

AMENDED IN SENATE FEBRUARY 10, 2016

AMENDED IN ASSEMBLY APRIL 30, 2015

AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 847

Introduced by Assembly Members Mullin and Ridley-Thomas

February 26, 2015

An act to add Section 14021.2 to the Welfare and Institutions Code, relating to mental health, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 847, as amended, Mullin. Mental health: community-based services.

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, establishes the continuously appropriated Mental Health Services Fund to fund various county mental health programs. The act provides that it may be amended by the Legislature by a $\frac{2}{3}$ vote of each house as long as the amendment is consistent with and furthers the intent of the act, and that the Legislature may also clarify procedures and terms of the act by majority vote.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income persons receive health care benefits. The Medi-Cal program is, in part, governed and funded by federal Medicaid provisions. Existing law provides for a schedule of benefits under the Medi-Cal program and provides for specified services,

including various mental health services. Existing federal law, the Protecting Access to Medicare Act of 2014, requires the United States Secretary of Health and Human Services to, among other things, select, no later than September 1, 2017, among those states awarded a planning grant to participate in a time-limited demonstration program that is designed to improve access to community mental health and substance use treatment services provided by certified community behavioral health clinics.

This bill would require the department to develop and submit a proposal to the United States Secretary of Health and Human Services to be selected as a participating state in the time-limited demonstration program described above to receive enhanced federal matching funds for mental health services provided by certified community behavioral health clinics to Medi-Cal beneficiaries. The bill would appropriate \$1,000,000 from the Mental Health Services Act Fund to the State Department of Health Care Services to develop that proposal.

This bill would declare that it is to take effect immediately as an urgency statute.

~~Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income persons receive health care benefits. The Medi-Cal program is, in part, governed and funded by federal Medicaid provisions. Existing law provides for a schedule of benefits under the Medi-Cal program and provides for specified services, including various mental health services. Existing federal law, the Protecting Access to Medicare Act of 2014, requires the United States Secretary of Health and Human Services to, among other things, award, no later than January 1, 2016, planning grants to states for the purpose of developing proposals to participate in time-limited demonstration programs to improve mental health services provided by certified community behavioral health clinics to Medi-Cal beneficiaries.~~

~~This bill would require the department to apply to the United States Secretary of Health and Human Services for that planning grant.~~

~~This bill would declare that it is to take effect immediately as an urgency statute.~~

Vote: $\frac{2}{3}$. Appropriation: ~~no~~-yes. Fiscal committee: yes.
State-mandated local program: no.

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

1 *SECTION 1. The Legislature finds and declares the following:*

2 *(a) In 2014 Congress enacted the federal Protecting Access to*
3 *Medicare Act of 2014.*

4 *(b) Under the Protecting Access to Medicare Act, eight states*
5 *will be selected to have their federal share of costs increased to*
6 *65 percent for two years for outpatient behavioral health care for*
7 *individuals with severe mental illnesses or serious emotional*
8 *disturbances.*

9 *(c) If successful, this federal opportunity would enable*
10 *California to serve the tens of thousands of individuals with those*
11 *conditions that it now lacks the funding to serve.*

12 *(d) A major challenge in serving that population is that many*
13 *are homeless and in need of housing assistance. Federal funding*
14 *cannot pay for that housing assistance.*

15 *(e) This federal funding would free up nearly \$2 billion in county*
16 *funds now being used to match federal funds. The money that is*
17 *currently being used to match federal funds will now be available*
18 *to be used to meet the housing and other needs of those individuals*
19 *who are not currently receiving the behavioral health care that*
20 *they need.*

21 *(f) In October 2015, the United States Secretary of Health and*
22 *Human Services awarded California a planning grant pursuant*
23 *to Section 223 of the federal Protecting Access to Medicare Act*
24 *of 2014 to support California in, among other things, developing*
25 *its proposal to participate in the two-year demonstration program.*

26 *(g) The Mental Health Services Act was approved by voters in*
27 *2004 for the primary purpose of addressing unmet mental health*
28 *needs.*

29 *(h) It is an appropriate use of Mental Health Services Act funds*
30 *to support California's application to participate in this*
31 *demonstration program including the use of these funds to prepare*
32 *actuarial rates and provide technical assistance to counties seeking*
33 *to become certified community behavioral health centers.*

34 *(i) Successful participation in this demonstration program will*
35 *also result in significant General Fund savings due to reduced*
36 *hospitalizations of people with severe mental illnesses who do not*
37 *receive the behavioral health treatment they need, as well as*

1 savings from the portion of mental health care that is paid for by
2 Medi-Cal managed care plans.

3 SEC. 2. Section 14021.2 is added to the Welfare and Institutions
4 Code, to read:

5 14021.2. (a) The department shall develop and submit a
6 proposal to the United States Secretary of Health and Human
7 Services for selection as a participating state in the time-limited
8 demonstration program pursuant to Section 223 of the federal
9 Protecting Access to Medicare Act of 2014 (Public Law 113-93)
10 in order to improve mental health services furnished by certified
11 community behavioral health clinics to Medi-Cal beneficiaries.

12 (b) The department shall use the funds appropriated in the act
13 that added this section to pay any costs that will support the
14 development of a competitive proposal, including, but not limited
15 to, establishing actuarially sound rates and providing technical
16 assistance to counties.

17 SEC. 3. The sum of one million dollars (\$1,000,000) is hereby
18 appropriated from the Mental Health Services Fund to the State
19 Department of Health Care Services for the purpose of developing
20 the proposal described in Section 14021.2 of the Welfare and
21 Institutions Code.

22 SEC. 4. This act is an urgency statute necessary for the
23 immediate preservation of the public peace, health, or safety within
24 the meaning of Article IV of the Constitution and shall go into
25 immediate effect. The facts constituting the necessity are:

26 In order to require the State Department of Health Care Services
27 to develop and submit a proposal to participate in the federal
28 Protecting Access to Medicare Act of 2014 demonstration program,
29 and to fund the development of that proposal, before the deadline
30 to apply for participation in the demonstration program, it is
31 necessary that this bill go into immediate effect.

32 SECTION 1. ~~The State Department of Health Care Services
33 shall apply to the United States Secretary of Health and Human
34 Services for the planning grant awarded pursuant to Section 223
35 of the federal Protecting Access to Medicare Act of 2014 for the
36 purpose of developing proposals to participate in time-limited
37 demonstration programs to improve mental health services
38 provided by certified community behavioral health clinics to
39 Medi-Cal beneficiaries.~~

1 ~~SEC. 2. This act is an urgency statute necessary for the~~
2 ~~immediate preservation of the public peace, health, or safety within~~
3 ~~the meaning of Article IV of the Constitution and shall go into~~
4 ~~immediate effect. The facts constituting the necessity are:~~
5 ~~The federal Protecting Access to Medicare Act of 2014 requires~~
6 ~~the United States Secretary of Health and Human Services to award~~
7 ~~planning grants no later than January 1, 2016. In order to require~~
8 ~~the State Department of Health Care Services to apply for a~~
9 ~~planning grant before the secretary awards the planning grants to~~
10 ~~states, it is necessary that this bill go into immediate effect.~~