AMENDED IN SENATE MARCH 27, 2007

SENATE BILL No. 851

Introduced by Senators Steinberg and Romero

February 23, 2007

An act to add Sections 851.95, 2686, and 2982 to, to add Article 3.5 (commencing with Section 2687) to Chapter 4 of Title 1 of Part 3 of, Chapter 2.73 (commencing with Section 1001.130) to Title 6 of Part 2 of, the Penal Code, and to amend Sections 5806 and 5814 of the Welfare and Institutions Code, relating to mentally ill offenders.

LEGISLATIVE COUNSEL'S DIGEST

SB 851, as amended, Steinberg. Mentally ill offenders.

Existing law provides for the diversion of specified criminal offenders in alternate sentencing and treatment programs.

This bill would provide that if a law enforcement official suspects that a crime has been committed by an individual with a ~~severe~~ *serious* mental health or substance abuse condition, he or she shall contact the county mental health director to ascertain if there is available treatment capacity to provide that person with services, as specified. This bill would provide that if the individual fails to remain in treatment, any pending criminal charges and arrest that had been deferred pending treatment can proceed at that time.

This bill would authorize superior courts to develop and implement ~~mental~~ *Mental* Health Courts, as specified, for offenders suffering from mental illness against whom a complaint or citation for a misdemeanor or felony offense is pending. This bill would require each ~~county~~ *court*, with the input of local stakeholders, to establish a method for ~~screening~~ *assessing* every defendant for mental illness and cooccurring disorders at the time a complaint or citation is filed for a misdemeanor or felony

offense and establish case eligibility criteria specifying what factors relating to the amenability of the defendant to treatment and to the facts of the case will make the defendant eligible to participate in a mental health court. This bill would provide that if a defendant is determined to be eligible to participate in a mental health court and consents to participate, the defendant will be placed on probation and will be required to participate in the program for a minimum of one year. *This bill would also allow parolees to participate in Mental Health Courts, as specified.*

This bill would also require each mental health court to report to the State Department of Mental Health, the State Department of Alcohol and Drug Programs, and the Department of Corrections and Rehabilitation. Because this bill would change the punishment for commission of various crimes and would require local officials to provide a higher level of service, this bill would impose a state-mandated local program.

Existing law provides for the allocation of state funds to counties for mental health programs.

This bill would make various statements of legislative findings and intent regarding the need to provide mental health and related services to parolees. This bill would require all parolees with a ~~severe~~ *serious* mental illness to receive comprehensive mental health and supportive services, as specified. This bill would provide that the department may contract with counties or private providers for these services.

This bill would state the intent of the Legislature to encourage each correctional facility to implement a system of care, as described, for the delivery of mental health services to parolees who have a serious mental disorder.

This bill would require the Department of Corrections and Rehabilitation in consultation with the State Department of Mental Health to establish service standards that ensure that parolees who have a serious mental disorder are identified, and services provided to assist them to be able upon release to live independently, work, and reach their potential as productive citizens, as specified. This bill would require the State Department of Mental Health to provide training, consultation, and technical assistance for facilities and programs, as specified.

This bill would provide that funding, based on specified criteria, at sufficient levels to ensure that each facility and parolee center can provide each parolee served pursuant to these provisions with the medically necessary mental health services shall be provided, but that

the portion of those costs of services that can be paid for with other funds including other mental health funds, public and private insurance, and other local, state, and federal funds shall not be covered.

This bill would require the ~~Director~~ *Secretary* of the Department of Corrections and Rehabilitation to establish an advisory committee for the purpose of providing advice regarding the development of the identification of specific performance measures for evaluating the effectiveness of programs. This bill would require the department, in consultation with the advisory committee, to provide in a report to the Legislature, submitted on or before May 1 of each year in which additional funding is provided, an evaluation of the effectiveness of the strategies for parolees in reducing homelessness, recidivism involvement with local law enforcement, and other measures identified by the department.

This bill would provide that in order to reduce the cost of providing supportive housing for clients, parolee centers shall enter into contracts with sponsors of supportive housing projects to the greatest extent possible.

Existing law provides that there is within the Department of Corrections and Rehabilitation the Council on Mentally Ill Offenders, the goal of which is to investigate and promote cost-effective approaches to meeting the long-term needs of adults and juveniles with mental disorders who are likely to become offenders, or who have a history of offending, by considering strategies that improve service coordination among state and local mental health, criminal justice, and juvenile justice programs, as specified. Existing law also provides a procedure whereby, if, in the opinion of the ~~Director~~ *Secretary* of the ~~department~~ *Department* of Corrections and Rehabilitation, the rehabilitation of any mentally ill, mentally deficient, or insane person confined in a state prison may be expedited by treatment at any one of the state hospitals, he or she may have that person evaluated to determine if he or she would benefit from care and treatment in a state hospital.

This bill would require the department to provide training for all persons who will be responsible for the management and care of persons with serious mental illness in its custody to ensure that they are trained in recovery oriented rehabilitative services and that those services are provided in prison. This bill would also require the department to ensure that all its correctional officers are trained in dealing with inmates with mental illness.

