



CBHDA Legislative & Policy Updates 2019

Presentation for CalQIC Conference - March 14, 2019



*Doing nothing in the **public policy world** allows much more to be done in the **real world**.*

--Thomas Hazlett

Presentation Outline

- CBHDA Key Issues 2019
- State Budget Process Overview
- Governor's FY 2019-20 Proposed Budget
- Legislative Process Overview
- CBHDA Sponsored Legislation
- Other Priority Legislation
- Q & A

CBHDA Key Issues 2019

CBHDA Key Issues 2019

- **Mental health and MHSA**
 - Delivery system: crisis services, care integration
 - Finance: MHSA reversion dollars, implementation of SB 192, OIG audit recoupment
 - Compliance: Final Rule implementation, network adequacy
- **Substance Use Disorder**
 - Delivery system: ODS implementation, youth system of care, care integration
 - Finance: DMC funding, County of Responsibility, youth SUD
 - Prop 64 and prevention issues
- **Housing**
 - NPLH implementation
 - Other measures impacting SUD, SMI and justice-involved populations

CBHDA Key Issues 2019

- **Criminal Justice**
 - Stepping Up Initiative
 - Implementation of IST diversion programs
 - Access to care for justice-involved populations
 - **Children's issues**
 - Implementation of Pathways/Katie A.
 - Implementation of Continuum of Care Reform (AB 403)
 - Implementation of AB 1299 (presumptive transfer)
 - Implementation of CANS and PSC-35 for EPSDT Performance Outcome System
- ... + **cross-cutting issues like BH workforce.**

State Budget Process Overview

State Budget Process

- The **Governor's Proposed Budget** shows three years of spending, past year, current year and the next budget year.
- The Governor must propose a budget **on or before January 10th**.
- The **Governor's May Revision, released by mid-May**, updates the Governor's economic and revenue outlook, revises, supplements, or withdraws the policy initiatives included in the Governor's proposed budget, and adjusts proposed state expenditures.

Key Constitutional Deadlines

- The Governor must propose a budget for the upcoming fiscal year on or before **January 10th**.
- The Legislature must pass a budget bill for the upcoming fiscal year by midnight on **June 15th**.
- The new Fiscal Year starts **July 1st**.

