



CMHDA News Bytes

JULY 2005

INSIDE THIS ISSUE:

From The Desk of...	1
MHSA Update	3
Untreated Mental Illness in Female Youth	5
System of Care Highlights	5
Commission to Strengthen Medicaid Article	8
SAMHSA Study on Spending	9
NIMH Study on U.S. Leading in Mental Health	9
CMS Announces Systems Change Grants	10
Legislative Update	11
Medicare Modernization Act	12
Baby On Board	14

From The Desk of... Patricia Ryan

Despite our best of intentions, the formerly weekly, then monthly, then bi-monthly, then quarterly, then non-existent CMHDA newsletter has now evolved into the “whenever we can find the time” newsletter! As exciting as it is, the Mental Health Services Act has managed to gobble up whatever spare time we might have had to write a regular newsletter – just like we know it’s consuming more hours of your day than you have time for. Anyway, here goes, with hopefully news you can use...

AB 3632 – The Continuing Saga

FY 2005-06 Budget: As of yesterday, we have a budget, which essentially includes “full funding” for the AB 3632 program for the FY 2005-06 budget year.! While we have heard that state Department of Finance staff argued strenuously until the end that the Governor should veto the \$120 million that the Legislature included in the budget to pay mandate claims for FY 2004-05 and FY 2005-06 for this program, in the end he approved the money on a “one-time” basis. However, the following directive was included in the Governor’s budget summary message:

“I am directing the Department of Mental Health, in collaboration with the State Department of Education, to develop a plan to shift the program from a state-mandated program to a categorical program. This plan is to be developed in consultation with counties, school authorities, community mental health providers, and other private and public groups with an interest in mental health and special education issues. The plan will address the roles and responsibilities of local education agencies and counties in the provision of federally required mental health services, the type and scope of services to be provided, recommended changes in statute, regulations and practices necessary to implement the program, appropriate mechanisms to encourage and improve collaboration among education and mental health systems, and appropriate funding levels, fiscal controls, and auditing efforts. I am also directing the Department of Finance to provide consultation and assistance to ensure that the plan is fiscally sound.

Needless to say, CMHDA will continue to be intimately involved in all discussions related to the future of this program. In the meantime, here are the details of what is included in the just

(Continued on page 2)

adopted budget:

- \$69 million of federal IDEA funds, to be used “exclusively to support mental health services provided during the 2005-06 fiscal year by county mental health agencies...” This funding would be distributed to county offices of education (in the same amounts as were distributed in the FY 2004-05 budget year), who would then contract with county mental health agencies for services.
- \$31 million to Local Education Agencies, distributed on an Average Daily Attendance (ADA) basis for pre-referral services pursuant to last year’s SB 1895.
- \$60 million in FY 2004-05 to go to DMH (Budget Item 4440-295-0001), to be allocated to the State Controller’s Office to reimburse counties for their costs of providing mental health services to students pursuant to the two AB 3632 student mental health mandates (Services to Handicapped Students Program and Seriously Emotionally Disturbed Students Program).
- \$60 million in FY 2005-06 to go to DMH (Budget Item 4440-295-0001), to be allocated to the State Controller’s Office to reimburse counties for their costs of providing mental health services to students pursuant to the two AB 3632 student mental health mandates (Services to Handicapped Students Program and Seriously Emotionally Disturbed Students Program).

It is our understanding that the funding to pay the FY 04-05 claims will go out immediately (upon adoption of the budget). The FY 05-06 allocations will reportedly be released in February of 2006. *It is important to note that ONLY those counties who have submitted mandate reimbursement claims for Fiscal Years 04-05 and 05-06 will be eligible to receive any of the \$120 million that was included in the budget, since the money is to pay mandate claims for those years.*

We will, of course, keep counties informed about the status of the work group that will be formed to discuss what happens next year with this program. As always, please feel free to contact me if you have any questions.