Existing law requires, as a condition of parole, that a prisoner who has a treatable, severe mental disorder that was one of the causes of, or was an aggravating factor in, the commission of the crime for which he or she was incarcerated, be treated by the State Department of Mental Health, as specified.

This bill would require the Department of Corrections and Rehabilitation to apply for social security and Medi-Cal benefits for a prisoner with a severe mental illness who is considered disabled, and to begin vocational training, independent living assistance, and development of other skills necessary for success at least 6 months before his or her discharge. This bill would also require the department to coordinate with a program that will continue the medications and support services provided to the prisoner by the department after the period of incarceration, in the last 90 days before release of a prisoner with a severe mental illness.

This bill would make other conforming changes.

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 with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

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

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

SECTION 1. This act shall be known, and may be cited, as the Corrections Mental Health Act of 2007.

~~SECTION 1.~~

SEC. 2. Section 851.95 is added to the Penal Code, to read:

851.95. (a) If a law enforcement official suspects that a crime has been committed by an individual with a severe mental health or substance abuse condition, and believes that with mental health or substance abuse treatment, criminal behavior would not, in all likelihood, continue and the person is willing to participate in a treatment program, the law enforcement official shall contact the

county mental health director to ascertain if there is available treatment capacity.

(b) If there is treatment capacity available, the individual shall receive services in accordance with the Mental Health Adult System of Care set forth in Section 5806 of the Welfare and Institutions Code. If the individual fails to remain in treatment, any pending criminal charges and arrest that had been deferred pending treatment can proceed at that time.

~~SEC. 2.~~

SEC. 3. Chapter 2.73 (commencing with Section 1001.130) is added to Title 6 of Part 2 of the Penal Code, to read:

CHAPTER 2.73. DIVERSION OF MENTALLY ILL OFFENDERS

1001.130. (a) Superior courts are hereby authorized to develop and implement ~~mental health courts~~ *Mental Health Courts* consistent with this ~~section and any existing Judicial Council guidelines.~~ *section.*

(b) For purposes of this section, a ~~mental health court~~ *Mental Health Court* shall have the following objectives:

(1) ~~Increased~~ *Increase* cooperation between the courts, criminal justice, mental health, and substance abuse systems.

(2) ~~Modified court processes that~~ *Creation of a dedicated calendar that will* lead to placement of as many mentally ill offenders, including those with cooccurring disorders, in community treatment, consistent with public safety.

(3) ~~Improved~~ *Improve* access to necessary services and support.

(4) ~~Reduced~~ *Reduce* recidivism.

(c) A Mental Health Court shall provide a single point of contact where a defendant with a mental disability or cooccurring disorder may receive court-ordered treatment and support services in connection with a diversion from prosecution, a sentencing alternative, or a term of probation.

(d) A Mental Health Court shall meet the following criteria:

(1) Defendants may be referred to the Mental Health Court from a variety of sources, including, but not limited to, judges within the court, police, attorneys, family members, probation officers, the district attorney, the public defender, and jail personnel.

(2) The court shall develop standards for continuing participation in, and ~~graduation from~~ *successful completion of*, the Mental Health Court program through a collaborative process *with stakeholders*.

(3) ~~The Mental Health Court shall use~~ *In utilizing* a dedicated calendar, *each Mental Health Court shall have* designated staff that ~~include~~ *includes*, but is not limited to, a designated judge to preside over the court, prosecutor, public defender, county mental health liaison, *substance abuse liaison,* and probation officer.

(4) The county mental health department and drug and alcohol department shall provide initial and ongoing training for designated staff, as needed, on the nature of mental illness and on the treatment and supportive services available in the community.

(5) The Mental Health Court shall use community mental health providers and other agencies to offer defendants access to ~~individualized~~ *appropriate* treatment services.

(6) The Mental Health Court shall establish a treatment plan for each defendant, ~~and~~ *based on a formal assessment of the defendant's mental health and substance abuse treatment needs, require the defendant to complete the recommended treatment plan, and any* other terms and conditions that will optimize the likelihood that the defendant will complete the program.

(7) The Mental Health Court shall hold frequent reviews of the offender's progress in community treatment and hold the offender accountable to adhere to the treatment plan, remain in treatment, and complete treatment.

(e) A Mental Health Court shall contact the county mental health department to ensure that there is coordination and availability of the necessary mental health services, including management and evaluation of the success of those services.

1001.131. Defendants suffering from mental illness shall be eligible to participate in a Mental Health Court pursuant to this chapter if a complaint or citation for an offense is pending in superior court.

1001.132. (a) Each ~~county~~ *court*, with the input of local stakeholders, shall establish a method for ~~screening~~ *assessing* every defendant for mental illness and cooccurring disorders, at the time a complaint or citation is filed for a misdemeanor or felony offense, or at another specified time determined most appropriate by local stakeholders to consider transferring the defendant to a Mental Health Court.

