6 (commencing with Section 4684.80) of

Chapter 6 of Division 4.5 of the Welfare and Institutions Code, and licensed by the State Department of Social Services as an adult residential facility or a group home that provides 24-hour nonmedical care to individuals with developmental disabilities who require enhanced behavioral supports, staffing, and supervision in a homelike setting. An enhanced behavioral supports home shall have a maximum capacity of four consumers, shall conform to Section 441.530(a)(1) of Title 42 of the Code of Federal Regulations, and shall be eligible for federal Medicaid home- and community-based services funding.

(P) “Community crisis home” means a facility certified by the State Department of Developmental Services pursuant to Article 8 (commencing with Section 4698) of Chapter 6 of Division 4.5 of the Welfare and Institutions Code, and licensed by the State Department of Social Services pursuant to Article 9.7 (commencing with Section 1567.80), as an adult residential facility, providing 24-hour nonmedical care to individuals with developmental disabilities receiving regional center service, in need of crisis intervention services, and who would otherwise be at risk of admission to the acute crisis center at Fairview Developmental Center, Sonoma Developmental Center, an acute general hospital, acute psychiatric hospital, an institution for mental disease, as described in Part 5 (commencing with Section 5900) of Division 5 of the Welfare and Institutions Code, or an out-of-state placement. A community crisis home shall have a maximum capacity of eight consumers, as defined in subdivision (a) of Section 1567.80, shall conform to Section 441.530(a)(1) of Title 42 of the Code of Federal Regulations, and shall be eligible for federal Medicaid home- and community-based services funding.

(Q) “Crisis nursery” means a facility licensed by the department to operate a program pursuant to Section 1516 to provide short-term care and supervision for children under six years of age who are voluntarily placed for temporary care by a parent or legal guardian due to a family crisis or stressful situation.

(R) “Short-term residential treatment center” means a residential facility licensed by the department pursuant to Section 1562.01 and operated by any public agency or private organization that provides short-term, specialized, and intensive treatment, and 24-hour care and supervision to children. The care and supervision provided by a short-term residential treatment center shall be

1 nonmedical, except as otherwise permitted by law. A short-term
2 residential treatment center may be operated as a children's crisis
3 residential center.

4 (S) "Children's crisis residential center" means a short-term
5 residential treatment center operated specifically to divert children
6 experiencing a mental health crisis from psychiatric hospitalization.

7 (2) "Department" or "state department" means the State
8 Department of Social Services.

9 (3) "Director" means the Director of Social Services.

10 (b) Nothing in this section shall be construed to prohibit or
11 discourage placement of persons who have mental or physical
12 disabilities into any category of community care facility that meets
13 the needs of the individual placed, if the placement is consistent
14 with the licensing regulations of the department.

15 SEC. 3. Section 1562.02 is added to the Health and Safety
16 Code, to read:

17 1562.02. (a) The department shall establish regulations for
18 short-term residential treatment centers that are operated as
19 children's crisis residential centers. At a minimum, the regulations
20 shall include all of the following:

21 (1) The children's crisis residential center shall be used only
22 for diversion from admittance to a psychiatric hospitalization.

23 (2) (A) Length of stay for a single admission to a children's
24 crisis residential center shall be limited to 10 consecutive days.

25 ~~An organization providing children's crisis residential services~~
26 ~~shall not admit a child for more than two~~

27 *(B) Notwithstanding subparagraph (A), the length of stay may*
28 *be extended once for no more than two consecutive 10-day lengths*
29 *of stay during any 12-month period.* ~~stay.~~ Before extending the
30 length of stay for a Medi-Cal beneficiary beyond 10 consecutive
31 days, an organization providing children's crisis residential services
32 shall obtain prior approval from the county mental health plan
33 authorizing those services.

34 *(C) A child shall not be admitted to a children's crisis residential*
35 *center regulated under this section for more than 20 total days in*
36 *any six-month period.*

37 (3) Therapeutic programming shall be provided seven days a
38 week, including weekends and holidays, with sufficient
39 professional and paraprofessional staff to maintain an appropriate
40 treatment setting and services, based on individual children's needs.

(4) The program shall be staffed with sufficient personnel to accept children 24 hours per day, seven days a week and to admit children, at a minimum, from 7 a.m. to 11 p.m., seven days a week, 365 days per year. The program shall be sufficiently staffed to discharge children, as appropriate, seven days a week, 365 days per year.

(5) Facilities shall be limited to fewer than 16 beds, with at least 50 percent of those beds in single-occupancy rooms.

(6) Facilities shall include ample physical space for accommodating individuals who provide natural supports to each child and for integrating family members into the day-to-day care of the youth.

(7) The center shall collaborate with each child's mental health team, child and family team, and other formal and natural supports within 24 hours of intake and throughout the course of care and treatment as appropriate.

~~(b) The department may adopt regulations, as needed, to waive the requirements in Section 1562.01 that are in conflict with the purposes or best practices of operating a children's crisis residential center.~~

(b) The center shall annually provide the department with all of the following data as it pertains to children in foster care and children not in foster care in conjunction with its application for licensure renewal:

(1) Age and gender of clients served.

(2) Duration of stay.

(3) Professional classification of staff and contracted staff.

(4) Type of placement the client was discharged to.

SEC. 4. Section 1562.03 is added to the Health and Safety Code, to read:

1562.03. (a) (1) The State Department of Health Care Services, ~~in consultation with the County Behavioral Health Directors Association of California, representatives of provider associations, children's advocates, and other stakeholders~~ Services shall establish *interim* Medi-Cal rates as needed that are sufficient to reimburse the costs for children's crisis residential services in excess of any specialty mental health services that would have been otherwise authorized, provided, and invoiced for each eligible Medi-Cal beneficiary receiving children's crisis residential services.

