

AMENDED IN ASSEMBLY MARCH 23, 2000

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2034**

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**Introduced by Assembly Members Steinberg and Baugh  
(Principal coauthors: Assembly Members Scott and Shelley)**

(Principal coauthors: Senators Burton and Perata)

**(Coauthors: Assembly Members Alquist, Aroner, Bock,  
Cardoza, Cox, Hertzberg, Honda, Keeley, Knox, Kuehl,  
Longville, Lowenthal, Machado, Mazzoni, Pescetti,  
Strom-Martin, Thomson, and Torlakson)**

(Coauthors: Senators Alpert, Chesbro, Rainey, Solis, and  
Vasconcellos)

February 18, 2000

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An act to amend Sections 5806, 5814, and 5814.5 of the Welfare and Institutions Code, relating to mental health, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2034, as amended, Steinberg. Mental health funding: local grants.

Existing law requires the State Department of Mental Health to establish service standards relating to mental health programs. These standards include plans for services and evaluation strategies to coordinate and provide access to housing assistance, vocational rehabilitation, and veterans' services.

This bill would include transition youth, as defined, within the target population and implement additional service

standards relating to outreach and diagnostic and assessment services.

Existing law requires the director to establish a methodology for awarding grants and to establish a designated advisory committee. The department is also required to select up to 3 counties for eligibility for demonstration grants to be used to provide comprehensive services to the severely mentally ill.

This bill would require the director to include additional advisory committee members. This bill would also require additional criteria to be used in awarding grants. The department would be authorized to continue funding previously selected counties and to select additional counties to provide comprehensive services to the severely mentally ill. The 3-county limitation would be deleted.

*Existing law requires counties receiving grants to provide the department with program outcome data.*

*This bill would also require the counties receiving grants to provide the department with information relating to funding for housing.*

Existing law reappropriates \$10,000,000 to the department from a specified item in the Budget Act of 1999 for the purpose of funding grants. The provisions of this section are operative until July 1, 2000, and would be repealed on January 1, 2001.

This bill would reappropriate an unspecified sum to the department from the Budget Act of 2000 for the purpose of funding grants provided under the bill. This bill would also delete the repeal of these provisions and thus continue them indefinitely.

*The bill would require the department to conduct a study of certain public education programs in Norway related to schizophrenia-related illnesses and to make recommendations. The bill would require the department to report to the Legislature on or before July 1, 2001, regarding the study and recommendations.*

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.



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

1 SECTION 1. Section 5806 of the Welfare and  
2 Institutions Code is amended to read:

3 5806. The State Department of Mental Health shall  
4 establish service standards that ensure that members of  
5 the target population are identified, and services  
6 provided to assist them to live independently, work, and  
7 reach their potential as productive citizens. The  
8 department shall provide annual oversight of grants  
9 issued pursuant to this part for compliance with these  
10 standards. These standards include but are not limited to:

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

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

20 (2) Plans for services including outreach, including  
21 outreach to transition youth and to families whose  
22 severely mentally ill adult is living with them, design of  
23 mental health services, coordination and access to  
24 medications *and to psychiatric services*, substance abuse  
25 services, supportive housing or other housing assistance,  
26 vocational rehabilitation, and veterans' services. Plans  
27 shall also contain evaluation strategies, that shall consider  
28 cultural, linguistic, gender, age, and special needs of  
29 minorities in the target populations. Provision shall be  
30 made for staff with the cultural background and linguistic  
31 skills necessary to remove barriers to mental health  
32 services due to limited English speaking ability and  
33 cultural differences.

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

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



1 (5) Provision for family support and consultation  
2 services, parenting support and consultation services, and  
3 peer support or self-help group support, where  
4 appropriate.

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

8 (7) *Provision for psychiatric services that are*  
9 *integrated with other services and for psychiatric*  
10 *collaboration in overall service planning.*

11 (8) Provision for transition youth diagnostic and  
12 assessment processes and services designed specifically to  
13 meet the needs of 18 to 25 year olds, inclusive. These  
14 provisions may include continuation of services that  
15 would still be received through other funds had eligibility  
16 not been terminated due to age.