(b) Each ~~county~~ *court* shall, with the input of stakeholders, establish case eligibility criteria specifying what factors relating to the amenability of the defendant to treatment and to the facts of the case *as well as prior criminal history and mental health and substance abuse treatment history* will make the defendant eligible to participate in a Mental Health Court.

(c) If the defendant is found to be suffering from mental illness, subsequent evaluation by the local mental health director or his or her designee shall determine whether a defendant who is suffering from mental illness is appropriate for treatment under the county eligibility criteria established pursuant to subdivision (b).

(d) If the defendant is found to be suffering from mental illness, the district attorney or other designee shall assess his or her case to determine whether it meets the county eligibility criteria established pursuant to subdivision (b).

(e) If a defendant is determined to be suffering from mental illness, designated as treatment appropriate, and his or her case meets the county eligibility criteria, he or she may participate in a Mental Health Court.

1001.133. (a) If a defendant is determined to be eligible to participate in a Mental Health Court and consents to participate, the defendant will be placed on probation and will be required to participate in the program for a minimum of one year.

(b) The terms and conditions of probation shall include participation in a Mental Health Treatment Program and, if he or she is on parole, the terms and conditions of his or her parole.

(c) If the defendant fails to successfully complete the Mental Heath Treatment Program, the court shall sentence the defendant for the current misdemeanor or felony offense.

~~1001.134. Each Mental Health Court shall report to the State Department of Mental Health, the State Department of Alcohol and Drug Programs, and the Department of Corrections and Rehabilitation the savings in prison days resulting from implementation of the Mental Health Court in a manner consistent with the present reporting system for the Comprehensive Drug Court Implementation Act of 1999 (Article 2 (commencing with Section 11970.1) of Chapter 2 of Part 3 of Division 10.5 of the Health and Safety Code).~~

1001.134. (a) The Department of Corrections and Rehabilitation shall identify parolees suffering from a serious

mental illness as defined in paragraphs (2) and (3) of subdivision (b) of Section 5600.3 of the Welfare and Institutions Code, including parolees who have a pending case before a superior court, as well as prisoners within 90 days of their parole date.

(b) The Secretary of the Department of Corrections and Rehabilitation may contract with a superior court and county to utilize Mental Health Courts as a reentry court for parolees with serious mental illness who either violate the terms of parole or receive new terms.

(c) If the parolee successfully completes the Mental Health Court program, parole or probation will end.

(d) If the parolee fails to successfully complete the Mental Health Court program, he or she will be sentenced by the judge according to existing law as to any case pending in the superior court and the Department of Corrections and Rehabilitation will take any action provided by law.

(e) The highest priority for referrals of offenders shall be given to those offenders who are on active parole and have a pending case in superior court.

1001.135. Each Mental Health Court shall report to the Department of Corrections and Rehabilitation, at a minimum, the savings in prison days, reduced homelessness, involvement with local law enforcement, costs of dual supervision by parole and probation, and other measures identified by the department resulting from implementation of the Mental Health Court in a manner consistent with the present reporting system for the Comprehensive Drug Court Implementation Act of 1999 as codified by Article 2 (commencing with Section 11970.1) of Chapter 2 of Part 3 of Division 10.5 of the Health and Safety Code.

~~SEC. 3.~~

SEC. 4. Section 2686 is added to the Penal Code, to read:

2686. (a) The Department of Corrections and Rehabilitation shall provide training for all persons who will be responsible for the management and care of persons with serious mental illness in the custody of the department to ensure that they are trained in recovery oriented rehabilitative services and that those services are provided in prison.

(b) The department shall ensure that all its correctional officers are trained in dealing with inmates with mental illness.

~~SEC. 4.~~

SEC. 5. Article 3.5 (commencing with Section 2687) is added to Chapter 4 of Title 1 of Part 3 of the Penal Code, to read:

Article 3.5. Parolee Mental Health

2687. (a) A system of care for parolees with ~~severe~~ *serious* mental illness results in the highest benefit to the client, family, and society while ensuring that the public sector meets its legal responsibility and fiscal liability at the lowest possible cost.

(b) The underlying philosophy for these systems of care includes the following:

(1) Mental health care is a basic human service.

(2) Seriously mentally disordered parolees usually have multiple disorders and disabling conditions.

(3) Seriously mentally disordered parolees should be assigned a single person or team to be responsible for all treatment, case management, and support services.

(4) The client should be fully informed and volunteer for all treatment provided, unless danger to self or others or grave disability requires temporary involuntary treatment.

(5) Clients and families should directly participate in making decisions about services and resource allocations that affect their lives.

(6) Mental health services should be responsive to the unique characteristics of people with mental disorders including age, gender, minority, and ethnic background, and the effect of multiple disorders.

(7) Treatment, case management, and support services should be designed to prevent inappropriate removal to more restrictive and costly placements.

(8) Mental health systems of care shall have measurable goals and be fully accountable by providing measures of client outcomes and cost of services.

(9) State and county government agencies each have responsibilities and fiscal liabilities for seriously mentally disordered parolees.

