AMENDED IN ASSEMBLY SEPTEMBER 6, 2007

AMENDED IN ASSEMBLY AUGUST 31, 2007

AMENDED IN ASSEMBLY AUGUST 20, 2007

AMENDED IN ASSEMBLY JUNE 27, 2007

AMENDED IN SENATE JUNE 4, 2007

AMENDED IN SENATE MAY 2, 2007

AMENDED IN SENATE APRIL 18, 2007

AMENDED IN SENATE MARCH 27, 2007

SENATE BILL No. 851

Introduced by Senators Steinberg and Romero
(Principal ~~coauthor: Assembly Member Leno~~ *coauthors: Assembly Members Hayashi and Leno*)
(Coauthors: Senators Alquist and Kuehl)

February 23, 2007

An act to add Section 2687 to, to add Chapter 2.73 (commencing with Section 1001.130) to Title 6 of Part 2 of, and to add and repeal Section 2687.1 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 authorize superior courts to develop and implement mental health courts, as specified, which may operate as a preguilty plea program and deferred entry of judgment program. This bill would also allow parolees to participate in mental health courts, as specified.

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 the Department of Corrections and Rehabilitation to create a pilot program, to the extent funding is available, to provide 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 require the Department of Corrections and Rehabilitation in consultation with the State Department of Mental Health to establish, to the extent funding is available, mental health service standards, as specified.

This bill would provide that any portion of the costs of services not covered by any public or private insurance to which the program participant is entitled shall be paid for by the program.

This bill would also require the department 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 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.

SEC. 2. 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.

(b) For purposes of this section, a mental health court has the following objectives:

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

(2) Creation of a dedicated calendar or a locally developed collaborative court-supervised mental health program or system that contains the characteristics set out in subdivision (c) that will lead to placement of as many mentally ill offenders, including those with cooccurring disorders, in community treatment, as is feasible and consistent with public safety.

(3) Improve access to necessary services and support.

(4) Reduce recidivism.

(5) Reduce the involvement of the mentally ill in the criminal justice system and their time in jail by making mental health services available in the least restrictive environment possible while promoting public safety.

(c) For purposes of this section, a mental health court has the following characteristics:

(1) Leadership by a superior court judicial officer assigned by the presiding judge.

(2) Enhanced accountability by combining judicial supervision with rehabilitation services that are rigorously monitored and focused on recovery.

(3) A problem solving focus.

(4) A team approach to decisionmaking.

(5) Integration of social and treatment services.

(6) Judicial supervision of the treatment process, as appropriate.
(7) Community outreach efforts.
(8) Direct interaction between defendant and judicial officer.
(d) In developing a mental health court, the presiding judge or his or her designee shall contact the county board of supervisors, the county administrative officer, or his or her designee to convene the county and court stakeholders and, through a collaborative process with these stakeholders, develop a plan that is consistent with this section. At least one stakeholder should be a criminal justice client who has lived with mental illness. The plan shall address at a minimum the following components:
(1) The method by which the mental health court will ensure that the target population of defendants will be identified and referred to the mental health court.
(2) The method for assessing defendants for serious mental illness and cooccurring disorders.
(3) Eligibility criteria specifying what factors will make the defendant eligible to participate in a mental health court, including the amenability of the defendant to treatment and the facts of the case, as well as prior criminal history and mental health and substance abuse treatment history.
(4) The elements of the treatment and supervision programs.
(5) Standards for continuing participation in, and successful completion of, the mental health court program.
(6) The need for the county mental health department and the drug and alcohol department to provide initial and ongoing training for designated staff on the nature of serious mental illness and on the treatment and supportive services available in the community.
(7) The process to ensure defendants will receive the appropriate level of treatment services, based on available resources, from county and community mental health providers and other local agencies.
(8) The process for developing or modifying a treatment plan for each defendant, based on a formal assessment of the defendant's mental health and substance abuse treatment needs. Participation in the mental health court would require defendants to complete the recommended treatment plan, and comply with any other terms and conditions that will optimize the likelihood that the defendant will complete the program.
(9) Process for referring cases to the mental health court.

(10) A defendant's voluntary entry into the mental health court, the right of a defendant to withdraw from the mental health court, and the process for explaining these rights to the defendant. A defendant's participation requires the consent of the judicial officer and the prosecutor.