17 (b) Each client shall have either a clearly designated  
18 mental health case manager or a multidisciplinary  
19 treatment team who is responsible for providing or  
20 assuring needed services. Responsibilities include  
21 complete assessment of the client's needs, development  
22 of the client's personal services plan, linkage with all  
23 appropriate community services, monitoring of the  
24 quality and follow through of services, and necessary  
25 advocacy to ensure each client receives those services  
26 which are agreed to in the personal services plan. Each  
27 client shall participate in the development of his or her  
28 personal services plan, and responsible staff shall consult  
29 with the designated conservator and, with the consent of  
30 the client, consult with the family and other significant  
31 persons as appropriate.

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

37 (1) Live in the most independent, least restrictive  
38 housing feasible in the local community.

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



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

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

5 (5) Obtain an adequate income.

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

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

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

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

16 (10) Have freedom from dangerous addictive  
17 substances.

18 (d) For purposes of this section and Section 5814,  
19 “transition youth” are individuals 18 to 25 years old,  
20 inclusive, with the conditions described in paragraph (2)  
21 of subdivision (a) of Section 5600.3.

22 SEC. 2. Section 5814 of the Welfare and Institutions  
23 Code is amended to read:

24 5814. (a) (1) This part shall be implemented only to  
25 the extent that funds are appropriated for purposes of this  
26 part. To the extent that funds are made available, the first  
27 priority shall go to maintain funding for the existing  
28 programs that meet adult system of care contract goals.

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

34 (3) The director shall establish an advisory committee  
35 for the purpose of providing advice regarding the  
36 development of criteria for the award of grants, and the  
37 identification of specific performance measures for  
38 evaluating the effectiveness of grants. The committee  
39 shall include, but not be limited to, representatives from  
40 state, county, and community veterans’ services and



1 disabled veterans outreach programs, supportive housing  
2 and other housing assistance programs, law enforcement,  
3 county mental health and private providers of local  
4 mental health services and mental health outreach  
5 services, the Board of Corrections, the State Department  
6 of Alcohol and Drug Programs, local substance abuse  
7 services providers, the Department of Rehabilitation,  
8 providers of local employment services, the State  
9 Department of Social Services, a service provider to  
10 transition youth, *the United Advocates for Children of*  
11 *California, the California Mental Health Advocates for*  
12 *Children and Youth, the Mental Health Association of*  
13 *California, the California Alliance for the Mentally Ill, the*  
14 *California Network of Mental Health Clients, and the*  
15 *Mental Health Planning Council.*

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

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

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

26 (C) A description of efforts to maximize the utilization  
27 of other state, federal, ~~local, and charitable~~ *and local* funds  
28 that can support and enhance the cost-effectiveness of  
29 these programs.

30 (D) A description of efforts to obtain health  
31 foundation charitable funds to expand and support these  
32 programs.

33 (5) *In addition to the criteria specified in paragraph*  
34 *(4), counties seeking grants for expansion of programs*  
35 *that were funded pursuant to this part prior to January 1,*  
36 *2001, shall provide:*

37 (A) *Data on the total number of adults and the total*  
38 *number of transition youth receiving extensive*  
39 *community mental health services not funded pursuant*  
40 *to this part. This information shall identify the number of*



1 persons served in programs that meet the criteria for  
2 adults system of care and the number in other structured  
3 programs.

4 (B) Data for each type of program on the amount of  
5 funding expended per person.

6 (C) To the extent available, outcome measures for  
7 other programs that serve populations similar to those  
8 served with funds provided pursuant to this part.

9 (D) An analysis that compares the cost and outcomes  
10 for services provided under the adults system of care  
11 programs with services provided under other programs  
12 for adults with similar needs.

13 (E) The policy reasons or other explanations for those  
14 receiving services outside of the adults system of care  
15 programs and, to the extent possible, the county's plan for  
16 expansion of system of care services to include persons  
17 not currently receiving services under this type of system  
18 of care program.