Commission on State Mandates: Counties were finally successful in having the Commission on State Mandates reconsider and update its original “statement of decision” that governed the “Parameters and Guidelines” used by the State Controller to determine what costs are reimbursable under this mandate. The hearing was held on May 26, 2005, and the Commission unanimously adopted the Commission staff analysis, which found that the following costs are reimbursable:

- Renewing the interagency agreement every three years, and revising, if necessary.
- Performing an initial assessment of a pupil referred by the local education agency (LEA), and discussing assessment results with the parents and the IEP team.
- Participating as a member of the IEP assessment team whenever the assessment of the pupil determines the pupil is seriously emotionally disturbed and residential placement may be necessary.
- Acting as lead case manager if the IEP calls for residential placement of the SED pupil.
- Providing psychotherapy and other mental health services, as defined in regulations, when required by an IEP (note: the decision specifically excludes vocational services, socialization, crisis intervention services, and dispensing medications necessary to maintain individual psychiatric stability during the treatment process, but includes medication monitoring, individual or group psychotherapy, case management, intensive day treatment and day rehabilitation).
- Participate in due process hearings relating to mental health assessments or services.

The Commission is expected to meet again in September 2005 to adopt a set of consolidated Parameters and Guidelines that incorporate the recent decisions and make it more clear to both counties and the State Controller what is reimbursable under this program. For a copy of the recently adopted decisions, please go to <http://www.csm.ca.gov/>, or contact Patricia Ryan at pryan@cmhda.org.



Mental Health Services Act Update

As those involved in the public mental health system in California are well aware, there is a frenzy of activity going on throughout the state related to implementation of the Mental Health Services Act. State DMH continues to work feverishly at developing guidelines and work products for various stakeholders to comment on. CMHDA – which represents the county mental health directors who are responsible for implementing the act – is in the process of forming Work Groups to provide comment on the most recent proposals issued by DMH (Education and Training, Information Technology, Capital Facilities, and Performance Outcomes). We have already submitted comments on the Department’s draft Community Services and Supports and One-Time Funding proposals, and are eagerly awaiting the final guidelines on each. The final CSS guidelines were due to be released July 14. However, the newly appointed Oversight and Accountability Commission (see below) met last week and asked DMH to hold off until it had an opportunity to review the final draft. Counties and other stakeholders are also anxiously awaiting the state’s guidelines on local “supplantation,” which will be a very important factor in determining what resources are available at the local level.

DMH last month released the “Planning Estimates” that had been eagerly awaited by counties and local stakeholders. While many counties were disappointed with the amount of funding available for their county, at least they now have realistic numbers with which to develop plans for implementation in their local communities. Counties have been busy for months convening the local stakeholder processes to determine what their communities see as important priorities for funding, which is difficult to finalize without actual numbers. Managing expectations has become one of the most difficult tasks for county directors, given the fact that the funding available for services in the first few years only amounts to between a 5-10% increase over current funding.

Other Recent MHSA News

Governor Arnold Schwarzenegger recently announced his twelve appointments to the MHSA Oversight and Accountability Commission (OAC). The role of the OAC is to develop strategies to overcome stigma and accomplish the objectives of the Act. The Commission will advise the Governor or the Legislature regarding actions the state may take to improve care and services for people with mental illness, and is required to annually review (and approve, in some cases) each county mental health plan for expenditures. If the OAC identifies a critical issue related to the performance of a county mental health program, it may refer the issue to the State Department of Mental Health.

The Governor’s appointees include:

- Carmen Diaz, of Los Angeles, a family advocate coordinator with the Los Angeles County Department of Mental Health since 2001;
- Jerry Doyle, of Los Gatos, president and chief executive officer of EMQ, a provider of mental health services for children and adolescents, since 1987;
- Saul Feldman, DPA, of San Francisco, chairman and chief executive officer of United Behavioral Health since 1997;
- Linford Gayle, of Pacifica, who has over 14 years experience in supervisory and case management positions in the supportive housing, homeless and substance abuse fields and is currently a mental health program specialist at San Mateo County Mental Health Services;
- Mary Hayashi, of Castro Valley, president of the Iris Alliance Fund since 2001;
- Patrick Henning, of West Sacramento, a legislative advocate for the California Council of Laborers;
- Karen Henry, of Granite Bay, retired in 2001 after 25 years of experience in the field of labor and employment law, and a member of the board of directors for NAMI, California;
- Gary Jaeger, M.D., of Harbor City, chief of addiction medicine at Kaiser Foundation Hospital, South Bay;
- William Kolender, of San Diego, San Diego County Sheriff since 1995;

