

**Assembly Bill No. 861**

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Passed the Assembly September 9, 2015

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*Chief Clerk of the Assembly*

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Passed the Senate September 8, 2015

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2015, at \_\_\_\_\_ o'clock \_\_\_\_M.

\_\_\_\_\_  
*Private Secretary of the Governor*

CHAPTER \_\_\_\_\_

An act to add Section 14021.2 to the Welfare and Institutions Code, relating to mental health services.

LEGISLATIVE COUNSEL'S DIGEST

AB 861, Maienschein. Mental health: community-based services.

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 to be selected as a participating state in the time-limited demonstration program to receive enhanced federal matching funds for mental health services provided by certified community behavioral health clinics if the department applies for, and is awarded, a planning grant to develop its proposal to participate in the demonstration program. The bill would require the department to work with counties and other stakeholders in developing its proposal. The bill would also require the proposal to require that counties may not be selected to participate unless they include plans to redirect a portion of the funds currently used to match federal funds to providing increased housing opportunities for individuals with severe mental illnesses, as specified.

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

SECTION 1. The Legislature finds and declares the following:

(a) In 2014 Congress enacted the Protecting Access to Medicare Act of 2014.

(b) Under the Protecting Access to Medicare Act, eight states will be selected to have their federal share of costs increased to 90 percent for two years for outpatient behavioral health care for individuals with severe mental illnesses or serious emotional disturbances.

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

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

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

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

14021.2. (a) If the department applies to the United States Secretary of Health and Human Services for, and is awarded, the planning grant awarded pursuant to Section 223 of the federal Protecting Access to Medicare Act of 2014 for the purpose of developing proposals to participate in time-limited demonstration programs to improve mental health services furnished by certified community behavioral health clinics to Medi-Cal beneficiaries, the department shall submit an application for the subsequent competitive grant competition to be selected as a participating state in the demonstration program.

(b) In planning to develop its proposal for the competitive grant, the department shall work with counties and other stakeholders to identify the unmet need for the covered services and to estimate the number of individuals who will need housing assistance.

(c) The competitive grant proposal shall require that counties shall not be selected to participate unless they include plans to

redirect a portion of the funds that are currently used to match federal funds but will not be needed for that purpose during the grant period to provide increased housing opportunities for individuals with severe mental illnesses.







Approved \_\_\_\_\_, 2015

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*Governor*