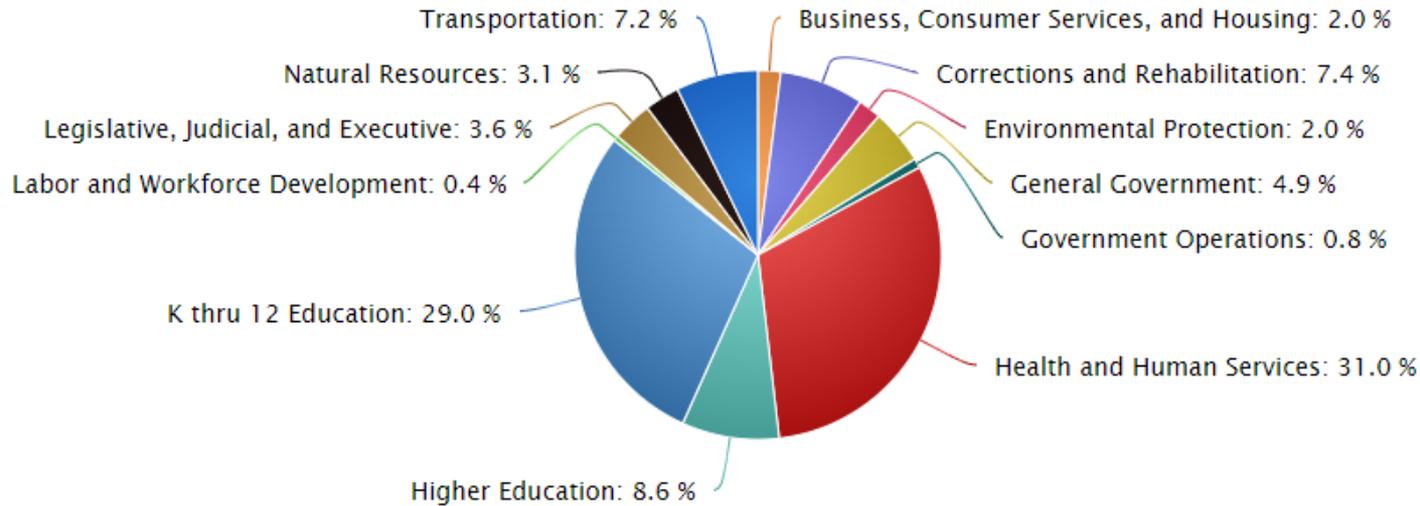
CBHDA Is Engaged Throughout the Year

- CBHDA leverages numerous opportunities for input during the budget process.
- Advocacy includes:
 - Analyzing proposals and county fiscal and policy impacts
 - Writing letters of support or opposition
 - Testifying at legislative subcommittee hearings
 - Meeting with the Governor's administration
 - Meeting with legislators and their staff

Governor's FY 2019-2020 Proposed Budget

How big is our state budget?

Total State Funds Total \$209 Billion



1991 Realignment Growth & IHSS MOE

- In 2017, 1991 Realignment growth was temporarily redirected to fund a portion of IHSS (in-home supportive services) costs.
- The proposed 2019-20 budget would reduce counties' IHSS MOE and increase the General Fund contribution - returning 1991 Realignment growth to county mental health services.
- “This action reflects a recognition that the state and federal government have taken actions that increase IHSS costs beyond available 1991 Realignment revenues for this program.” - <http://www.ebudget.ca.gov/2019-20/pdf/BudgetSummary/HealthandHumanServices.pdf>

Medi-Cal Funding Proposals

- **Managed Care Behavioral Health Integration.** \$360 million in Prop 56 (tobacco tax) funds to help Medi-Cal Managed Care providers improve chronic disease management and behavioral health integration.
- **Whole Person Care Pilots.** \$100 million for WPC programs that provide supportive housing and coordinated health, behavioral health, and social services.
- **Medi-Cal Coverage Expansion.** Expands Medi-Cal eligibility to all income-eligible young adults (ages 19-25), regardless of immigration status. May result in an additional 138,000 new enrollees at an estimated cost of \$260 million.

Children and Youth Proposals

- **Early Developmental Screening.** \$60 million (\$30 million Federal Funds, \$30 million Proposition 56 funds) for early developmental screenings for children in Medi-Cal.
- **Adverse Childhood Experiences Screening.** \$45 million (\$23 million Proposition 56 funds) for Adverse Childhood Experiences screenings for children and adults in Medi-Cal. Requires the use of an existing screening tool for adults and the development of a new screening tool for children.

Housing and Homelessness Proposals

- **Emergency Shelters.** \$500 million one-time general funds for jurisdictions to build emergency shelters, navigation centers or supportive housing.
- **Regional Collaboration.** \$300 million allocated to jurisdictions that establish regional plans to address homelessness. An additional \$200 million will be made available to jurisdictions that show progress towards goals.
- **Accelerate No Place Like Home (NPLH) Allocations.** In 2018, voters approved Proposition 2 and ratified NPLH. The Governor's budget proposes "accelerating" \$2 billion in new, bond-financed funding for permanent supportive housing that will be generated under NPLH.

Criminal Justice Proposals

- **Prop 47 Grants.** The Department of Finance estimates net general fund savings of about **\$79 million** when comparing 2018-19 to 2013-14. The Board of State and Community Corrections uses savings funds to award competitive grants to public agencies to provide mental health services, substance use disorder treatment and/ or diversion programs.
- **Law Enforcement Crisis Training.** The Budget proposes **\$20 million** in general funds for local law enforcement for training on the use of force, de-escalation, and engaging individuals experiencing a mental health crisis.

Dept. of State Hospitals Funding

The Budget proposes several increases to the DSH budget to treat more individuals deemed Incompetent to Stand Trial (IST) and forensic commitments, including investments in:

- Metropolitan State Hospital Expansion - \$19 million GF
- Competency Restoration - \$12 million GF
- Nurse Staffing Levels- \$15 million GF
- Court Supports - \$8 million GF
- Forensic Psychiatry Program - \$2 million

State General Funds for DMC-ODS Services

- Governor's budget proposes **\$695 million** for DMC-ODS implementation in FY 2019-20.
- This is growth of about \$100 million from FY 2018-19.
- Includes \$315 million in SGF for the non-federal share of select ODS services (IOT and Residential).
- Assumes 39 counties will provide DMC-ODS services by end of 2018-19.