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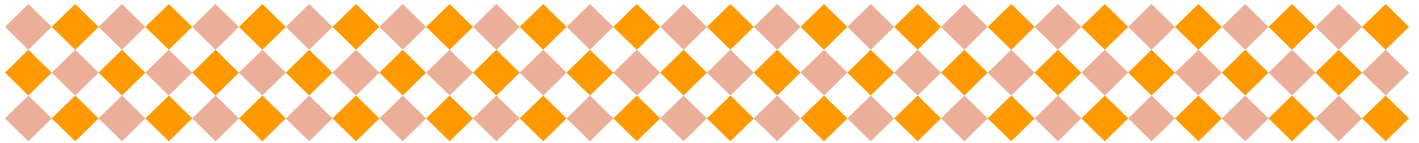
- Kelvin Lee, Ed.D., of Roseville, superintendent of the Dry Creek Joint Elementary School District since 1977;
- Andrew Poat, of San Diego, director of the government relations department for the City of San Diego;
- Darlene Prettyman, of Bakersfield, a certified psychiatric nurse and currently director of government relations for the Anne Sippi Clinic. She is also past president and a member of NAMI California's board of directors.

Other members of the Commission include:

- Bill Lockyer, California State Attorney General;
- Darrell Steinberg, Co-Proponent of Prop. 63 and a former member of the State Assembly;
- Assemblymember Mark Ridley-Thomas (D-Los Angeles)
- Senator Wesley Chesbro (D-Sonoma).

The first meeting of the Commission took place on July 7 in Sacramento. In addition to electing its first chair (former Assembly-member Darrell Steinberg), the Commission asked DMH to postpone issuing final CSS guidelines until it has a chance to review the most recent draft document. Its next meeting is scheduled to take place July 22, and the Department hopes to issue final guidelines by July 30.

For more information and guidance on MHSA implementation issues, be sure to keep an eye on the training opportunities that CIMH is sponsoring <http://www.cimh.org/home/index.cfm>. To keep up on any new information coming out from DMH, go to their special MHSA site at <http://www.dmh.ca.gov/MHSA/default.asp>



Untreated Mental Illness in Youth Affects Girls and Young Women Throughout Life

A new study, *A Roadmap to Mental Health Services for Transition Age Young Women: A Research Review*, shows that a lack of knowledge about specific risk factors and symptoms of mental illness among “gateway” service providers (such as primary care providers, child welfare, juvenile justice and education professionals) often results in delayed diagnosis and treatment among at-risk girls and young women, causing lifelong struggles.

The study, which was sponsored by the California Women’s Mental Health Policy Council (in collaboration with CIMH), found that despite a demonstrated need, women and girls between the ages of 14 and 25 who are transitioning out of the children’s mental health system are accessing services at a far lesser rate than young men. It recommends that health practitioners become more familiar with these findings as they develop interventions for transition age women.

To view a *Roadmap to Mental Health Services for Transition Age Young Women: A Research Review* in its entirety, go to <http://www.cimh.org/home/index.cfm>.

System of Care Highlights by Heather Anders

Check here for the latest news on some of the CMHDA System of Care Committees. All highlighted committees have also been linked to their web pages on the CMHDA website.

All of the System of Care Committees listed below have been focusing on the Mental Health Services Act (MHSA), and committee members have been heavily involved in the DMH MHSA stakeholder meetings and conference calls.

Children's System of Care

The Children's System of Care Committee continues to have forum presentations at each of its monthly meetings. The June forum was a discussion of the latest draft materials from DMH on the MHSA: Education and Training, and Performance Outcomes. The committee plans to have a July Forum on Evidence-based Practices. The agenda for the July 28 meeting will eventually be posted on <http://www.cmhda.org>.

The committee also has begun to work on its goals for 2005-06, and to list out its accomplishments from 2004-05. They anticipate having their goal and accomplishment matrix, along with the listing of their committee membership and mission statement, ready for CMHDA's Governing Board Retreat in November 2005.

Also, the committee is sad to announce that Alfredo Aguirre, LCSW, Mental Health Director from San Diego County and CMHDA CSOC Committee co-chair, will be leaving his co-chairmanship position in July. Alfredo will be the CMHDA Ethnic Services Committee chair beginning in July, 2005. Alfredo, we will greatly miss you, but wish you the best with the Ethnic Services Committee!