1 (2) *The department shall consult with subject matter experts*
2 *from the County Behavioral Health Directors Association of*
3 *California and provider associations to obtain data and*
4 *background information necessary to ensure sufficiency of the*
5 *rate.*

6 (b) For foster children admitted for children's crisis residential
7 services, programs shall receive payment for board and care
8 equivalent to the rate paid for short-term residential treatment
9 centers.

10 (c) Nothing in this chapter shall prevent a county from providing
11 payment in excess of the short-term residential treatment center
12 rate in order to meet the needs of individual children.

13 *SEC. 5. Section 5848.5 of the Welfare and Institutions Code*
14 *is amended to read:*

15 5848.5. (a) The Legislature finds and declares all of the
16 following:

17 (1) California has realigned public community mental health
18 services to counties and it is imperative that sufficient
19 community-based resources be available to meet the mental health
20 needs of eligible individuals.

21 (2) Increasing access to effective outpatient and crisis
22 stabilization services provides an opportunity to reduce costs
23 associated with expensive inpatient and emergency room care and
24 to better meet the needs of individuals with mental health disorders
25 in the least restrictive manner possible.

26 (3) Almost one-fifth of people with mental health disorders visit
27 a hospital emergency room at least once per year. If an adequate
28 array of crisis services is not available, it leaves an individual with
29 little choice but to access an emergency room for assistance and,
30 potentially, an unnecessary inpatient hospitalization.

31 (4) Recent reports have called attention to a continuing problem
32 of inappropriate and unnecessary utilization of hospital emergency
33 rooms in California due to limited community-based services for
34 individuals in psychological distress and acute psychiatric crisis.
35 Hospitals report that 70 percent of people taken to emergency
36 rooms for psychiatric evaluation can be stabilized and transferred
37 to a less intensive level of crisis care. Law enforcement personnel
38 report that their personnel need to stay with people in the
39 emergency room waiting area until a placement is found, and that
40 less intensive levels of care tend not to be available.

(5) Comprehensive public and private partnerships at both local and regional levels, including across physical health services, mental health, substance use disorder, law enforcement, social services, and related supports, are necessary to develop and maintain high quality, patient-centered, and cost-effective care for individuals with mental health disorders that facilitates their recovery and leads towards wellness.

(6) The recovery of individuals with mental health disorders is important for all levels of government, business, and the local community.

(b) This section shall be known, and may be cited, as the Investment in Mental Health Wellness Act of 2013. The objectives of this section are to do all of the following:

(1) Expand access to early intervention and treatment services to improve the client experience, achieve recovery and wellness, and reduce costs.

(2) Expand the continuum of services to address crisis intervention, crisis stabilization, and crisis residential treatment needs that are wellness, resiliency, and recovery oriented.

(3) Add at least 25 mobile crisis support teams and at least 2,000 crisis stabilization and crisis residential treatment beds to bolster capacity at the local level to improve access to mental health crisis services and address unmet mental health care needs.

(4) Add at least 600 triage personnel to provide intensive case management and linkage to services for individuals with mental health care disorders at various points of access, such as at designated community-based service points, homeless shelters, and clinics.

(5) Reduce unnecessary hospitalizations and inpatient days by appropriately utilizing community-based services and improving access to timely assistance.

(6) Reduce recidivism and mitigate unnecessary expenditures of local law enforcement.

(7) Provide local communities with increased financial resources to leverage additional public and private funding sources to achieve improved networks of care for individuals with mental health disorders.

(8) Provide a complete continuum of crisis services for children and youth 21 years of age and under regardless of where they live in the state. The funds included in the 2016 Budget Act for the

1 purpose of developing the continuum of mental health crisis
2 services for children and youth 21 years of age and under shall be
3 for the following objectives:

4 (A) Provide a continuum of crisis services for children and youth
5 21 years of age and under regardless of where they live in the state.

6 (B) Provide for early intervention and treatment services to
7 improve the client experience, achieve recovery and wellness, and
8 reduce costs.

9 (C) Expand the continuum of community-based services to
10 address crisis intervention, crisis stabilization, and crisis residential
11 treatment needs that are wellness-, resiliency-, and
12 recovery-oriented.

13 (D) Add at least 200 mobile crisis support teams.

14 (E) Add at least 120 crisis stabilization services and beds and
15 crisis residential treatment beds to increase capacity at the local
16 level to improve access to mental health crisis services and address
17 unmet mental health care needs.

18 (F) Add triage personnel to provide intensive case management
19 and linkage to services for individuals with mental health care
20 disorders at various points of access, such as at designated
21 community-based service points, homeless shelters, schools, and
22 clinics.

23 (G) Expand family respite care to help families and sustain
24 caregiver health and well-being.

25 (H) Expand family supportive training and related services
26 designed to help families participate in the planning process, access
27 services, and navigate programs.

28 (I) Reduce unnecessary hospitalizations and inpatient days by
29 appropriately utilizing community-based services.

30 (J) Reduce recidivism and mitigate unnecessary expenditures
31 of local law enforcement.

32 (K) Provide local communities with increased financial
33 resources to leverage additional public and private funding sources
34 to achieve improved networks of care for children and youth 21
35 years of age and under with mental health disorders.