2687.1. All parolees with a ~~severe~~ *serious* mental illness shall receive comprehensive mental health and supportive services comparable to the case management and services available under

Section 5806 of the Welfare and Institutions Code as set forth in this article.

2687.2. The Department of Corrections and Rehabilitation shall ensure the mental health needs of all parolees are met in accordance with community standards of mental health care. For those with a serious mental disorder, as defined in ~~paragraph (2)~~ *paragraphs (2) and (3)* of subdivision (b) of Section 5600.3 of the Welfare and Institutions Code, all services shall be in accordance with this article.

2687.3. (a) The Legislature finds that a mental health system of care for parolees with severe and persistent mental illness is vital for successful management of mental health care in California and should encompass all of the following:

(1) A comprehensive and coordinated system of care including treatment, early intervention strategies, case management, and system components required by parolees with severe and persistent mental illness.

(2) The recovery of persons with severe mental illness and their financial means are important for all levels of government, business, and the community.

(3) System of care services that ensure culturally competent care for persons with severe mental illness in the most appropriate, least restrictive level of care are necessary to achieve the desired performance outcomes.

(4) Mental health service providers need to increase accountability and further develop methods to measure progress toward client outcome goals and cost effectiveness as required by a system of care.

(b) The Legislature further finds that the adult system of care model, begun in the 1989–90 fiscal year through the implementation of Chapter 982 of the Statutes of 1988, provides models for parolees with severe mental illness that can meet the performance outcomes required by the Legislature.

(c) The Legislature also finds that the system components established in adult systems of care are of value in providing greater benefit to parolees with severe and persistent mental illness at a lower cost in California.

(d) Therefore, using the guidelines and principles developed under the demonstration projects implemented under the elder

system of care legislation in 1989, it is the intent of the Legislature to accomplish the following:

(1) Encourage ~~each correctional facility~~ *the Department of Corrections and Rehabilitation Division of Adult Parole Operations* to implement a system of care as described in this legislation for the delivery of mental health services to seriously mentally disordered parolees.

(2) To promote system of care accountability for performance outcomes that enable parolees with severe mental illness to reduce symptoms that impair their ability to live independently, work, maintain community supports, care for their children, stay in good health, not abuse drugs or alcohol, and not commit crimes.

(3) Provide funds for mental health services and related medications, substance abuse services, supportive housing or other housing assistance, vocational rehabilitation, and other nonmedical programs necessary to stabilize mentally ill prisoners and parolees, reduce the risk of being homeless, get them off the street and into treatment and recovery, or to provide access to veterans' services that will also provide for treatment and recovery.

2687.4. The Department of Corrections and Rehabilitation in consultation with the State Department of Mental Health shall establish service standards that ensure that prisoners with a serious mental disorder, as defined in paragraph (2) of subdivision (b) of Section 5600.3 of the Welfare and Institutions Code, are identified, and services are provided to assist them to be able, upon release, to live independently, work, and reach their potential as productive citizens. The department shall provide annual oversight of services pursuant to this part for compliance with these standards.

These standards shall include, but are not limited to, all of the following:

(a) A service planning and delivery process that is target population based and includes the following:

(1) Determination of the number of clients to be served and the programs and services that will be provided to meet their needs.

(2) Plans for services, including design of mental health services, coordination and access to medications, psychiatric and psychological services, substance abuse services, supportive housing or other housing assistance for parolees, vocational rehabilitation, and veterans' services. Plans shall also contain evaluation strategies that shall consider cultural, linguistic, gender,

age, and special needs of minorities in the target populations. Provision shall be made for staff with the cultural background and linguistic skills necessary to remove barriers to mental health services due to limited-English-speaking ability and cultural differences.

(3) Provisions for services to meet the needs of target population clients who are physically disabled.

(4) Provision for services to meet the special needs of elder adults.

(5) Provision for family support and consultation services, parenting support and consultation services, and peer support or self-help group support, if appropriate for the individual.

(6) Provision for services to be client-directed and that employ psychosocial rehabilitation and recovery principles.

(7) Provision for psychiatric and psychological services that are integrated with other services and for psychiatric and psychological collaboration in overall service planning.

(8) Provision for services specifically directed to seriously mentally ill young adults 25 years of age or younger who are at significant risk of becoming homeless.

(9) Services reflecting special needs of women from diverse cultural backgrounds, including supportive housing that accepts children, personal services coordinator, therapeutic treatment, and substance treatment programs that address gender specific trauma and abuse in the lives of persons with mental illness, and vocational rehabilitation programs that offer job training programs free of gender bias and sensitive to the needs of women.

(10) Provision for housing for parolees that is immediate, transitional, or permanent.

(b) Each client shall have a clearly designated mental health personal services coordinator who may be part of a multidisciplinary treatment team who is responsible for providing or assuring needed services. Responsibilities include complete assessment of the client's needs, development of the client's personal services plan, linkage with all appropriate community services, monitoring of the quality and followthrough of services, and necessary advocacy to ensure each client receives those services that are agreed to in the personal services plan. Each client shall participate in the development of his or her personal services plan, and responsible staff shall consult with the designated

conservator, if one has been appointed, and, with the consent of the client, consult with the family and other significant persons as appropriate.