The CSOC Committee's new co-chair will be William Arroyo, M.D., Los Angeles County Department of Mental Health's Children's Medical Director. Dr. Arroyo is currently a member of the CSOC Committee, and co-chairs the CMHDA/CPOC Multi-Association Joint Committee. We are very excited about Dr. Arroyo co-chairing the committee with Nancy Peña, Ph.D., Santa Clara County Mental Health Director. Welcome Bill!

Subcommittees of CSOC and ASOC:

Community Treatment Facility/Foster Care Subcommittee:

The newly merged CMHDA Community Treatment Facility/Foster Care Subcommittee continues to meet every six weeks by conference call. The subcommittee has recently been discussing its role in participating in a work group funded by a Zellerbach Family Foundation grant to CIMH to study public policy solutions to better serving out-of-county foster care youth.

Multi-Association Joint Committee:

This subcommittee, which is co-chaired by both CMHDA and the Chief Probation Officers of California, is nearly finished with a paper entitled *Placement Options for Aggressive Juvenile Justice Youth with Severe Mental Illness: County Challenges*.

CSOC/ASOC Transition Age Youth (TAY) Subcommittee:

After three years of weekly conference calls, the subcommittee has completed the highly acclaimed CSOC/ASOC TAY Resource Guide, which is available at <http://www.cmhda.org/tayrg.html>.

The Resource Guide has 16 chapters covering areas such as financing, housing, social activities, and assessment and planning, to name a few. From CMHDA's website you can also access results from a 2004 survey that was conducted with counties, asking what services they provide to youth ages 14-25 years old. Some counties even provided actual brochures and fliers for their

(Continued on page 6)

county services, which can be downloaded at: www.cmhda.org/tay_county-services.html.

The subcommittee will now work on updating the manual every 6-12 months, and members will be available for consultation to counties.

Adult System of Care

The ASOC Committee has focused its forums for 2005 on the MHSA. The committee discusses, on their conference calls and at their meetings, how counties are doing with MHSA planning and local stakeholder processes.

The committee has also updated its CMHDA ASOC Framework, which is available online at: [http://www.cmhda.org/documents/ASOC_Committee_Final_Revised_Framework\(3-9-05\).doc](http://www.cmhda.org/documents/ASOC_Committee_Final_Revised_Framework(3-9-05).doc).

The committee has started to review its accomplishments from the last year, and its goals for 2005-06. The committee has also updated its mission statement, and has reviewed and updated its membership list in preparation for the November CMHDA Governing Board retreat.

ASOC/OASOC Transitional Adult Subcommittee:

This new subcommittee has completed a fact sheet on transitional adults, which is being distributed at CIMH MHSA Regional Trainings. The fact sheet, which is also available at: [http://www.cmhda.org/documents/Tran.-Adult_Fact_Sheet\(5-31-05\).doc](http://www.cmhda.org/documents/Tran.-Adult_Fact_Sheet(5-31-05).doc), was distributed to county mental health departments and to State DMH with a summary of the survey the subcommittee conducted with counties on how they determine their high risk clients (summary of survey results is available at [http://www.cmhda.org/documents/Tran_Adult_Summary_of_Survey_Results_\(3-14-05\).doc](http://www.cmhda.org/documents/Tran_Adult_Summary_of_Survey_Results_(3-14-05).doc)).

The subcommittee also recently had its very first in-person meeting on June 22, 2005. The meeting focused on goals for the next year, accomplishments from the last year, and future projects that the subcommittee can be involved in.

Older Adult System of Care

This committee has revised its OASOC framework, which can be accessed online at [http://www.cmhda.org/documents/OASOC_Final_Revised_Framework_\(2-9-05\).doc](http://www.cmhda.org/documents/OASOC_Final_Revised_Framework_(2-9-05).doc).

The committee has also spent much of its time focusing on the MHSA. In fact, DMH staff have been able to participate in CMHDA's OASOC Committee Meetings for discussions on the MHSA, which has greatly helped the committee and, in turn DMH, in understanding the unique needs of older adults. The committee is also very concerned about outcomes for older adults, and has developed an ad hoc group, which includes State DMH staff, to discuss outcomes for older adults.