36 (c) Through appropriations provided in the annual Budget Act
37 for this purpose, it is the intent of the Legislature to authorize the
38 California Health Facilities Financing Authority, hereafter referred
39 to as the authority, and the Mental Health Services Oversight and
40 Accountability Commission, hereafter referred to as the

1 commission, to administer competitive selection processes as
2 provided in this section for capital capacity and program expansion
3 to increase capacity for mobile crisis support, crisis intervention,
4 crisis stabilization services, crisis residential treatment, and
5 specified personnel resources.

6 (d) Funds appropriated by the Legislature to the authority for
7 purposes of this section shall be made available to selected
8 counties, or counties acting jointly. The authority may, at its
9 discretion, also give consideration to private nonprofit corporations
10 and public agencies in an area or region of the state if a county, or
11 counties acting jointly, affirmatively supports this designation and
12 collaboration in lieu of a county government directly receiving
13 grant funds.

14 (1) Grant awards made by the authority shall be used to expand
15 local resources for the development, capital, equipment acquisition,
16 and applicable program startup or expansion costs to increase
17 capacity for client assistance and services in the following areas:

18 (A) Crisis intervention, as authorized by Sections 14021.4,
19 14680, and 14684.

20 (B) Crisis stabilization, as authorized by Sections 14021.4,
21 14680, and 14684.

22 (C) Crisis residential treatment, as authorized by Sections
23 14021.4, 14680, and 14684.

24 (D) Rehabilitative mental health services, as authorized by
25 Sections 14021.4, 14680, and 14684.

26 (E) Mobile crisis support teams, including personnel and
27 equipment, such as the purchase of vehicles.

28 (2) The authority shall develop selection criteria to expand local
29 resources, including those described in paragraph (1), and processes
30 for awarding grants after consulting with representatives and
31 interested stakeholders from the mental health community,
32 including, but not limited to, the County Behavioral Health
33 Directors Association of California, service providers, consumer
34 organizations, and other appropriate interests, such as health care
35 providers and law enforcement, as determined by the authority.
36 The authority shall ensure that grants result in cost-effective
37 expansion of the number of community-based crisis resources in
38 regions and communities selected for funding. The authority shall
39 also take into account at least the following criteria and factors

1 when selecting recipients of grants and determining the amount
2 of grant awards:

3 (A) Description of need, including, at a minimum, a
4 comprehensive description of the project, community need,
5 population to be served, linkage with other public systems of health
6 and mental health care, linkage with local law enforcement, social
7 services, and related assistance, as applicable, and a description
8 of the request for funding.

9 (B) Ability to serve the target population, which includes
10 individuals eligible for Medi-Cal and individuals eligible for county
11 health and mental health services.

12 (C) Geographic areas or regions of the state to be eligible for
13 grant awards, which may include rural, suburban, and urban areas,
14 and may include use of the five regional designations utilized by
15 the County Behavioral Health Directors Association of California.

16 (D) Level of community engagement and commitment to project
17 completion.

18 (E) Financial support that, in addition to a grant that may be
19 awarded by the authority, will be sufficient to complete and operate
20 the project for which the grant from the authority is awarded.

21 (F) Ability to provide additional funding support to the project,
22 including public or private funding, federal tax credits and grants,
23 foundation support, and other collaborative efforts.

24 (G) Memorandum of understanding among project partners, if
25 applicable.

26 (H) Information regarding the legal status of the collaborating
27 partners, if applicable.

28 (I) Ability to measure key outcomes, including improved access
29 to services, health and mental health outcomes, and cost benefit
30 of the project.

31 (3) The authority shall determine maximum grants awards,
32 which shall take into consideration the number of projects awarded
33 to the grantee, as described in paragraph (1), and shall reflect
34 reasonable costs for the project and geographic region. The
35 authority may allocate a grant in increments contingent upon the
36 phases of a project.

37 (4) Funds awarded by the authority pursuant to this section may
38 be used to supplement, but not to supplant, existing financial and
39 resource commitments of the grantee or any other member of a
40 collaborative effort that has been awarded a grant.

(5) All projects that are awarded grants by the authority shall be completed within a reasonable period of time, to be determined by the authority. Funds shall not be released by the authority until the applicant demonstrates project readiness to the authority's satisfaction. If the authority determines that a grant recipient has failed to complete the project under the terms specified in awarding the grant, the authority may require remedies, including the return of all or a portion of the grant.

(6) A grantee that receives a grant from the authority under this section shall commit to using that capital capacity and program expansion project, such as the mobile crisis team, crisis stabilization unit, or crisis residential treatment program, for the duration of the expected life of the project.

(7) The authority may consult with a technical assistance entity, as described in paragraph (5) of subdivision (a) of Section 4061, for purposes of implementing this section.

(8) The authority may adopt emergency regulations relating to the grants for the capital capacity and program expansion projects described in this section, including emergency regulations that define eligible costs and determine minimum and maximum grant amounts.

(9) The authority shall provide reports to the fiscal and policy committees of the Legislature on or before May 1, 2014, and on or before May 1, 2015, on the progress of implementation, that include, but are not limited to, the following:

- (A) A description of each project awarded funding.
- (B) The amount of each grant issued.
- (C) A description of other sources of funding for each project.
- (D) The total amount of grants issued.
- (E) A description of project operation and implementation, including who is being served.

(10) A recipient of a grant provided pursuant to paragraph (1) shall adhere to all applicable laws relating to scope of practice, licensure, certification, staffing, and building codes.