(c) The individual personal services plan shall ensure that members of the target population involved in the system of care receive age, gender, and culturally appropriate services, to the extent feasible, that are designed to enable recipients upon release to:

(1) Live in the most independent, least restrictive housing feasible in the local community, and for clients with children, to live in a supportive housing environment that strives for reunification with their children or assists clients in maintaining custody of their children as is appropriate.

(2) Engage in the highest level of work or productive activity appropriate to their abilities and experience.

(3) Create and maintain a support system consisting of friends, family, and participation in community activities.

(4) Access an appropriate level of academic education or vocational training.

(5) Obtain an adequate income.

(6) Self-manage their illness and exert as much control as possible over both the day-to-day and long-term decisions that affect their lives.

(7) Access necessary physical health care and maintain the best possible physical health.

(8) Reduce or eliminate serious antisocial or criminal behavior and thereby reduce or eliminate their contact with the criminal justice system.

(9) Reduce or eliminate the distress caused by the symptoms of mental illness.

(10) Have freedom from dangerous addictive substances.

(d) The individual personal services plan shall describe the service array that meets the requirements of subdivision (c), and to the extent applicable to the individual, the requirements of subdivision (a).

2687.5. The State Department of Mental Health shall continue to work with the Department of Corrections and Rehabilitation and other interested parties to refine and establish client and cost outcome and interagency collaboration goals including the expected level of attainment with participating counties. These outcome

measures should include specific objectives addressing the following goals:

(a) Client benefit outcomes.

(b) Client and family member satisfaction.

(c) System of care access.

(d) Cost savings, cost avoidance, and cost-effectiveness outcomes that measure short-term or long-term cost savings and cost avoidance achieved in public sector expenditures to the target population.

2687.6. The State Department of Mental Health shall provide training consultation, and technical assistance to the Department of Corrections and Rehabilitation. This training, consultation, and technical assistance shall include:

(a) Efforts to ensure that all of the different programs are operating as well as they can.

(b) Information on which programs are having particular success in particular areas so that they can be replicated in other counties.

(c) Technical assistance to facilities in their first two years of participation to ensure quality and cost-effective service.

2687.7. Services shall be available to parolees who have a serious mental disorder who meet the eligibility criteria in subdivisions (b) and (c) of Section 5600.3 of the Welfare and Institutions Code.

(a) Funding shall be provided at sufficient levels to ensure that each facility and parolee center can provide each parolee served pursuant to this part with the medically necessary mental health services, medications, and supportive services set forth in the applicable treatment plan.

(b) The funding shall only cover the portions of those costs of services that cannot be paid for with other funds including other mental health funds, public and private insurance, and other local, state, and federal funds.

(c) ~~Each correctional facility and parolee center~~*The Department of Corrections and Rehabilitation Division of Adult Parole Operations* shall provide for services in accordance with the system of care for parolees who meet the eligibility criteria in subdivisions (b) and (c) of Section 5600.3 of the Welfare and Institutions Code.

(d) Planning for services shall be consistent with the following philosophies, principles, and practices:

(1) To promote concepts key to the recovery for individuals who have mental illness: hope, personal empowerment, respect, social connections, self-responsibility, and self-determination.

(2) To promote consumer operated services as a way to support recovery.

(3) To reflect the cultural, ethnic, and racial diversity of mental health consumers.

(4) To plan for each consumer's individual needs.

2687.8. (a) The ~~Director~~ *Secretary* of the Department of Corrections and Rehabilitation shall establish an advisory committee for the purpose of providing advice regarding the development of the identification of specific performance measures for evaluating the effectiveness of programs. The committee shall review evaluation reports and make findings on evidence-based best practices and recommendations. At not less than one meeting annually, the advisory committee shall provide to the ~~director~~ *secretary* written comments on the performance of each of the programs.

(b) The committee shall include, but not be limited to, representatives from state, county, and community veterans' services and disabled veterans outreach programs, supportive housing and other housing assistance programs, law enforcement, county mental health and private providers of local mental health services and mental health outreach services, the Board of Corrections, the State Department of Alcohol and Drug Programs, local substance abuse services providers, the Department of Rehabilitation, providers of local employment services, the State Department of Social Services, the Department of Housing and Community Development, a service provider to transition youth, the United Advocates for Children of California, the California Mental Health Advocates for Children and Youth, the Mental Health Association of California, the California Alliance for the Mentally Ill, the California Network of Mental Health Clients, the Mental Health Planning Council, and other appropriate entities.

2687.9. The criteria for the funding for each program shall include, but not be limited to, all of the following:

(a) A description of a comprehensive strategic plan for providing prevention, intervention, and evaluation in a cost appropriate manner.

(b) A description of the population to be served, ability to administer an effective service program, and the degree to which local agencies and advocates will support and collaborate with program efforts for parolees.

(c) A description of efforts to maximize the use of other state, federal, and local funds or services that can support and enhance the effectiveness of these programs.