CA Proposition 64 Revenues

- New statewide excise taxes on cultivation and sale of cannabis began January 1, 2018.
- Proposition 64 includes allocations for these dollars, which are not subject to legislative appropriation.
 - After set-asides, 60% designated to fund Youth SUD Prevention, Education, and Treatment programs.
- Governor's budget estimates the excise tax will generate **\$355 million** in 2018-19 and **\$514 million in 2019-20**.
- Revenues generated from this purpose are deferred from allocation until the May Revision.

Other Significant Proposals

- **OSHPD BH Workforce Programs.** Proposes **\$50 million** in state general funds for select OSHPD programs for mental health workforce development and training.
- **Early Psychosis Intervention.** **\$25 million** one-time state general funding for early psychosis research and treatment. These will be competitive grants for counties, academic institutions and others.
- **UC Student Mental Health.** **\$5 million** in ongoing general funding for University of California student mental health treatment to meet recommended staffing ratios.

Other Significant Proposals

- **Covered California Funding and Eligibility.** Increases Covered CA subsidies for people between with incomes between 250 and 400 percent of the federal poverty level and adds subsidies for people between 400 and 600 percent of the federal poverty level. Funded by penalties from proposed California individual mandate.
- **State Surgeon General.** Establishes a California Surgeon General to provide leadership in addressing root causes of serious health conditions, such as Adverse Childhood Experiences and the social determinants of health.

Budget References

- California budget home page: <http://www.ebudget.ca.gov/>
- LAO budget analyses: <https://lao.ca.gov/budget>
- DHCS Medi-Cal estimates:
<https://www.dhcs.ca.gov/dataandstats/reports/mcestimates/Pages/default.aspx>
- DHCS 2019-20 Governor's budget highlights:
https://www.dhcs.ca.gov/Documents/Budget_Highlights/FY2019-20-GB-Highlights.pdf
- CBHDA budget documents:
<https://cbhdamembers.org/cbhda-advocacy/state-budget/>

State Legislative Process Overview

California Bill Process

- 2019 is the first year of a two-year legislative session
- February 22nd was deadline for introduction of new bills
 - 30 days in print before hearing
- Policy Committee Hearings
 - Health, Human Services, Business & Professions, Public Safety
 - Bill moves, moves as amended or fails passage in the Policy Committee
- Appropriations Committee Hearings
 - If a bill has substantial costs it is moved to the “Suspense File”
 - If a bill is not costly it moves to the Senate or Assembly Floor
 - The Suspense Files are taken up in late May

The Legislative Calendar Drives Different Activities Throughout the Year

2018 TENTATIVE LEGISLATIVE CALENDAR COMPILED BY THE OFFICE OF THE ASSEMBLY CHIEF CLERK Revised 9-20-17

JANUARY							
	S	M	T	W	TH	F	S
Wk. 1		1	2	3	4	5	6
Wk. 2	7	8	9	10	11	12	13
Wk. 3	14	15	16	17	18	19	20
Wk. 4	21	22	23	24	25	26	27
Wk. 1	28	29	30	31			

FEBRUARY							
	S	M	T	W	TH	F	S
Wk. 1					1	2	3
Wk. 2	4	5	6	7	8	9	10
Wk. 3	11	12	13	14	15	16	17
Wk. 4	18	19	20	21	22	23	24
Wk. 1	25	26	27	28			

MARCH							
	S	M	T	W	TH	F	S
Wk. 1					1	2	3
Wk. 2	4	5	6	7	8	9	10
Wk. 3	11	12	13	14	15	16	17
Wk. 4	18	19	20	21	22	23	24
Spring Recess	25	26	27	28	29	30	31

APRIL							
	S	M	T	W	TH	F	S
Wk. 1	1	2	3	4	5	6	7
Wk. 2	8	9	10	11	12	13	14
Wk. 3	15	16	17	18	19	20	21
Wk. 4	22	23	24	25	26	27	28
Wk. 1	29	30					