(e) Of the funds specified in paragraph (8) of subdivision (b), it is the intent of the Legislature to authorize the authority and the commission to administer competitive selection processes as provided in this section for capital capacity and program expansion to increase capacity for mobile crisis support, crisis intervention, crisis stabilization services, crisis residential treatment, family

1 respite care, family supportive training and related services, and
2 triage personnel resources for children and youth 21 years of age
3 and under.

4 (f) Funds appropriated by the Legislature to the authority to
5 address crisis services for children and youth 21 years of age and
6 under for the purposes of this section shall be made available to
7 selected counties or counties acting jointly. The authority may, at
8 its discretion, also give consideration to private nonprofit
9 corporations and public agencies in an area or region of the state
10 if a county, or counties acting jointly, affirmatively support this
11 designation and collaboration in lieu of a county government
12 directly receiving grant funds.

13 (1) Grant awards made by the authority shall be used to expand
14 local resources for the development, capital, equipment acquisition,
15 and applicable program startup or expansion costs to increase
16 capacity for client assistance and crisis services for children and
17 youth 21 years of age and under in the following areas:

18 (A) Crisis intervention, as authorized by Sections 14021.4,
19 14680, and 14684.

20 (B) Crisis stabilization, as authorized by Sections 14021.4,
21 14680, and 14684.

22 (C) Crisis residential treatment, as authorized by Sections
23 14021.4, 14680, and ~~14684~~. *14684 and as provided at a children's*
24 *crisis residential center, as defined in Section 1502 of the Health*
25 *and Safety Code.*

26 (D) Mobile crisis support teams, including the purchase of
27 equipment and vehicles.

28 (E) Family respite care.

29 (2) The authority shall develop selection criteria to expand local
30 resources, including those described in paragraph (1), and processes
31 for awarding grants after consulting with representatives and
32 interested stakeholders from the mental health community,
33 including, but not limited to, county mental health directors, service
34 providers, consumer organizations, and other appropriate interests,
35 such as health care providers and law enforcement, as determined
36 by the authority. The authority shall ensure that grants result in
37 cost-effective expansion of the number of community-based crisis
38 resources in regions and communities selected for funding. The
39 authority shall also take into account at least the following criteria

1 and factors when selecting recipients of grants and determining
2 the amount of grant awards:

3 (A) Description of need, including, at a minimum, a
4 comprehensive description of the project, community need,
5 population to be served, linkage with other public systems of health
6 and mental health care, linkage with local law enforcement, social
7 services, and related assistance, as applicable, and a description
8 of the request for funding.

9 (B) Ability to serve the target population, which includes
10 individuals eligible for Medi-Cal and individuals eligible for county
11 health and mental health services.

12 (C) Geographic areas or regions of the state to be eligible for
13 grant awards, which may include rural, suburban, and urban areas,
14 and may include use of the five regional designations utilized by
15 the California Behavioral Health Directors Association.

16 (D) Level of community engagement and commitment to project
17 completion.

18 (E) Financial support that, in addition to a grant that may be
19 awarded by the authority, will be sufficient to complete and operate
20 the project for which the grant from the authority is awarded.

21 (F) Ability to provide additional funding support to the project,
22 including public or private funding, federal tax credits and grants,
23 foundation support, and other collaborative efforts.

24 (G) Memorandum of understanding among project partners, if
25 applicable.

26 (H) Information regarding the legal status of the collaborating
27 partners, if applicable.

28 (I) Ability to measure key outcomes, including utilization of
29 services, health and mental health outcomes, and cost benefit of
30 the project.

31 (3) The authority shall determine maximum grant awards, which
32 shall take into consideration the number of projects awarded to
33 the grantee, as described in paragraph (1), and shall reflect
34 reasonable costs for the project, geographic region, and target ages.
35 The authority may allocate a grant in increments contingent upon
36 the phases of a project.

37 (4) Funds awarded by the authority pursuant to this section may
38 be used to supplement, but not to supplant, existing financial and
39 resource commitments of the grantee or any other member of a
40 collaborative effort that has been awarded a grant.

1 (5) All projects that are awarded grants by the authority shall
2 be completed within a reasonable period of time, to be determined
3 by the authority. Funds shall not be released by the authority until
4 the applicant demonstrates project readiness to the authority's
5 satisfaction. If the authority determines that a grant recipient has
6 failed to complete the project under the terms specified in awarding
7 the grant, the authority may require remedies, including the return
8 of all, or a portion, of the grant.

9 (6) A grantee that receives a grant from the authority under this
10 section shall commit to using that capital capacity and program
11 expansion project, such as the mobile crisis team, crisis
12 stabilization unit, family respite care, or crisis residential treatment
13 program, for the duration of the expected life of the project.

14 (7) The authority may consult with a technical assistance entity,
15 as described in paragraph (5) of subdivision (a) of Section 4061,
16 for the purposes of implementing this section.

17 (8) The authority may adopt emergency regulations relating to
18 the grants for the capital capacity and program expansion projects
19 described in this section, including emergency regulations that
20 define eligible costs and determine minimum and maximum grant
21 amounts.

22 (9) The authority shall provide reports to the fiscal and policy
23 committees of the Legislature on or before January 10, 2018, and
24 annually thereafter, on the progress of implementation, that include,
25 but are not limited to, the following:

- 26 (A) A description of each project awarded funding.
- 27 (B) The amount of each grant issued.
- 28 (C) A description of other sources of funding for each project.
- 29 (D) The total amount of grants issued.
- 30 (E) A description of project operation and implementation,
31 including who is being served.