2687.10. In order to reduce the cost of providing supportive housing for clients, parolee centers shall enter into contracts with sponsors of supportive housing projects to the greatest extent possible. Centers are encouraged to commit a portion of their funds to rental assistance.

(a) In consultation with the advisory committee established pursuant to subdivision (a) of Section 2687.8, the department shall report to the Legislature on or before May 1 of each year in which additional funding is provided, and shall evaluate, at a minimum, the effectiveness of the strategies for parolees in reducing homelessness, recidivism involvement with local law enforcement, and other measures identified by the department. The evaluation shall include for each program funded in the current fiscal year as much of the following as available information permits:

(1) The number of persons served, and of those, the number who receive extensive community mental health services.

(2) The number of persons who are able to maintain housing, including the type of housing and whether it is emergency, transitional, or permanent housing, as defined by the department.

(3) (A) The amount of funding spent on each type of housing.

(B) Other local, state, or federal funds or programs used to house clients.

(4) The number of persons with contacts with local law enforcement and the extent to which local and state incarceration has been reduced or avoided.

(5) The number of persons participating in employment service programs including competitive employment.

(6) The amount of hospitalization that has been reduced or avoided.

(7) The extent to which veterans identified through these programs' outreach are receiving federally funded veterans' services for which they are eligible.

(8) The extent to which programs funded for three or more years are making a measurable and significant difference on the street, in hospitals, and in jails, as compared to other programs and in previous years.

(b) Each facility shall be subject to specific terms and conditions of oversight and training that shall be developed by the department, in consultation with the advisory committee.

(c) (1) As used in this part, "receiving extensive mental health services" means having a personal services coordinator, as described in subdivision (b) of Section 5806, and having an individual personal service plan, as described in subdivision (c) of Section 5806.

(2) The funding provided pursuant to this article shall be sufficient to provide mental health services, medically necessary medications to treat severe mental illnesses, alcohol and drug services, transportation, supportive housing and other housing assistance, vocational rehabilitation and supported employment services, money management assistance for accessing other health care and obtaining federal income and housing support, accessing veterans' services, stipends, and other incentives to attract and retain sufficient numbers of qualified professionals as necessary to provide the necessary levels of these services. This program shall, however, pay for only that portion of the costs of those services not otherwise provided by federal funds or other state funds.

(3) Methods to contract for services pursuant to paragraph (2) shall promote prompt and flexible use of funds, consistent with the scope of services for which the department has contracted with each provider.

2687.11. The department may contract with counties or private providers for the provision of any of the services described in this article.

~~SEC. 5.~~

SEC. 6. Section 2982 is added to the Penal Code, to read:

2982. (a) At least six months before discharge of a prisoner with a ~~severe~~ *serious* mental illness, the Department of Corrections and Rehabilitation shall apply for social ~~security and~~ *security*, Medi-Cal benefits for those considered disabled, *and veteran's benefits for those eligible*, as well as beginning vocational training,

independent living assistance, and development of other skills necessary for success during parole and afterward.

(b) In the last 90 days before release of a prisoner with a ~~severe~~ *serious* mental illness, the department shall coordinate with a program that will continue the medications and support services provided to the prisoner by the department during parole, after the period of incarceration.

(c) This section shall also apply to a prisoner under the jurisdiction of a State Department of Mental Health facility pursuant to Section 2684.

~~SEC. 6.~~

SEC. 7. Section 5806 of the Welfare and Institutions Code is amended to read:

5806. The State Department of Mental Health shall establish service standards that ensure that members of the target population are identified, and services provided to assist them to live independently, work, and reach their potential as productive citizens. The department shall provide annual oversight of grants issued pursuant to this part for compliance with these standards. These standards shall include, but are not limited to, all of the following:

(a) A service planning and delivery process that is target population based and includes the following:

(1) Determination of the numbers of clients to be served and the programs and services that will be provided to meet their needs. The local director of mental health shall consult with the sheriff, the police chief, the probation officer, the mental health board, contract agencies, and family, client, ethnic and citizen constituency groups as determined by the director.

(2) Plans for services, including outreach to individuals successfully completing parole, mental health courts, and families whose severely mentally ill adult is living with them, design of mental health services, coordination and access to medications, psychiatric and psychological services, substance abuse services, supportive housing or other housing assistance, vocational rehabilitation, and veterans' services. Plans shall also contain evaluation strategies, that shall consider cultural, linguistic, gender, age, and special needs of minorities in the target populations. Provision shall be made for staff with the cultural background and linguistic skills necessary to remove barriers to mental health

services due to limited-English-speaking ability and cultural differences. Recipients of outreach services may include families, the public, primary care physicians, police, sheriffs, judges, and others who are likely to come into contact with individuals who may be suffering from an untreated severe mental illness who would be likely to become homeless if the illness continued to be untreated for a substantial period of time. Outreach to adults may include adults voluntarily or involuntarily hospitalized as a result of a severe mental illness.

(3) Provisions for services to meet the needs of target population clients who are physically disabled.

(4) Provision for services to meet the special needs of older adults.