(e) In developing a mental health program, each mental health court team, lead by a judicial officer, should include, but is not limited to, a judicial officer to preside over the court, prosecutor, public defender, county mental health liaison, substance abuse liaison, and probation officer. The mental health court team will determine the frequency of ongoing reviews of the progress of the offender in community treatment in order to ensure the offender adheres to the treatment plan as recommended, remains in treatment, and completes treatment.

(f) For purposes of this section, a mental health court may operate as a preguilty plea program, wherein criminal proceedings are suspended without a plea of guilty for designated defendants. If the court finds that the defendant is not performing satisfactorily in the assigned program, or that the defendant is not benefitting from education, treatment, or rehabilitation, the court shall consider modification of the treatment plan or reinstate the criminal charge or charges. If the court finds that the defendant has engaged in criminal conduct rendering him or her unsuitable for the preguilty plea program, the court shall reinstate the criminal charge or charges. If the defendant has performed satisfactorily during the period of the preguilty plea program, at the end of that period, the criminal charge or charges shall be dismissed and the provisions of Section ~~1203.4~~ *1000.4* shall apply.

(g) For purposes of this section, a mental health court may operate as a deferred entry of judgment program. If the defendant is found eligible, the prosecuting attorney shall file with the court a declaration in writing or state for the record the grounds upon which the determination is based, and shall make this information available to the defendant and his or her attorney. This procedure is intended to allow the court to set the hearing for deferred entry of judgment at the arraignment. If the defendant is found ineligible for deferred entry of judgment, the prosecuting attorney shall file with the court a declaration in writing or state for the record the grounds upon which the determination is based, and shall make this information available to the defendant and his or her attorney.

The sole remedy of a defendant who is found ineligible for deferred entry of judgment is a postconviction appeal. If the prosecuting attorney determines that this section may be applicable to the defendant, he or she shall advise the defendant and his or her attorney in writing of that determination. This notification shall include the following:

(1) A full description of the procedures for deferred entry of judgment.

(2) A general explanation of the roles and authorities of the probation department, the prosecuting attorney, the program, and the court in the process.

(3) A clear statement that in lieu of trial, the court may grant deferred entry of judgment provided that the defendant pleads guilty to each charge and waives time for the pronouncement of judgment, and that upon the defendant's successful completion of a program the positive recommendation of the program authority and the motion of the prosecuting attorney, the court, or the probation department, the court shall dismiss the charge or charges against the defendant and the provisions of Section ~~1000.4~~ *1203.4* shall apply.

(4) A clear statement that upon failure of treatment or condition under the program the prosecuting attorney or the probation department or the court on its own may make a motion to the court for entry of judgment and the court shall render a finding of guilty to the charge or charges pled, enter judgment, and schedule a sentencing hearing.

(5) An explanation of criminal record retention and disposition resulting from participation in the deferred entry of judgment program and the defendant's rights relative to answering questions about his or her arrest and deferred entry of judgment following successful completion of the program.

(h) For purposes of this section a mental health court may operate as a postguilty plea program wherein the defendant has entered a guilty plea or has been sentenced and is on probation. If the defendant has performed satisfactorily during the period of the postguilty plea program, at the end of that period, the criminal charge or charges shall be dismissed and Section 1000.4 shall apply.

(i) Entry into the mental health court program is voluntary. Once an individual chooses to enter, the defendant must comply with the conditions of participation specified by the court.

(j) An individual's duration in the mental health court program shall not exceed the maximum sentence plus probation or parole.

1001.133. (a) A parolee with a serious mental illness who is under the dual jurisdiction of the courts and the Board of Parole Hearings due to having committed a new offense while on parole, or being on active probation during the term of parole, may participate in a mental health court program.

(b) The Board of Parole Hearings may, as an alternative to ordering a parolee returned to prison, suspend revocation pending the parolee's successful completion of the mental health court program.

(c) If a parolee fails to successfully complete the mental health court program, the Board of Parole Hearings may revoke parole, as appropriate.

SEC. 3 Section 2687 is added to the Penal Code, to read:

2687. (a) A system of care for parolees with 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 adult system of care model, begun through the implementation of Chapter 617 of the Statutes of 1999 and expanded by Chapter 518 of the Statutes of 2000, provides models for parolees with serious mental illness that can meet the performance outcomes required by the Legislature.

(c) Therefore, using the guidelines and principles developed under the demonstration projects implemented under the adult system of care model, it is the intent of the Legislature to accomplish the following:

(1) Encourage the Department of Corrections and Rehabilitation Division of Adult Parole Operations to implement a system of care as described in this article for the delivery of mental health services to seriously mentally ill parolees.