32 (10) A recipient of a grant provided pursuant to paragraph (1)
33 shall adhere to all applicable laws relating to scope of practice,
34 licensure, certification, staffing, and building codes.

35 (g) Funds appropriated by the Legislature to the commission
36 for purposes of this section shall be allocated for triage personnel
37 to provide intensive case management and linkage to services for
38 individuals with mental health disorders at various points of access.
39 These funds shall be made available to selected counties, counties
40 acting jointly, or city mental health departments, as determined

1 by the commission through a selection process. It is the intent of
2 the Legislature for these funds to be allocated in an efficient manner
3 to encourage early intervention and receipt of needed services for
4 individuals with mental health disorders, and to assist in navigating
5 the local service sector to improve efficiencies and the delivery of
6 services.

7 (1) Triage personnel may provide targeted case management
8 services face to face, by telephone, or by telehealth with the
9 individual in need of assistance or his or her significant support
10 person, and may be provided anywhere in the community. These
11 service activities may include, but are not limited to, the following:

12 (A) Communication, coordination, and referral.

13 (B) Monitoring service delivery to ensure the individual accesses
14 and receives services.

15 (C) Monitoring the individual's progress.

16 (D) Providing placement service assistance and service plan
17 development.

18 (2) The commission shall take into account at least the following
19 criteria and factors when selecting recipients and determining the
20 amount of grant awards for triage personnel as follows:

21 (A) Description of need, including potential gaps in local service
22 connections.

23 (B) Description of funding request, including personnel and use
24 of peer support.

25 (C) Description of how triage personnel will be used to facilitate
26 linkage and access to services, including objectives and anticipated
27 outcomes.

28 (D) Ability to obtain federal Medicaid reimbursement, when
29 applicable.

30 (E) Ability to administer an effective service program and the
31 degree to which local agencies and service providers will support
32 and collaborate with the triage personnel effort.

33 (F) Geographic areas or regions of the state to be eligible for
34 grant awards, which shall include rural, suburban, and urban areas,
35 and may include use of the five regional designations utilized by
36 the County Behavioral Health Directors Association of California.

37 (3) The commission shall determine maximum grant awards,
38 and shall take into consideration the level of need, population to
39 be served, and related criteria, as described in paragraph (2), and
40 shall reflect reasonable costs.

1 (4) Funds awarded by the commission for purposes of this
2 section may be used to supplement, but not supplant, existing
3 financial and resource commitments of the county, counties acting
4 jointly, or city mental health department that received the grant.

5 (5) Notwithstanding any other law, a county, counties acting
6 jointly, or city mental health department that receives an award of
7 funds for the purpose of supporting triage personnel pursuant to
8 this subdivision is not required to provide a matching contribution
9 of local funds.

10 (6) Notwithstanding any other law, the commission, without
11 taking any further regulatory action, may implement, interpret, or
12 make specific this section by means of informational letters,
13 bulletins, or similar instructions.

14 (7) The commission shall provide a status report to the fiscal
15 and policy committees of the Legislature on the progress of
16 implementation no later than March 1, 2014.

17 (h) Funds appropriated by the Legislature to the commission
18 pursuant to paragraph (8) of subdivision (b) for the purposes of
19 addressing children's crisis services shall be allocated to support
20 triage personnel and family supportive training and related services.
21 These funds shall be made available to selected counties, counties
22 acting jointly, or city mental health departments, as determined
23 by the commission through a selection process. The commission
24 may, at its discretion, also give consideration to private nonprofit
25 corporations and public agencies in an area or region of the state
26 if a county, or counties acting jointly, affirmatively supports this
27 designation and collaboration in lieu of a county government
28 directly receiving grant funds.

29 (1) These funds may provide for a range of crisis-related services
30 for a child in need of assistance, or his or her parent, guardian, or
31 caregiver. These service activities may include, but are not limited
32 to, the following:

- 33 (A) Intensive coordination of care and services.
- 34 (B) Communication, coordination, and referral.
- 35 (C) Monitoring service delivery to the child or youth.
- 36 (D) Monitoring the child's progress.
- 37 (E) Providing placement service assistance and service plan
38 development.
- 39 (F) Crisis or safety planning.

(2) The commission shall take into account at least the following criteria and factors when selecting recipients and determining the amount of grant awards for these funds, as follows:

(A) Description of need, including potential gaps in local service connections.

(B) Description of funding request, including personnel.

(C) Description of how personnel and other services will be used to facilitate linkage and access to services, including objectives and anticipated outcomes.

(D) Ability to obtain federal Medicaid reimbursement, when applicable.

(E) Ability to provide a matching contribution of local funds.

(F) Ability to administer an effective service program and the degree to which local agencies and service providers will support and collaborate with the triage personnel effort.

(G) Geographic areas or regions of the state to be eligible for grant awards, which shall include rural, suburban, and urban areas, and may include use of the five regional designations utilized by the County Behavioral Health Directors Association of California.

(3) The commission shall determine maximum grant awards, and shall take into consideration the level of need, population to be served, and related criteria, as described in paragraph (2), and shall reflect reasonable costs.

(4) Funds awarded by the commission for purposes of this section may be used to supplement, but not supplant, existing financial and resource commitments of the county, counties acting jointly, or a city mental health department that received the grant.

(5) Notwithstanding any other law, a county, counties acting jointly, or a city mental health department that receives an award of funds for the purpose of this section is not required to provide a matching contribution of local funds.

(6) Notwithstanding any other law, the commission, without taking any further regulatory action, may implement, interpret, or make specific this section by means of informational letters, bulletins, or similar instructions.