19 (b) In each year in which additional funding is  
20 provided by the State Budget the department shall  
21 establish programs that offer individual counties  
22 sufficient funds to comprehensively serve severely  
23 mentally ill adults who are homeless, recently released  
24 from a county jail or the state prison, or others who are  
25 untreated, unstable, and at significant risk of  
26 incarceration or homelessness unless treatment is  
27 provided to them and who are severely mentally ill  
28 adults. For purposes of this subdivision, "severely  
29 mentally ill adults" are those individuals described in  
30 subdivision (b) of Section 5600.3 or transition youth. In  
31 consultation with the advisory committee established  
32 pursuant to paragraph (3) of subdivision (a), the  
33 department shall report to the Legislature on or before  
34 May 1, 2000, and shall evaluate, at a minimum, the  
35 effectiveness of the strategies in providing successful  
36 outreach and reducing homelessness, involvement with  
37 local law enforcement, and other measures identified by  
38 the department. The evaluation shall include, as much of  
39 the following as available information permits:



1 (1) The number of persons served, and of those, the  
2 number who are able to maintain housing, and the  
3 number who receive extensive community mental health  
4 services.

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

8 (3) The number of persons participating in  
9 employment service programs including competitive  
10 employment.

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

15 (5) The amount of hospitalization that has been  
16 reduced or avoided.

17 (c) Each project shall include outreach and service  
18 grants in accordance with a contract between the state  
19 and approved counties that reflects the number of  
20 anticipated contacts with people who are homeless or at  
21 risk of homelessness, and the number of those who are  
22 severely mentally ill and who are likely to be successfully  
23 referred for treatment and will remain in treatment until  
24 successfully discharged.

25 *(d) If sufficient funds have been made available to*  
26 *provide funding to all counties that are eligible as set forth*  
27 *in this section, additional funding may be made available*  
28 *for other counties, or groups of counties, that do not*  
29 *currently have an existing program of integrated services*  
30 *that meet adults system of care criteria. To the extent*  
31 *funds are available, those counties may apply for a start*  
32 *up program to serve approximately 100 people in*  
33 *accordance with specific terms and conditions of*  
34 *oversight and training which shall be developed by the*  
35 *department, in consultation with the advisory*  
36 *committee.*

37 (e) (1) As used in this part, “receiving extensive  
38 mental health services” means having a case manager, as  
39 described in subdivision (b) of Section 5806, and having



1 an individual personal service plan, as described in  
2 subdivision (c) of Section 5806.

3 (2) The funding provided pursuant to this part shall be  
4 sufficient to provide mental health services, medically  
5 necessary medications to treat severe mental illnesses,  
6 alcohol and drug services, supportive housing and other  
7 housing assistance, vocational rehabilitation, money  
8 management assistance for accessing other health care  
9 and obtaining federal income and housing support,  
10 accessing veterans' services, and stipends to attract and  
11 retain sufficient numbers of qualified professionals as  
12 necessary to provide the necessary levels of these  
13 services. These grants shall, however, pay for only that  
14 portion of the costs of those services not otherwise  
15 provided by federal funds or other state funds.

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

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

24 SEC. 3. Section 5814.5 of the Welfare and Institutions  
25 Code is amended to read:

26 5814.5. (a) Of the funds appropriated pursuant to  
27 Schedule (a) of Item 4440-101-0001 of the Budget Act of  
28 2000, the sum of \_\_\_\_\_ dollars (\$\_\_\_\_) shall be  
29 allocated in accordance with the following schedule:

30 (1) The sum of five hundred thousand dollars  
31 (\$500,000) shall be reappropriated in augmentation of  
32 Schedule (a) of Item 4440-001-0001 of the Budget Act of  
33 2000 to provide for departmental support for the  
34 additional administrative costs associated with the  
35 augmentation contained in paragraph (2). Specifically,  
36 this amount shall be utilized by the State Department of  
37 Mental Health to provide for its administration of these  
38 programs, and to work together with the Department of  
39 Finance, the Department of Corrections, the Board of  
40 Corrections, state associations representing law



1 enforcement and local government, and the Legislative  
2 Analyst, in order to collect and evaluate the program  
3 performance and cost data pertaining to these programs.