(5) Provision for family support and consultation services, parenting support and consultation services, and peer support or self-help group support, where appropriate for the individual.

(6) Provision for services to be client-directed and that employ psychosocial rehabilitation and recovery principles.

(7) Provision for psychiatric and psychological services that are integrated with other services and for psychiatric and psychological collaboration in overall service planning.

(8) Provision for services specifically directed to seriously mentally ill young adults 25 years of age or younger who are homeless or at significant risk of becoming homeless. These provisions may include continuation of services that would still be received through other funds had eligibility not been terminated due to age.

(9) Services reflecting special needs of women from diverse cultural backgrounds, including supportive housing that accepts children, personal services coordinator therapeutic treatment, and substance treatment programs that address gender specific trauma and abuse in the lives of persons with mental illness, and vocational rehabilitation programs that offer job training programs free of gender bias and sensitive to the needs of women.

(10) Provision for housing for clients that is immediate, transitional, permanent, or all of these.

(11) Provision for clients who have been suffering from an untreated severe mental illness for less than one year, and who do not require the full range of services but are at risk of becoming homeless unless a comprehensive individual and family support

services plan is implemented. These clients shall be served in a manner that is designed to meet their needs.

(b) Each client shall have a clearly designated mental health personal services coordinator who may be part of a multidisciplinary treatment team who is responsible for providing or assuring needed services. Responsibilities include complete assessment of the client's needs, development of the client's personal services plan, linkage with all appropriate community services, monitoring of the quality and followthrough of services, and necessary advocacy to ensure each client receives those services which are agreed to in the personal services plan. Each client shall participate in the development of his or her personal services plan, and responsible staff shall consult with the designated conservator, if one has been appointed, and, with the consent of the client, consult with the family and other significant persons as appropriate.

(c) The individual personal services plan shall ensure that members of the target population involved in the system of care receive age, gender, and culturally appropriate services, to the extent feasible, that are designed to enable recipients to:

(1) Live in the most independent, least restrictive housing feasible in the local community, and for clients with children, to live in a supportive housing environment that strives for reunification with their children or assists clients in maintaining custody of their children as is appropriate.

(2) Engage in the highest level of work or productive activity appropriate to their abilities and experience.

(3) Create and maintain a support system consisting of friends, family, and participation in community activities.

(4) Access an appropriate level of academic education or vocational training.

(5) Obtain an adequate income.

(6) Self-manage their illness and exert as much control as possible over both the day-to-day and long-term decisions which affect their lives.

(7) Access necessary physical health care and maintain the best possible physical health.

(8) Reduce or eliminate serious antisocial or criminal behavior and thereby reduce or eliminate their contact with the criminal justice system.

(9) Reduce or eliminate the distress caused by the symptoms of mental illness.

(10) Have freedom from dangerous addictive substances.

(d) The individual personal services plan shall describe the service array that meets the requirements of subdivision (c), and to the extent applicable to the individual, the requirements of subdivision (a).

~~SEC. 7.~~

SEC. 8. Section 5814 of the Welfare and Institutions Code is amended to read:

5814. (a) (1) This part shall be implemented only to the extent that funds are appropriated for purposes of this part. To the extent that funds are made available, the first priority shall go to maintain funding for the existing programs that meet adult system of care contract goals. The next priority for funding shall be given to counties with a high incidence of persons who are severely mentally ill and homeless or at risk of homelessness, and meet the criteria developed pursuant to paragraphs (3) and (4). The next priority for funding, including the funding pursuant to Section 5892, shall be for the establishment of capacity for all counties to be able to serve everyone who meets the criteria for this part who are subject to arrest or hospitalization, discharged from a hospital or jail, or successfully completing parole.

(2) The director shall establish a methodology for awarding grants under this part consistent with the legislative intent expressed in Section 5802, and in consultation with the advisory committee established in this subdivision.

(3) (A) The director shall establish an advisory committee for the purpose of providing advice regarding the development of criteria for the award of grants, and the identification of specific performance measures for evaluating the effectiveness of grants. The committee shall review evaluation reports and make findings on evidence-based best practices and recommendations for grant conditions. At not less than one meeting annually, the advisory committee shall provide to the director written comments on the performance of each of the county programs. Upon request by the department, each participating county that is the subject of a comment shall provide a written response to the comment. The department shall comment on each of these responses at a subsequent meeting.

(B) The committee shall include, but not be limited to, representatives from state, county, and community veterans' services and disabled veterans outreach programs, supportive housing and other housing assistance programs, law enforcement, county mental health and private providers of local mental health services and mental health outreach services, the Board of Corrections, the State Department of Alcohol and Drug Programs, local substance abuse services providers, the Department of Rehabilitation, providers of local employment services, the State Department of Social Services, the Department of Housing and Community Development, a service provider to transition youth, the United Advocates for Children of California, the California Mental Health Advocates for Children and Youth, the Mental Health Association of California, the California Alliance for the Mentally Ill, the California Network of Mental Health Clients, the Mental Health Planning Council, and other appropriate entities.