- DEADLINES**
- Jan. 1** Statutes take effect (Art. IV, Sec. 8(c)).
- Jan. 3** Legislature reconvenes (J.R. 51(a)(4)).
- Jan. 10** Budget must be submitted by Governor (Art. IV, Sec. 12(a)).
- Jan. 12** Last day for **policy committees** to hear and report to **fiscal committees** fiscal bills introduced in their house in the odd-numbered year (J.R. 61(b)(1)).
- Jan. 15** Martin Luther King, Jr. Day.
- Jan. 19** Last day for any committee to hear and report to the **Floor** bills introduced in that house in the odd-numbered year. (J.R. 61(b)(2)). Last day to submit **bill requests** to the Office of Legislative Counsel.
- Jan. 31** Last day for each house to pass bills introduced in that house in the odd-numbered year (J.R. 61(b)(3)) (Art. IV, Sec. 10(c)).

- Feb. 16** Last day for bills to be introduced (J.R. 61(b)(4), J.R. 54(a)).
- Feb. 19** Presidents' Day.

- Mar. 22** Spring Recess begins upon adjournment (J.R. 51(b)(1)).
- Mar. 30** Cesar Chavez Day observed.

- Apr. 2** Legislature reconvenes from Spring Recess (J.R. 51 (b)(1)).

- Apr. 27** Last day for **policy committees** to hear and report to **fiscal committees** fiscal bills introduced in their house (J.R. 61(b)(5)).

MAY							
	S	M	T	W	TH	F	S
Wk. 1			1	2	3	4	5
Wk. 2	6	7	8	9	10	11	12
Wk. 3	13	14	15	16	17	18	19
Wk. 4	20	21	22	23	24	25	26
No Hrgs.	27	28	29	30	31		

May 11 Last day for **policy committees** to hear and report to the Floor **nonfiscal** bills introduced in their house (J.R. 61(b)(6)).

May 18 Last day for **policy committees** to meet prior to June 4 (J.R. 61(b)(7)).

May 25 Last day for **fiscal committees** to hear and report to the **Floor** bills introduced in their house (J.R. 61 (b)(8)). Last day for **fiscal committees** to meet prior to June 4 (J.R. 61 (b)(9)).

May 28 Memorial Day.

May 29 – June 1 **Floor session only.** No committee may meet for any purpose except for Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees (J.R. 61(b)(10)).

- April is when the vast majority of bills are heard in the respective Policy Committees in the House of Origin.
- Most then pass onto the Appropriations Committees where the financial impacts of the bills are determined.

- May is one of the most impactful months of the year when bills live or die in their respective Appropriations Committees.
- Significant General Fund impacts may cause trouble like being “held” (i.e.: killed) in Appropriations or later being vetoed.

JUNE							
	S	M	T	W	TH	F	S
No Hrgs.						1	2
Wk. 1	3	4	5	6	7	8	9
Wk. 2	10	11	12	13	14	15	16
Wk. 3	17	18	19	20	21	22	23
Wk. 4	24	25	26	27	28	29	30

JULY							
	S	M	T	W	TH	F	S
Wk. 1	1	2	3	4	5	6	7
Summer Recess	8	9	10	11	12	13	14
Summer Recess	15	16	17	18	19	20	21
Summer Recess	22	23	24	25	26	27	28
Summer Recess	29	30	31				

AUGUST							
	S	M	T	W	TH	F	S
Summer Recess				1	2	3	4
Wk. 2	5	6	7	8	9	10	11
Wk. 3	12	13	14	15	16	17	18
No Hrgs.	19	20	21	22	23	24	25
No Hrgs.	26	27	28	29	30	31	

June 1 Last day for each house to pass bills introduced in that house (J.R. 61(b)(11)).

June 4 Committee meetings may resume (J.R. 61(b)(12)).

June 15 Budget Bill must be passed by midnight (Art. IV, Sec. 12(c)).

June 28 Last day for a legislative measure to qualify for the Nov. 6 General Election ballot. (Elec. Code Sec. 9040)

June 29 Last day for **policy committees** to hear and report **fiscal bills** to fiscal committees (J.R. 61(b)(13)).

July 4 Independence Day.

