

Date of Hearing: April 10, 2019

ASSEMBLY COMMITTEE ON EDUCATION
Patrick O'Donnell, Chair
AB 1126 (O'Donnell) – As Amended, April 1, 2019

[Note: This bill is doubled referred to the Assembly Health Committee and will be heard by that Committee as it relates to issues under its jurisdiction.]

SUBJECT: Pupil health: mental health services

SUMMARY: Requires the Mental Health Oversight and Accountability Commission to take specific measures to increase the transparency and accountability of mental health expenditures, and to support and share innovative practices in the delivery of mental health services, with a focus on youth mental health. Specifically, **this bill:**

- 1) Expresses findings and declarations recognizing the critical nature of mental health problems among children and youth and the importance of early intervention.
- 2) Requires the Mental Health Oversight and Accountability Commission (MHOAC), subject to the availability of funds for this purpose, to establish an innovation incubator to support implementation of innovative programs by county mental health agencies, as defined.
- 3) Requires the innovation incubator to provide all of the following:
 - a) Strategic guidance to facilitate the provision of mental health services to students through partnerships between counties and school districts, county offices of education, charter schools, and other entities.
 - b) Strategic guidance to facilitate multi-county innovation investment in high-priority needs.
 - c) Technical assistance and training to successfully plan, design, and implement innovations to improve the effectiveness and efficiency of county innovation component processes.
 - d) Support for the design of evaluations to ensure that counties and other stakeholders understand the impact of individual innovations and of the broader innovation program.
 - e) Assistance in disseminating information on the lessons learned from innovative programs to encourage replication and continuous improvement and translating that information into systemic change necessary for statewide impact.
 - f) Any other support and assistance deemed necessary by the MHOAC.
- 4) Requires the MHOAC, subject to the availability of funds for this purpose, to establish technical assistance centers and one or more clearinghouses to support counties in addressing mental health issues of statewide concern, including youth mental health, with a specific focus on school mental health and reducing unemployment and criminal justice involvement due to untreated mental health challenges. Authorizes the MHOAC, at its discretion, to include additional mental health issues that it identifies as of statewide concern.

- 5) Requires the MHOAC to develop a fiscal transparency and accountability strategy to support public understanding of:
 - a) How mental health services are funded.
 - b) Revenue and expenditure trends for mental health funds, from all sources, including but not limited to, Mental Health Services Act (MHSA) funds, realignment funds, and federal financial funding through the Medi-Cal program.
 - c) Availability of mental health funds to support the needs of mental health consumers.
 - d) Revenues, expenditures, and unspent funds available for state administration of mental health services.
- 6) Requires, as part of the fiscal transparency and accountability strategy, the MHOAC to include sufficient information to allow the public to be aware and be able to monitor current and historical statewide spending by local government agencies on mental health services, including those provided through county-school partnerships or other local collaborative efforts.
- 7) Requires the MHOAC to develop a program transparency and accountability strategy for local government mental health programs to support public understanding of how people are accessing services and care, and how local governments and schools are spending mental health funds. Requires the following information to be provided:
 - a) The nature of services available, the geographic location where services are provided, the intended population to be served, and if the services are available through the county, school-based or school-linked entities, other public entities, or private contracts.
 - b) The number of persons served and information on demographic characteristics, including age, race, ethnicity, gender, sexual orientation, language spoken, veteran status, and other characteristics.
- 8) Requires the MHOAC to develop an outcome transparency and accountability strategy to support public awareness and monitoring of outcomes achieved statewide by publicly funded mental health programs offered by counties, counties acting jointly, county-school partnerships, or by another type of jurisdiction. Also requires, to the extent that information is available, outcomes be reported for the most recently completed fiscal year, as well as historically. Requires the MHOAC, as it deems necessary, to identify or develop the outcomes and measurements to be addressed, which may include programs undertaken to address the following:
 - a) School failure or dropout
 - b) Reductions in homelessness
 - c) Reductions in unemployment
 - d) Removal of children from their homes, through involvement with the child welfare system, the juvenile justice system, or other out-of-home placement
 - e) Suicide
 - f) Incarcerations

- g) Prolonged suffering.
- 9) States that the MHOAC will have access to data, information, policies, procedures, and practices held or maintained by the California Health and Human Services Agency and its departments, the Department of Justice (DOJ), the California Department of Education (CDE), the Employment Development Department, and other state and local agencies, as necessary to comply with the requirements of this section. Requires these agencies to cooperate and share data with the MHOAC to accomplish the intent of this section. Requires the MHOAC to comply with all applicable federal and state laws relating to privacy and confidentiality of data.
- 10) Requires the MHOAC to revise regulatory reporting requirements under their jurisdiction, as necessary to support enhanced reporting, transparency, and accountability; and to make recommendations to the relevant agency, on necessary revisions to regulatory reporting requirements not under their jurisdiction.
- 11) States legislative findings and declarations that this act is consistent with and furthers the intent of the Mental Health Services Act.