(7) The commission may waive requirements in this section for counties with a population of 100,000 or less, if the commission determines it is in the best interest of the state and meets the intent of the law.

(8) The commission shall provide a status report to the fiscal and policy committees of the Legislature on the progress of implementation no later than January 10, 2018, and annually thereafter.

~~SEC. 5.~~

SEC. 6. Section 11462.01 of the Welfare and Institutions Code, as added by Section 75 of Chapter 773 of the Statutes of 2015, is amended to read:

11462.01. (a) A short-term residential treatment center, as defined in subdivision (ad) of Section 11400 and subparagraph (R) of paragraph (1) of subdivision (a) of Section 1502 of the Health and Safety Code, may have a program that is certified by the State Department of Health Care Services or by a county mental health plan to which the department has delegated certification authority, pursuant to Section 4096.5, or a program that is not certified, or both. A short-term residential treatment center, except as specified in subdivision (d), shall accept for placement children who meet all of the following criteria, subject to the other requirements of subdivisions (b) and (c):

(1) The child does not require inpatient care in a licensed health facility.

(2) The child has been assessed as requiring the level of services provided in a short-term residential treatment center in order to maintain the safety and well-being of the child or others due to behaviors, including those resulting from traumas, that render the child or those around the child unsafe or at risk of harm, or that prevent the effective delivery of needed services and supports provided in the child's own home or in other family settings, such as with a relative, guardian, foster family, resource family, or adoptive family.

(3) The child meets at least one of the following conditions:

(A) The child has been assessed as meeting the medical necessity criteria for Medi-Cal specialty mental health Early and Periodic Screening, Diagnosis, and Treatment Services, as the criteria are described in Section 1830.210 of Title 9 of the California Code of Regulations.

(B) The child has been assessed as seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3.

(C) The child has been assessed as requiring the level of services provided in order to meet his or her behavioral or therapeutic needs.

1 In appropriate circumstances, this may include any of the
2 following:

- 3 (i) A commercially sexually exploited child.
- 4 (ii) A private voluntary placement, if the youth exhibits status
5 offender behavior, the parents or other relatives feel they cannot
6 control the child's behavior, and short-term intervention is needed
7 to transition the child back into the home.
- 8 (iii) A juvenile sex offender.
- 9 (iv) A child who is affiliated with, or impacted by, a gang.
- 10 (b) A short-term residential treatment center program that is
11 certified by the State Department of Health Care Services, or by
12 a county mental health plan to which the department has delegated
13 certification authority, pursuant to Section 4096.5, shall solely
14 accept for placement, and provide access to mental health services
15 to, children who meet the criteria in paragraphs (1) and (2) of
16 subdivision (a), and meet the conditions of subparagraph (A) or
17 (B) of paragraph (3) of subdivision (a), or both of those
18 subparagraphs. Mental health services are provided directly by the
19 certified program.
- 20 (c) A short-term residential treatment center program that is not
21 certified pursuant to Section 4096.5 shall solely accept for
22 placement in that program a child who meets the criteria in
23 paragraphs (1) and (2) of subdivision (a), and meets the conditions
24 of subparagraph (A), (B), or (C) of paragraph (3) of subdivision
25 (a), or any combination of those subparagraphs. A child who meets
26 the conditions of subparagraphs (A) and (B) of paragraph (3) of
27 subdivision (a) may be accepted for placement, if the interagency
28 placement committee determines that a short-term residential
29 treatment facility that is not certified has a program that meets the
30 specific needs of the child and there is a commonality of needs
31 with the other children in the short-term residential treatment
32 center. In this situation, the short-term residential treatment center
33 shall do either of the following:
 - 34 (1) In the case of a child who is a Medi-Cal beneficiary, arrange
35 for the child to receive specialty mental health services from the
36 county mental health plan.
 - 37 (2) In all other cases, arrange for the child to receive mental
38 health services.
- 39 (d) A short-term residential treatment center that is operating
40 as a children's crisis residential center, as defined in Section 1502

1 of the Health and Safety Code, and subject to the other
2 requirements of subdivisions (b) and (c), may accept for admission
3 or placement any child, referred by a parent or guardian, or by the
4 representative of a public or private entity, including, but not
5 limited to, the county probation agency or child welfare services
6 agency with responsibility for the placement of a child in foster
7 care, that has the right to make these decisions on behalf of a child
8 who is in mental health crisis and, absent admission to a children's
9 crisis residential center, would otherwise require acceptance by
10 the emergency department of a general hospital, or admission into
11 a psychiatric hospital or the psychiatric inpatient unit of a general
12 hospital.

13 (e) A foster family agency, as defined in subdivision (g) of
14 Section 11400 and subparagraph (D) of paragraph (1) of
15 subdivision (a) of Section 1502 of the Health and Safety Code,
16 may have a program that is certified by the State Department of
17 Health Care Services, or by a county mental health plan to which
18 the department has delegated certification authority, pursuant to
19 Section 1810.435 or 1810.436 of Title 9 of the California Code of
20 Regulations, or a program that is not certified, or both. A program,
21 subject to subdivisions (f) and (g), shall provide access to mental
22 health services to the children. A foster family agency, depending
23 on whether or not it has a certified program, shall provide access
24 to mental health services to children who do not require inpatient
25 care in a licensed health facility and who meet any one or more of
26 the following conditions:

27 (1) A child who has been assessed as meeting the medical
28 necessity criteria for specialty mental health services under the
29 Medi-Cal Early and Periodic Screening, Diagnosis, and Treatment
30 benefit, as the criteria are described in Section 1830.210 of Title
31 9 of the California Code of Regulations.

