

AMENDED IN SENATE FEBRUARY 22, 2016

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, *select from* among those states awarded a planning ~~grant to grant, the states that may~~ 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 for~~ 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. *The bill would make findings and declarations of the Legislature, including that the changes the bill would make are consistent with and further the intent of the act.*

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

Vote: $\frac{2}{3}$. Appropriation: 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 65
- 6 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.~~

1 ~~(d) A major challenge in serving that population is that many~~
2 ~~are homeless and in need of housing assistance. Federal funding~~
3 ~~cannot pay for that housing assistance.~~

4 ~~(e) This federal funding would free up nearly \$2 billion in~~
5 ~~county funds now being used to match federal funds. The money~~
6 ~~that is currently being used to match federal funds will now be~~
7 ~~available to be used to meet the housing and other needs of those~~
8 ~~individuals who are not currently receiving the behavioral health~~
9 ~~care that they need.~~

10 ~~(f)~~

11 ~~(c) In October 2015, the United States Secretary of Health and~~
12 ~~Human Services awarded California a planning grant pursuant to~~
13 ~~Section 223 of the federal Protecting Access to Medicare Act of~~
14 ~~2014 to support *which partially supported* California in, among~~
15 ~~other things, developing its proposal to participate in the two-year~~
16 ~~demonstration program.~~

17 ~~(g)~~

18 ~~(d) The Mental Health Services Act was approved by voters in~~
19 ~~2004 for the primary purpose of addressing unmet mental health~~
20 ~~needs.~~

21 ~~(h)~~

22 ~~(e) It is an appropriate use of Mental Health Services Act funds~~
23 ~~to support California's application to participate in this~~
24 ~~demonstration ~~program~~ *program*, including ~~the use of~~ *by using*~~
25 ~~these funds to prepare actuarial rates and provide technical~~
26 ~~assistance to counties seeking to become certified community~~
27 ~~behavioral health centers.~~

28 ~~(i) Successful participation in this demonstration program will~~
29 ~~also result in significant General Fund savings due to reduced~~
30 ~~hospitalizations of people with severe mental illnesses who do not~~
31 ~~receive the behavioral health treatment they need, as well as savings~~
32 ~~from the portion of mental health care that is paid for by Medi-Cal~~
33 ~~managed care plans.~~

34 ~~(f) *This act is consistent with and furthers the intent of the*~~
35 ~~*Mental Health Services Act within the meaning of Section 18 of*~~
36 ~~*the Mental Health Services Act.*~~

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

39 14021.2. (a) The department shall develop ~~and submit~~ a
40 ~~proposal to~~ *for* the United States Secretary of Health and Human

1 Services for selection as a participating state in the time-limited
2 demonstration program pursuant to Section 223 of the federal
3 Protecting Access to Medicare Act of 2014 (Public Law 113-93)
4 in order to improve mental health services furnished by certified
5 community behavioral health clinics to Medi-Cal beneficiaries.

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

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

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

20 In order to ~~require~~ *provide necessary funding to* the State
21 Department of Health Care Services ~~to develop and submit for the~~
22 *development of* a proposal to participate in the federal Protecting
23 Access to Medicare Act of 2014 demonstration ~~program, and to~~
24 ~~fund the development of that proposal,~~ *program* before the deadline
25 to apply for participation in the demonstration program, it is
26 necessary that this bill go into immediate effect.