(4) The criteria for the award of grants shall include, but not be limited to, all of the following:

(A) A description of a comprehensive strategic plan for providing outreach, prevention, intervention, and evaluation in a cost appropriate manner corresponding to the criteria specified in subdivision (c).

(B) A description of the local population to be served, ability to administer an effective service program, and the degree to which local agencies and advocates will support and collaborate with program efforts.

(C) A description of efforts to maximize the use of other state, federal, and local funds or services that can support and enhance the effectiveness of these programs.

(5) In order to reduce the cost of providing supportive housing for clients, counties that receive a grant pursuant to this part after January 1, 2004, shall enter into contracts with sponsors of supportive housing projects to the greatest extent possible. Participating counties are encouraged to commit a portion of their grants to rental assistance for a specified number of housing units in exchange for the counties' clients having the right of first refusal to rent the assisted units.

(b) In each year in which additional funding is provided by the annual Budget Act the department shall establish programs that offer individual counties sufficient funds to comprehensively serve

severely mentally ill adults who are homeless, recently released from a county jail or the state prison, or others who are untreated, unstable, and at significant risk of incarceration or homelessness unless treatment is provided to them and who are severely mentally ill adults. For purposes of this subdivision, "severely mentally ill adults" are those individuals described in subdivision (b) of Section 5600.3. In consultation with the advisory committee established pursuant to paragraph (3) of subdivision (a), the department shall report to the Legislature on or before May 1 of each year in which additional funding is provided, and shall evaluate, at a minimum, the effectiveness of the strategies in providing successful outreach and reducing homelessness, involvement with local law enforcement, and other measures identified by the department. The evaluation shall include for each program funded in the current fiscal year as much of the following as available information permits:

(1) The number of persons served, and of those, the number who receive extensive community mental health services.

(2) The number of persons who are able to maintain housing, including the type of housing and whether it is emergency, transitional, or permanent housing, as defined by the department.

(3) (A) The amount of grant funding spent on each type of housing.

(B) Other local, state, or federal funds or programs used to house clients.

(4) The number of persons with contacts with local law enforcement and the extent to which local and state incarceration has been reduced or avoided.

(5) The number of persons participating in employment service programs including competitive employment.

(6) The number of persons contacted in outreach efforts who appear to be severely mentally ill, as described in Section 5600.3, who have refused treatment after completion of all applicable outreach measures.

(7) The amount of hospitalization that has been reduced or avoided.

(8) The extent to which veterans identified through these programs' outreach are receiving federally funded veterans' services for which they are eligible.

(9) The extent to which programs funded for three or more years are making a measurable and significant difference on the street, in hospitals, and in jails, as compared to other counties or as compared to those counties in previous years.

(10) For those who have been enrolled in this program for at least two years and who were enrolled in Medi-Cal prior to, and at the time they were enrolled in, this program, a comparison of their Medi-Cal hospitalizations and other Medi-Cal costs for the two years prior to enrollment and the two years after enrollment in this program.

(11) The number of persons served who were and were not receiving Medi-Cal benefits in the 12-month period prior to enrollment and, to the extent possible, the number of emergency room visits and other medical costs for those not enrolled in Medi-Cal in the prior 12-month period.

(c) To the extent that state savings associated with providing integrated services for the mentally ill are quantified, it is the intent of the Legislature to capture those savings in order to provide integrated services to additional adults.

(d) Each project shall include outreach and service grants in accordance with a contract between the state and approved counties that reflects the number of anticipated contacts with people who are homeless or at risk of homelessness, and the number of those who are severely mentally ill and who are likely to be successfully referred for treatment and will remain in treatment as necessary.

(e) All counties that receive funding shall be subject to specific terms and conditions of oversight and training which shall be developed by the department, in consultation with the advisory committee.

(f) (1) As used in this part, "receiving extensive mental health services" means having a personal services coordinator, as described in subdivision (b) of Section 5806, and having an individual personal service plan, as described in subdivision (c) of Section 5806.

(2) The funding provided pursuant to this part shall be sufficient to provide mental health services, medically necessary medications to treat severe mental illnesses, alcohol and drug services, transportation, supportive housing and other housing assistance, vocational rehabilitation and supported employment services, money management assistance for accessing other health care and

obtaining federal income and housing support, accessing veterans' services, stipends, and other incentives to attract and retain sufficient numbers of qualified professionals as necessary to provide the necessary levels of these services. These grants shall, however, pay for only that portion of the costs of those services not otherwise provided by federal funds or other state funds.

(3) Methods used by counties to contract for services pursuant to paragraph (2) shall promote prompt and flexible use of funds, consistent with the scope of services for which the county has contracted with each provider.

(g) Contracts awarded pursuant to this part shall be exempt from the Public Contract Code and the state administrative manual and shall not be subject to the approval of the Department of General Services.

(h) Notwithstanding any other provision of law, funds awarded to counties pursuant to this part and Part 4 (commencing with Section 5850) shall not require a local match in funds.

~~SEC. 8.~~

SEC. 9. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution for certain costs that may be incurred by a local agency or school district because, in that regard, this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

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