32 (2) A child who has been assessed as seriously emotionally
33 disturbed, as described in subdivision (a) of Section 5600.3.

34 (3) A child who has been assessed as requiring the level of
35 services to meet his or her behavioral or therapeutic needs.

36 (f) A foster family agency that is certified as a provider pursuant
37 to Section 1810.435 or 1810.436 of Title 9 of the California Code
38 of Regulations by the State Department of Health Care Services,
39 or by a county mental health plan to which the department has
40 delegated certification authority, shall provide access to mental

1 health services directly to children in its program who do not
2 require inpatient care in a licensed health facility and who meet
3 the conditions of paragraph (1) or (2) of subdivision (e).

4 (g) A foster family agency that is not certified as described in
5 subdivision (f) may provide access to mental health services in
6 that program for children who do not require inpatient care in a
7 licensed health facility and who meet the conditions of paragraphs
8 (1) and (2) of subdivision (e). In this situation the foster family
9 agency shall do the following:

10 (1) In the case of a child who is a Medi-Cal beneficiary, have
11 written interagency protocols in place to arrange for specialty
12 mental health services from the county mental health plan or an
13 organizational provider, as defined in Section 1810.231 of Title 9
14 of California Code of Regulations.

15 (2) In all other cases, arrange for the child to receive mental
16 health services.

17 (h) All short-term residential treatment centers and foster family
18 agencies that operate a certified program shall maintain the level
19 of care and services necessary to meet the needs of the children
20 and youth in their care and shall maintain and have in good
21 standing the appropriate mental health certification issued by the
22 State Department of Health Care Services or a county mental health
23 plan to which the department has delegated certification authority,
24 pursuant to Section 4096.5 of this code or Section 1810.435 or
25 1810.436 of Title 9 of the California Code of Regulations.

26 (i) The assessments described in subparagraphs (A) and (B) of
27 paragraph (3) of subdivision (a) and paragraphs (1) and (2) of
28 subdivision (e), shall be made by all of the following, as applicable:

29 (1) An interagency placement committee, as described in Section
30 4096, considering the recommendations from the child and family
31 team, if any are available.

32 (2) A licensed mental health professional as defined in
33 subdivision (g) of Section 4096.

34 (3) For the purposes of this section, an AFDC-FC funded child
35 with an individualized education program developed pursuant to
36 Article 2 (commencing with Section 56320) of Chapter 4 of Part
37 30 of Division 4 of Title 2 of the Education Code that assesses the
38 child as seriously emotionally disturbed, as defined in, and subject
39 to, this section and recommends out-of-home placement at the

1 level of care provided by the provider, shall be deemed to have
2 met the assessment requirement.

3 (4) For the purposes of this section, and only for placement into
4 a foster family agency, an AFDC-FC funded child assessed
5 pursuant to subdivision (b) of Section 706.6 or paragraph (2) of
6 subdivision (c) of Section 16501.1, in consultation with a mental
7 health professional, as defined in subdivision (g) of Section 4096.5,
8 shall be deemed to have met the assessment requirement.

9 (j) The assessments described in subparagraph (C) of paragraph
10 (3) of subdivision (a) and paragraph (3) of subdivision (e) shall be
11 made pursuant to subdivision (b) of Section 706.6 or paragraph
12 (2) of subdivision (c) of Section 16501.1.

13 (k) (1) The provider shall ensure that AFDC-FC funded
14 children, assessed pursuant to subparagraphs (A) and (B) of
15 paragraph (3) of subdivision (a) or paragraphs (1) and (2) of
16 subdivision (e), who are accepted for placement have been
17 approved for placement by an interagency placement committee,
18 as described in Section 4096, except as provided for in paragraphs
19 (3) and (4) of subdivision (i).

20 (2) The approval shall be in writing and shall indicate that the
21 interagency placement committee has determined all of the
22 following:

23 (A) The child meets the medical necessity criteria for Medi-Cal
24 specialty mental health Early and Periodic Screening, Diagnosis,
25 and Treatment services, as the criteria are described in Section
26 1830.210 of Title 9 of the California Code of Regulations.

27 (B) The child is seriously emotionally disturbed, as described
28 in subdivision (a) of Section 5600.3.

29 (C) Subject to Section 1502.4 of the Health and Safety Code,
30 the child needs the level of care provided by the program.

31 (3) (A) Nothing in subdivisions (a) to (j), inclusive, or this
32 subdivision shall prevent an emergency placement of a child or
33 youth into a certified short-term residential treatment center,
34 children's crisis residential center, or foster family agency program
35 prior to the determination by the interagency placement committee,
36 but only if a licensed mental health professional, as defined in
37 subdivision (g) of Section 4096, has made a written determination
38 within 72 hours of the child's or youth's placement, that the child
39 or youth is seriously emotionally disturbed or has made a written
40 determination within 24 hours of the child's or youth's placement

1 in a children's crisis residential center that the child or youth is
2 experiencing a mental health crisis as defined in subdivision (d),
3 and is in need of the care and services provided by the certified
4 short-term residential treatment center, children's crisis residential
5 center, or foster family agency.

6 (i) The interagency placement committee, as appropriate, shall,
7 within 30 days of placement, make the determinations, with
8 recommendations from the child and family team, required by this
9 subdivision.

10 (ii) If it determines the placement is appropriate, the interagency
11 placement committee, with recommendations from the child and
12 family team, shall transmit the approval, in writing, to the county
13 placing agency and the short-term residential treatment center or
14 foster family agency.