EXISTING LAW:

- 1) Establishes the Mental Health Services Act (MHSA), enacted by voters in 2004 as Proposition 63, to provide funds to counties to expand services, develop innovative programs, and integrate service plans for mentally ill children, adults, and seniors through a one percent income tax on personal income above \$1 million.
- 2) Requires the California Department of Health Care Services (DHCS), pursuant to the MHSA and in coordination with counties, to establish a program designed to prevent mental illnesses from becoming severe and disabling and requires the program to emphasize strategies to reduce the following negative outcomes that may result from untreated mental illness:
 - a) Suicide.
 - b) Incarcerations.
 - c) School failure or dropout.
 - d) Unemployment.
 - e) Prolonged suffering.
 - f) Homelessness.
 - g) Removal of children from their homes.
- 3) Requires California counties to be responsible for both Medi-Cal specialty mental health services for the seriously mental illness and for safety-net (non-Medi-Cal) community mental health services.
- 4) Expresses the intent of the Legislature that the governing board of each school district and each county superintendent of schools maintain fundamental school health services at a level that is adequate to accomplish all of the following: preserve pupils' ability to learn, fulfill existing state requirements and policies regarding pupils' health, and contain health care costs through preventive programs and education (EC 49427).

FISCAL EFFECT: The Office of Legislative Counsel has keyed this bill as a possible state-mandated local program.

COMMENTS:

Need for the bill. According to the author, “Too many children and youth in California lack access to necessary mental health services, and schools lack the resources to provide these critical services. The MHSA generates over \$1 billion per year statewide to support mental health services at the county level, however, not enough of these funds are being directed to meet the needs of children and youth, particularly through school-based or school-linked services. This bill would direct the MHOAC to develop tools to increase transparency and accountability around the use of these funds, as well as to provide technical assistance and support to counties in partnering with schools to meet the mental health needs of children and youth.”

Mental health needs of children and youth. According to a 2018 audit by the California State Auditor, between 97 percent and 98 percent of California children are enrolled in health coverage, with 5.5 million enrolled in Medi-Cal. Yet, children are experiencing increasing mental health problems and a lack of access and coordination to care. The audit concluded that millions of children do not receive the preventive services to which they are entitled to under Medi-Cal. An annual average of 2.4 million children who were enrolled in Medi-Cal over the past five years had not received all of the preventive health services they were entitled to. California ranks 40th for all states in providing preventive health services to children.

According to a research brief, “Investments in Students’ Physical and Mental Health in California’s Public Schools, published in 2018 as a part of the Getting Down to Facts II Study, “child mental health is an increasingly important concern throughout the state due to rising rates of school shootings, teen hospitalizations for self-inflicted harm, and teen suicides. More than seven percent of children in California suffer from a serious emotional disturbance, and more than one in five female high school students report experiencing suicidal thoughts. Public schools can be a relatively desirable location for efficient and widespread distribution of mental health services to children. However, California provides fewer physical and mental health services in schools than almost any other state.”

Public mental health delivery system. A report from the California Health Care Foundation published in March of 2018 entitled “Mental Health in California: For Too Many, Care Not There,” stated that California’s mental health delivery system is a complex one. California counties are responsible for both Medi-Cal specialty mental health services for the seriously mentally ill and for safety-net (non Medi-Cal) community mental health services.

While counties have the same mandate and same funding streams, each county approaches the delivery of care in its own way. Oftentimes a county may be unaware of programs or activities being conducted in other counties – programs that may work well in their own community. Many counties lack resources and may be unable to develop the level of expertise required to develop or implement new ideas or concepts.

Proposition 63: The Mental Health Services Act (MHSA). Proposition 63 was passed by voters in November, 2004. The MHSA imposes a one percent income tax on personal income in excess of \$1 million and creates the 16 member Mental Health Oversight and Accountability Commission (MHOAC) charged with overseeing the implementation of MHSA. The 2017-18

Governor's Budget projected that \$1.34 billion would be deposited into the Mental Health Services Fund in fiscal year 2015-16. The MHSA addresses a broad continuum of prevention, early intervention and service needs as well as providing funding for infrastructure, technology and training needs for the community mental health system.

