

**REPORT OF THE
CHIEF LEGISLATIVE ANALYST**

DATE: January 27, 2020

TO: Honorable Members of the Rules, Elections, and Intergovernmental Relations Committee

FROM: Sharon M. Tso  Council File No: 19-0002-S187
Chief Legislative Analyst Assignment No: 20-01-0051

SUBJECT: Support for legislation that would improve mental health services in California.

CLA RECOMMENDATION: Adopt Resolution (Koretz – Ryu) to include in the City’s 2019–2020 State Legislative Program SUPPORT or SPONSORHIP for any legislation that would simplify Medi-Cal reimbursement procedures for counties, simplify institutionalization procedures, generally stabilize state mental health funding at levels sufficient to meet the needs of counties, and re-involve the state in the provision of community-based facilities to house and treat persons experiencing mental health issues.

SUMMARY

The Resolution (Koretz – Ryu), introduced on November 15, 2019, states that mental health care access is one of the top issue priorities in the minds of Californians. Despite public perception of the importance of mental health care access, 58% of Los Angeles County respondents said that their community does not have enough mental health care providers to meet the need. The lack of mental health care access in California serves to further exacerbate the homelessness crisis. The 2019 Greater Los Angeles Homeless Count found that 27% of unhoused individuals have severe mental illness; a 12% increase from the previous count. California can ill afford to fail to meet the mental health needs of its residents. Legislation could be introduced to ameliorate the issue of mental health care access in California through a number of approaches.

The Resolution (Koretz – Ryu) recommends support or sponsorship for any legislation that would: simplify Medi-Cal reimbursement procedures for counties, simplify institutionalization procedures, stabilize state mental health funding at levels sufficient to meet the needs of counties, and/or provide community-based facilities to house and treat persons experiencing mental health issues.

BACKGROUND

The Resolution (Koretz – Ryu) notes a number of legislative actions that have changed the way that mental health is addressed in California, including the Short-Doyle Act (1957), the Lanterman-Petris-Short Act (1968), the establishment of Medi-Cal (1965), the Bronzan-McCorquodale California Realignment Act (1990), and the Mental Health Services Act (Proposition 63 – 2004). The earliest of these actions were predicated on the assumption that individuals with mental illnesses could be treated in less restrictive settings at a lower cost, which led to the closing of nine out of fourteen state mental hospitals.

Realignment shifted control of mental health, social, and health service programs to the counties and provided counties with a more stable revenue stream from taxes and vehicle registration fees, and changed the state-county funding ratios. Despite these changes, the new revenue sources did not provide funding commensurate with the growing costs and need for mental health services in California. While the Mental Health Services Act was designed to improve mental health services in California, it has failed to provide counties with adequate resources to address the mental health care needs of the public.

SB 1045 (Wiener – Stern), signed on September 27, 2018, created a five-year pilot program allowing for strengthened conservatorship laws that focus on providing housing and wraparound services for people experiencing mental health and substance use issues. SB 1045 directed each of the counties of Los Angeles, San Diego, and San Francisco to establish a working group to conduct an evaluation of the effectiveness of the implementation of the conservatorship provisions described in the bill. Each working group will prepare and submit a preliminary report to the Legislature on its findings by January 1, 2021.

Further legislative action must be taken in order to improve mental health care affordability and enable counties to provide services to individuals in need. Without adequate funding and commitment at all levels of government, it is difficult to obtain positive mental health outcomes that respect the humanity of individuals experiencing mental illness.



Tristan Noack
Analyst

SMT:tcjn

Attachment: Resolution

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed or pending before a local, state or federal governmental body or agency must first have been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, a 2018 California statewide poll conducted by the California Health Care Foundation and the Kaiser Family Foundation found that mental health care access is one of the top issue priorities in the minds of Californians; and

WHEREAS, mental health care affordability ranked second behind public education, and 52% of respondents said their community does not have enough mental health providers to meet its needs, with the figure reaching 58% in Los Angeles County; and

WHEREAS, the proliferation of mental health issues among the state's burgeoning homeless population has contributed to the public's understanding that mental health issues have been underfunded and inadequately attended over the more than a half century since the state began restructuring how it addressed the needs of people with mental health challenges; and

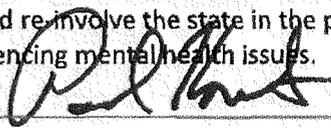
WHEREAS, central to the sequence of restructuring moves the state has made since 1957 were the closure of nine of fourteen state mental hospitals and the dispersal of mental health funding from the state to counties; and

WHEREAS, a series of legislative plans – the Short-Doyle Act (1957), the Lanterman-Petris-Short Act (1968), the establishment of Medi-Cal (1965), the Bronzan-McCorquodale California Realignment Act (1990), and the Mental Health Services Act (Proposition 63 - 2004) – reconceptualized how and to what extent funding was redistributed to counties to address mental health, subject to Proposition 13 (1978) limits and the impacts of recessions over the years; and

WHEREAS, in addition to these actions generally moving funding levels toward being inadequate for the local needs, the Lanterman-Petris-Short Act in the name of compassion made it more difficult to involuntarily hospitalize a person, and Medi-Cal red tape has discouraged counties from applying for full funding reimbursements for which they would otherwise qualify, to the tune of leaving up to \$100 million in federal pass-through funds unspent per year; and

WHEREAS, counties are overly dependent on the five remaining state hospitals and a disconnected network of private clinics to provide housing and services for persons experiencing mental health issues, which clearly is not meeting the need.

NOW, THEREFORE, BE IT RESOLVED, THAT, with the concurrence of the Mayor, by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2019-2020 State Legislative Program sponsorship of and/or support for legislation to simplify Medi-Cal reimbursement procedures for counties, simplify institutionalization procedures, generally stabilize state mental health funding at levels sufficient to meet the needs of counties, and re-involve the state in the provision of community-based facilities to house and treat persons experiencing mental health issues.

PRESENTED BY: 
 PAUL KORETZ, Councilmember, Fifth District

SECONDED BY: 



NOV 15 2019

ORIGINAL