(2) To promote a system of care accountability for performance outcomes that enable parolees with serious 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 ensure that eligible parolees requiring veterans' treatment and recovery services outside of their geographic location will be given consideration for those needed services on a case-by-case basis.

SEC. 4. Section 2687.1 is added to the Penal Code, to read:

2687.1. (a) To the extent funding is available, the Department of Corrections and Rehabilitation shall create a pilot program to provide 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 section. ~~First priority shall be given to parolees who, while incarcerated, were deemed part of the Enhanced Outpatient Program who will likely become homeless upon release. The second priority for funding shall be given to remaining parolees who, while incarcerated, were in the Enhanced Outpatient Program. The third priority for funding shall be given to parolees who, while incarcerated, were in the Correctional Clinical Case Management System who will likely become homeless upon release. The fourth priority for funding shall be given to remaining parolees who, while incarcerated, were in the Correctional Clinical Case Management System. Parolees who will likely become homeless upon release are individuals who will lack an identified fixed, regular, and adequate nighttime residence upon release or whose only identified nighttime residence includes a supervised publicly or privately operated shelter designed to provide temporary living accommodations or a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.~~ *Priority shall be given to parolees who, while incarcerated, were deemed part of the Enhanced Outpatient Program or were in the Correctional Clinical Case Management System. Consideration shall be given for likelihood of homelessness upon release.* Once enrolled, each parolee shall remain enrolled until either opting out of the program with an agreed upon discharge plan and follow-up plan, completing parole, or having parole revoked for longer than a year.

(b) To the extent funding is available, the Department of Corrections and Rehabilitation in consultation with the State Department of Mental Health shall develop service standards for prisoners with a serious mental illness, as defined in paragraphs (2) and (3) of subdivision (b) of Section 5600.3 of the Welfare and Institutions Code.

(c) This program shall not rely upon any county funding not expressly authorized. This program, however, shall pay for that portion not covered by Medi-Cal, Medicare, SSI, or any other entitlement to the individual being served.

(d) The department shall develop comprehensive case management plans and shall establish prison in-reach protocols that include collaboration and cooperation with service providers who are likely to serve program participants in the designated counties. Prior to the release of each program participant, the department shall work with each participant, the designated mental health personal services coordinator, the relevant housing provider, and other relevant providers to develop a discharge plan that includes:

(1) Stable and affordable housing that is appropriate to serve the individual's needs, including permanent supportive housing where necessary. In the event that permanent affordable housing is not available, a participant may be placed in transitional supportive housing, and the designated mental health personal services coordinator shall develop a plan to place the participant in permanent supportive housing before the end of the parole period.

(2) Job placement or application for federal or state benefit entitlements including, but not limited to, Social Security Disability Insurance, Supplemental Security Income, veterans' benefits, CalWORKs, Medicaid, food stamps or general relief with the goal of income or benefits being available immediately upon release.

(3) Application for federally, state, or locally funded housing assistance programs.

(4) Obtainment of state-issued identification.

(e) 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.

(f) For purposes of this section, the department may receive technical assistance from the State Department of Mental Health.

(g) The department may contract with counties or private providers for the provision of any of the services described in this section. Methods to contract for services shall promote prompt and flexible use of funds, consistent with the scope of services for which the department has contracted with each provider.

(h) This section shall remain in effect only until January 1, 2013, and as of that date is repealed, unless a later enacted statute deletes or extends that date.

SEC. 5. 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 who will be eligible for services under this section after 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 abuse 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, or appropriate services based on any characteristic listed or defined in Section 11135 of the Government Code 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. 6. 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, priorities shall include, but not be limited to, maintaining funding for the existing programs that meet adult system of care contract goals, counties with a high incidence of persons who are severely mentally ill and homeless or who are at risk of becoming homeless and meet the criteria developed pursuant to paragraphs (3) and (4) of this subdivision, and those who are discharged from a jail or have successfully completed 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, National Alliance on Mental Illness (NAMI) California, the California Network of Mental

Health Clients, the Mental Health Planning Council, a mental health court judicial officer, 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. 7. The program established pursuant to Sections 2687 and 2687.1 of the Penal Code should be paid for, in part, with four million dollars ($4,000,000) of the money appropriated pursuant to subdivision (m) of Provision 16 of Item 5225-001-0001 of Section 2.00 of Chapter 171 of the Statutes of 2007.

SEC. 8. 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.

O