July 6 Last day for **policy committees** to meet and report bills (J.R. 61(b)(14)). **Summer Recess** begins on adjournment, provided Budget Bill has been passed (J.R. 51(b)(2)).

Aug. 6 Legislature reconvenes from Summer Recess (J.R. 51(b)(2)).

Aug. 17 Last day for **fiscal committees** to meet and report bills (J.R. 61(b)(15)).

Aug. 20 – 31 Floor session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees (J.R. 61(b)(16)).

Aug. 24 Last day to **amend** on Floor (J.R. 61(b)(17)).

Aug. 31 Last day for each house to pass bills (Art. IV, Sec 10(c), J.R. 61(b)(18)). **Final Recess** begins on adjournment (J.R. 51(b)(3)).

Bill Volume

- In 2018:
 - 2,225 bills were introduced (Senate: 694, Assembly: 1,531)
 - The Governor signed 1,016 bills and vetoed 201 bills.
- 4,775 bills were introduced over the two-year session in 2017-18.
- The 80-member Assembly recently increased the per member bill limit to 50 bills per member for the two-year session.
- In 2018, Senate and Assembly Health committees heard about 300 bills.

CBHDA is engaged at every step . . .

- CBHDA works with legislators, staff and other stakeholders prior to introduction
- The CBHDA Legislative Committee and county subject matter experts shape views on supporting, opposing or watching bills.
- CBHDA took positions on over 40 bills in 2017-18:
 - Write support, oppose and letters of concern to Policy and Appropriations Committees and the Brown Administration
 - Testify at all relevant Policy Committees
 - Provide financial impacts to the Appropriations Committees
- CBHDA is now tracking more than 160 bills introduced in 2019.

CBHDA-Sponsored Legislation

AB 1005 (Arambula): Foster Youth Crisis Response System



- CBHDA co-sponsoring bill with CWDA and Children Now
- Builds on Continuum of Care Reform
- Aimed at preventing placement disruption and unnecessary contacts with law enforcement
- Creates a statewide foster youth and caregiver hotline for youth or caregivers in crisis
- Builds upon existing local infrastructure for in-person joint mobile response by child welfare and county behavioral health

SB 428 (Pan/Portantino): Youth Mental Health First Aid



- Co-sponsors: California Council of Community Behavioral Health Agencies, Children Now, Born This Way Foundation
- Mental Health First Aid (MHFA) = training for lay people in how to recognize and assist someone experiencing a mental health or substance use condition
- Would require teaching credential applicants (new or renewal) to complete a course in youth MHFA
- Would also authorize teachers to provide MHFA to pupils, and includes liability protections

AB 1031 (Nazarian): Youth SUD Treatment & Recovery



- Co-sponsored with the California Psychiatric Association
- Would implement a statewide system of care for youth under age 21 with SUDs
 - Directs DHCS to develop regulations
 - Recognizes federal EPSDT entitlement to all medically necessary services
- Some similarities to 1998 pilot program (AB 1784 - Baca)
- Accompanied by possible budget advocacy and participation in Prop 64 stakeholder process



AB 1058 (Salas): MH/SUD Integration Pilots

- Would authorize a fixed number of counties to undertake 5-year pilot programs to offer integrated SMH & DMC services
- Goal: Test and evaluate integration strategies
 - Identify and enact changes to SMH and DMC program requirements that would facilitate integrated care and could be adopted statewide
 - Provide access to quality care for co-occurring conditions that is superior to care delivered under current system
- Strategies might include streamlining of MH/SUD documentation requirements, adjustments to billing/claiming methodology, exploring combined site certification, and more . . .