The MHSA requires each county mental health department to prepare and submit a three-year plan to DHCS that must be updated each year and approved by DHCS after review and comment by the Commission. In their three-year plans, counties are required to include a list of all programs for which MHSA funding is being requested and that identifies how the funds will be spent and which populations will be served. Counties must submit their plans for approval to the Commission before the counties may spend certain categories of funding, including the following:

- **Community Services and Supports:** Provides direct mental health services to the severely and seriously mentally ill, such as mental health treatment, cost of health care treatment, and housing supports.
- **Prevention and Early Intervention:** Provides services to mental health clients in order to help prevent mental illness from becoming severe and to improve timely access for underserved populations. Prevention and early intervention programs emphasize strategies to reduce negative outcomes that may result from untreated mental illness: suicide, incarcerations, school failure or dropout, unemployment, prolonged suffering, homelessness, and removal of children from their homes.
- **Innovation:** Provides services and approaches that are creative in an effort to address mental health clients' persistent issues, such as improving services for underserved or unserved populations within the community.

Arguments in support. The Association of California School Administrators notes, "throughout California, school leaders are responding to historic rates of student anxiety, depression, trauma, and suicide ideation; and unfortunately, schools are ill equipped to meet the mental health needs of their students. According to the California Children's Trust, only 35% of youth in California who report needing mental health support, actually receive service. While schools are uniquely positioned to help meet the mental health needs of students, California ranks near the bottom for student access to mental health services at school. AB 1126 will help improve student access to critically needed mental health services in part by increasing MHSA transparency and accountability. The availability of more holistic data will allow stakeholders to assess the effectiveness of current services funded by MHSA and whether or not these offerings are reaching underserved communities. Equally important is the establishment of the Innovation Incubator which will improve coordination amongst local educational agencies and regional providers."

Arguments in opposition. The California Right to Life Committee notes, "We believe this is another well-meaning strategy that uses limited public funds in awarding grants to agencies who will develop creative plans in the effort to use "best practices" through the implementation of an innovation incubator. We see this effort as an AI technocracy substituting for personal assessment of student's or other's mental health issues."

Prior and related legislation. AB 1443 (Mainschein) of this Session requires the Mental Health Services Oversight and Accountability Commission, subject to available funding to establish one or more technical assistance centers to support counties in addressing mental health issues as determined by the Commission, that are of statewide concern. This bill is currently pending before the Assembly Health Committee.

SB 604 (Bates) of this Session, requires the Commission, by January 1, 2021, to establish centers of excellence to provide the counties with technical assistance to implement best practices related to elements of the MHSA. Require the centers of excellence to be funded with state administrative funds provided under MHSA. This bill is pending in the Senate Health Committee.

AB 875 (Wicks) of this Session updates the Healthy Start Support Services for Children Grant Program, previously administered by CDE, and identifies potential funding sources to provide health, mental health and other support services to pupils and their families. This bill is pending before this Committee.

SB 582 (Beall) of this Session, requires the Mental Health Services Oversight and Accountability Commission to allocate at least one-half of Investment in Mental Health Wellness Act of 2013 triage grant program funds to local educational agency and mental health partnerships, as specified, to support prevention, early intervention, and direct services to children and youth, as specified. This bill is pending before the Senate Education Committee.

AB 258 (Jones-Sawyer) of this Session, establishes the School-Based Pupil Support Services Program Act, to provide grants to local educational agencies for increasing the presence of school health professionals at schoolsites and providing programs that prevent and reduce substance abuse among pupils. The source of the state funding for the grants awarded under the program would be an appropriation from the Youth Education, Prevention, Early Intervention and Treatment Account established pursuant to the Control, Regulate and Tax Adult Use of Marijuana Act (Proposition 64). This bill is pending before the Assembly Health Committee.

AB 8 (Chu) of this Session, requires schools to have one mental health professional for every 400 pupils accessible on campus during school hours, and for schools of less than 400 pupils, to employ at least one mental health professional for one or more schools or enter into an agreement with a county agency or community-based organization to provide mental health services to pupils. This bill is pending before the Assembly Health Committee.

REGISTERED SUPPORT / OPPOSITION

Support

Association Of California School Administrators
California Federation Of Teachers
California State PTA
California Teachers Association
Community Clinic Association Of Los Angeles County
Disability Rights California
Los Angeles Unified School District

Oppose

California Right To Life Committee, Inc.

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