15 (iii) If it determines the placement is not appropriate, the
16 interagency placement committee shall respond pursuant to
17 subparagraph (B).

18 (B) If the interagency placement committee determines at any
19 time that the placement is not appropriate, it shall, with
20 recommendations from the child and family team, transmit the
21 disapproval, in writing, to the county placing agency and the
22 short-term residential treatment center or foster family agency,
23 and the child or youth shall be referred to an appropriate placement,
24 as specified in this section.

25 (l) Commencing January 1, 2017, for AFDC-FC funded children
26 or youth, only those children or youth who are approved for
27 placement, as set forth in this section, may be accepted by a
28 short-term residential treatment center or foster family agency.

29 (m) The department shall, through regulation, establish
30 consequences for the failure of a short-term residential treatment
31 center, or a foster family agency, to obtain written approval for
32 placement of an AFDC-FC funded child or youth pursuant to this
33 section.

34 (n) The department shall not establish a rate for a short-term
35 residential treatment center or foster family agency unless the
36 provider submits a recommendation from the host county or the
37 primary placing county that the program is needed and that the
38 provider is willing and capable of operating the program at the
39 level sought. For purposes of this subdivision, "host county," and

1 “primary placing county,” mean the same as defined in the
2 department’s AFDC-FC ratesetting regulations.

3 (o) Any certified short-term residential treatment center or foster
4 family agency shall be reclassified and paid at the appropriate
5 program rate for which it is qualified if either of the following
6 occurs:

7 (1) (A) It fails to maintain the level of care and services
8 necessary to meet the needs of the children and youth in care, as
9 required by subdivision (a). The determination shall be made
10 consistent with the department’s AFDC-FC ratesetting regulations
11 developed pursuant to Sections 11462 and 11463 and shall take
12 into consideration the highest level of care and associated rates
13 for which the program is eligible.

14 (B) In the event of a determination under this paragraph, the
15 short-term residential treatment center or foster family agency may
16 appeal the finding or submit a corrective action plan. The appeal
17 process specified in Section 11466.6 shall be available to a
18 short-term residential treatment center or foster family agency that
19 provides intensive and therapeutic treatment. During any appeal,
20 the short-term residential treatment center or foster family agency
21 that provides intensive and therapeutic treatment shall maintain
22 the appropriate level of care.

23 (2) It fails to maintain a certified mental health treatment
24 program as required by subdivision (h).

25 (p) In addition to any other review required by law, the child
26 and family team as defined in paragraph (4) of subdivision (a) of
27 Section 16501 may periodically review the placement of the child
28 or youth. If the child and family team make a recommendation
29 that the child or youth no longer needs, or is not benefiting from,
30 placement in a short-term residential treatment center or foster
31 family agency, or one of its programs, the team shall transmit the
32 disapproval, in writing, to the county placing agency to consider
33 a more appropriate placement.

34 (q) The department shall develop a process to address
35 placements when, subsequent to the child’s or youth’s placement,
36 a determination is made by the interagency placement team and
37 shall consider the recommendations of the child and family team,
38 either that the child or youth is not in need of the care and services
39 provided by the certified program. The process shall include, but
40 not be limited to:

(1) Notice of the determination in writing to both the county placing agency and the short-term residential treatment center or foster family agency that provides intensive and therapeutic treatment.

(2) Notice of the county's plan, and a time frame, for removal of the child or youth in writing to the short-term residential treatment center or foster family agency that provides intensive and therapeutic treatment.

(3) Referral to an appropriate placement.

(4) Actions to be taken if a child or youth is not timely removed from the short-term residential treatment center or foster family agency that provides intensive and therapeutic treatment or placed in an appropriate placement.

(r) (1) Nothing in this section shall prohibit a short-term residential treatment center or foster family agency from accepting private placements of children or youth.

(2) When a referral is not from a public agency and no public funding is involved, there is no requirement for public agency review nor determination of need.

(3) Children and youth subject to paragraphs (1) and (2) shall have been determined to be seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, and subject to Section 1502.4 of the Health and Safety Code, by a licensed mental health professional, as defined in subdivision (g) of Section 4096.

(s) This section shall become operative on January 1, 2017.

SEC. 7. Section 15610.47 of the Welfare and Institutions Code is amended to read:

15610.47. "Long-term care facility" means any of the following:

(a) Any long-term health care facility, as defined in subdivision (a) of Section 1418 of the Health and Safety Code.

(b) Any community care facility, as defined in ~~paragraphs (1) and (2)~~ *subparagraphs (A) and (B) of paragraph (1)* of subdivision (a) of Section 1502 of the Health and Safety Code, whether licensed or unlicensed.

(c) Any swing bed in an acute care facility, or any extended care facility.

(d) Any adult day health care facility as defined in subdivision (b) of Section 1570.7 of the Health and Safety Code.

1 (e) Any residential care facility for the elderly as defined in
2 Section 1569.2 of the Health and Safety Code.

3 ~~SEC. 6.~~

4 *SEC. 8.* No reimbursement is required by this act pursuant to
5 Section 6 of Article XIII B of the California Constitution because
6 the only costs that may be incurred by a local agency or school
7 district will be incurred because this act creates a new crime or
8 infraction, eliminates a crime or infraction, or changes the penalty
9 for a crime or infraction, within the meaning of Section 17556 of
10 the Government Code, or changes the definition of a crime within
11 the meaning of Section 6 of Article XIII B of the California
12 Constitution.