Other Priority Legislation

Mental Health/MHSA Legislation

- AB 8 (Chu): **Pupil health**
 - Requires school districts to provide at least one MH professional per 400 students by December 31, 2022
- SB 539 (Caballero): **MHSA WET**
 - Amends MHSA to establish the MHSA Workforce Education and Training Account
 - Appropriates \$70 million in general funds to the account to fund two years of new WET 5-year plan
 - Funded in perpetuity by 25% of growth revenues in years when MHSA revenues exceed prior year
 - Removes 20% limit on transfers from CSS to WET

Mental Health/MHSA Legislation

- AB 1443 (Maienschein) & SB 604 (Bates): **MHSA Tech Assistance**
 - Requires MHSAOAC to establish “technical assistance centers” or “centers of excellence” to assist counties with MHSA programs
- SB 582 (Beall): **Youth services and SB 82 grants**
 - Requires at least half of all SB 82 children and youth grants to be allocated to partnerships between local educational agencies and mental health providers
- AB 385 (Calderon): **EPSDT Performance Outcomes Platform**
 - Requires DHCS to develop a platform, or integrate with an existing platform, to electronically support EPSDT perf. outcomes system
 - Must allow for the systematic transfer and integration of completed data between DHCS platform and CDSS platforms

Substance Use Disorder Legislation

- SB 58 (Wiener): **4 a.m. bar bill (Oppose)**
 - “Pilot program” to extend alcoholic beverage sales until 4 a.m. in select cities (Fresno, Oakland, L.A., Sacramento, S.F., others)
- AB 319 (Rubio): **Non-controlled medications at NTPs**
 - Requires DHCS to create reimbursement structure for non-controlled, FDA-approved meds delivered by NTPs (Vivitrol)
- AB 389 (Arambula): **Peer Navigators in Emergency Depts.**
 - Establishes pilot program to measure efficacy of placing SUD peer navigators in hospital EDs, if funds are appropriated
- AB 704 (Patterson): **Criminal background checks**
 - Requires DHCS to conduct “criminal record reviews” on persons “responsible for residents” of an SUD Tx facility and approve or deny their employment; exempts drug-related convictions

Substance Use Disorder Legislation

- AB 1098 (O'Donnell): **Cannabis revenues & youth programs**
 - Specifies procedures for implementation and administration of programs funded by 60 percent of cannabis revenues set aside for youth prevention, treatment, and education
- AB 1779 (Daly): **Recovery residences**
 - Requires DHCS to adopt and implement minimum standards for recovery residences that receive state funding
 - Requires residences to obtain certification
- SB 590 (Stone): **Involuntary treatment for SUDs**
 - Authorizes parent, legal guardian, or spouse to petition court for involuntary treatment of individuals with SUDs who are deemed to present an “imminent threat of danger” to self or others and “can reasonably benefit from treatment”

Medi-Cal Legislation

- AB 4 (Arambula) & SB 29 (Durazo/Lara): **Eligibility (Support)**
 - Expands full-scope Medi-Cal to undocumented adults
 - Builds on SB 74 (2016) which expanded Medi-Cal enrollment to undocumented children
- SB 66 (Atkins): **Same-day billing (Support)**
 - Permits same-day billing in FQHCs and Rural Health Centers
 - Maximum of 2 visits; could be medical/behavioral health, medical/dental, etc.
- SB 10 (Beall): **Peer support specialists (Support)**
 - Creates statewide certification for peer support specialists
 - Would require SPA to create distinct Medi-Cal “service type”
 - Would authorize use of MHSA admin funds for implementation of this program

Health Care & Public Benefits Legislation

- ACR 1 (Bonta): **Public Charge (Support)**
 - Condemns proposed federal regulations that would deny individuals citizenship or admission to the country if they have utilized public benefits including Medicaid and SNAP
- AB 414 (Bonta): **Minimum essential coverage (Support)**
 - Creates “individual mandate” in California
 - Must carry minimum essential coverage or pay tax penalty
- SB 11 (Beall): **Mental health parity (Support)**
 - Requires health insurers and plans regulated by DMH or DOI to submit annual reports certifying compliance with federal behavioral health parity law
 - Restricts prior authorization or step therapy for SUD medications

Legislative References

- California legislature bill and code look-up:
<http://leginfo.legislature.ca.gov/>
- 2019 California legislative calendar:
<https://www.assembly.ca.gov/legislativedeadlines>
- Assembly Health Committee: <https://ahea.assembly.ca.gov/>
- Senate Health Committee: <https://shea.senate.ca.gov/>
- CBHDA public-facing legislative information:
<https://www.cbhda.org/advocacy>
- CBHDA members' legislative information:
<https://cbhdamembers.org/cbhda-advocacy/legislation/>

Questions?

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