4 (2) The sum of \_\_\_\_\_ dollars (\$\_\_\_\_) shall be  
5 allocated for continuation and expansion of counties  
6 funded in 1999–2000 that have successfully demonstrated  
7 the cost-effectiveness of their grants received in that year  
8 and demonstrate significant continued unmet need and  
9 capacity for expansion without compromising quality or  
10 cost-effectiveness of care and to other counties or  
11 portions of counties, that demonstrate that the county can  
12 provide comprehensive services, as set forth in this part,  
13 to a substantial number of adults who are severely  
14 mentally ill, as defined in Section 5600.3, and are homeless  
15 or recently released from the county jail or who are  
16 untreated, unstable, and at significant risk of  
17 incarceration or homelessness unless treatment is  
18 provided.

19 (b) (1) Counties eligible for funding pursuant to  
20 paragraph (2) of subdivision (a) shall be those that have  
21 existing integrated adult service programs that meet the  
22 criteria for an adult system of care, as set forth in Section  
23 5806, and that have, or can develop, integrated forensic  
24 programs with similar characteristics for parolees and  
25 those recently released from county jail who meet the  
26 target population requirements of Section 5600.3 and are  
27 at risk of incarceration unless the services are provided.  
28 Local enrollment for integrated adult service programs  
29 and for integrated forensic programs funded pursuant to  
30 paragraph (2) of subdivision (a) shall adhere to all  
31 conditions set forth by the department, including the  
32 total number of clients to be enrolled, the providers to  
33 which clients are enrolled and the maximum cost for each  
34 provider, the maximum number of clients to be served at  
35 any one time, the outreach and screening process used to  
36 identify enrollees, and the total cost of the program. Local  
37 enrollment of each individual for integrated forensic  
38 programs shall be subject to the approval of the county  
39 mental health director or his or her designee.



1 (2) Each county shall ensure that funds provided by  
2 these grants are used to *expand existing integrated*  
3 *service programs that meet the criteria of adults system*  
4 *of care to provide new services in accordance with the*  
5 *purpose for which they were appropriated and allocated,*  
6 *and that none of these funds shall be used to supplant*  
7 *existing services to severely mentally ill adults. In order*  
8 *to ensure that this requirement is met, the department*  
9 *shall develop methods and contractual requirements, as*  
10 *it determines necessary. At a minimum, these assurances*  
11 *shall include that state and federal requirements*  
12 *regarding tracking of funds are met and that patient*  
13 *records are maintained in ~~such a manner as to protect a~~*  
14 *manner that protects privacy and confidentiality, as*  
15 *required under federal and state law.*

16 (c) Each county selected to receive a grant pursuant  
17 to this section shall provide data as the department may  
18 require, that demonstrates the outcomes of these adult  
19 system of care programs, shall specify the additional  
20 numbers of severely mentally ill adults to whom they will  
21 provide comprehensive services for each million dollars  
22 of additional funding that may be awarded through either  
23 an integrated adult service grant or an integrated  
24 forensic grant, and shall agree to provide services in  
25 accordance with Section 5806. *Each county shall identify,*  
26 *as the department may require, the amount of funding*  
27 *required for housing market conditions, the estimated*  
28 *number of people who will be eligible for income from*  
29 *Social Security, and types of housing and support services*  
30 *that will be required.*

31 *SEC. 4. (a) The State Department of Mental Health*  
32 *shall conduct a study of the public education program in*  
33 *certain communities in Norway that utilizes schools,*  
34 *primary care physicians, and a general public education*  
35 *campaign to ensure that people suffering from*  
36 *schizophrenia-related illnesses seek treatment within six*  
37 *months of the onset of the symptoms as compared to two*  
38 *years in similar communities in Norway and Denmark.*

39 *(b) The State Department of Mental Health shall*  
40 *make recommendations for the implementation in*



1 *California of a public education program similar to the*  
2 *program in Norway described in subdivision (a). The*  
3 *recommendations shall include, but not be limited to, an*  
4 *analysis of how the cost of the program may be offset by*  
5 *savings in the total cost to society including, but not*  
6 *limited to, the public and private costs of treatment and*  
7 *other governmental costs related to schizophrenia and*  
8 *other mental illnesses that may be affected by a program*  
9 *of this type.*

10 *(c) The State Department of Mental Health shall*  
11 *report to the Legislature regarding the study and*  
12 *recommendations required under this section on or*  
13 *before July 1, 2001.*