The committee continues to work on goals for 2005-06, and to list out accomplishments from 2004-05. They anticipate having the goal and accomplishment matrix, along with the listing of their committee membership and mission statement, ready for CMHDA's Governing Board Retreat in November 2005.

The OASOC committee is also sad to announce that Yvette Townsend, the Los Angeles County Department of Mental Health Acting Deputy Director and CMHDA OASOC Committee co-chair, will be retiring in July. The CMHDA OASOC Committee will greatly miss Yvette, but we wish her the best in her retirement. The Committee will be looking for a co-chair who is a County Mental Health Director or County Deputy Director, so if you are interested, please contact Chelsea Stoner at cstoner@cmhda.org.

Final Note

Heather Anders will be on maternity leave until approximately December 1 (to spend some time getting to know her adorable little guy James, born July 1). Chelsea Stoner, an MSW graduate student from California State University, Sacramento, will be her temporary replacement while she is gone. Chelsea will be working 20 hours a week with Heather's committees and sub-committees. She can be reached at Heather's extension while she is on leave, and will be available at (916) 556-3477 ext. 119 or at cstoner@cmhda.org. Please stop by and welcome Chelsea to CMHDA!

For more information on System of Care Committees, please visit: <http://www.cmhda.org/comm.html>.

Commission Established To Strengthen Medicaid

Health and Human Services (HHS) Secretary Mike Leavitt recently announced the establishment of an advisory commission to "identify needed reforms to strengthen Medicaid so that it can continue to serve many of America's citizens." However, shortly thereafter, Democratic lawmakers announced that they would not participate in the commission because Leavitt also announced that that eight members of Congress would have nonvoting advisory positions. Sen. Gordon Smith (R-Ore.), who in April spearheaded the effort to assemble a commission to study Medicaid before making any program funding cuts, has also declined an invitation from Senate Majority Leader Bill Frist (R-Tenn.) to participate in the commission. In addition, the executive committee of the [National Governors Association](#) on June 1 said that governors would not participate in the commission.

Leavitt announced last week the appointments of the following individuals as voting members of the commission

:

- Former Tennessee Governor Don Sundquist, who will chair the Commission
- Former Maine Governor Angus King, co-chair
- Nancy Atkins, Commissioner for the Bureau for Medical Services, Department of Health and Human Resources, West Virginia
- Melanie Bella, Vice President for Policy, Center for Health Care Strategies, Inc.
- Gail Christopher, Vice President for Health, Women and Families at the Joint Center for Political and Economic Studies
- Gwen Gillenwater, Director for Advocacy and Public Policy, National Council on Independent Living
- Robert Helms, resident scholar and Director of Health Policy Studies, American Enterprise Institute
- Kay James, former Director of the U.S. Office of Personnel Management
- Troy Justesen, Deputy Assistant Secretary for the Office of Special Education and Rehabilitative Services, U.S. Department of Education
- Tony McCann, Secretary of Health and Mental Hygiene, Maryland
- Mike O'Grady, Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services
- Bill Schiebler, former President, Deutsche Bank
- Grace-Marie Turner, Galen Institute

In addition to the voting members, the commission will consist of the following non-voting members:

- James Anderson, President and CEO, Cincinnati Children's Hospital and Medical Center, National Association of Children's Hospitals
- Julianne Beckett, Director of National Policy, Family Voices
- Carol Berkowitz, Pediatrician, President of the National Academy of Pediatrics
- Maggie Brooks, County Executive, Monroe County, New York

(Continued on page 8)

- Valerie Davidson, Executive VP, Yukon-Kuskowim Health Corporation
- Mark de Bruin, Senior VP of Pharmacy Services, Rite Aid;
- John Kemp, CEO, Disability Service Providers of America
- Joseph Marshall, Chairman and CEO, Temple University Health System, American Hospital Association
- John Monahan, President of State-Sponsored Programs for Wellpoint; Blue Cross/Blue Shield Association and America's Health Insurance Plans
- John Nelson, Physician, Immediate Past President of the American Medical Association
- Joseph J. Piccione, Corporate Director of Mission Integration, OSF Healthcare System
- John Rugge, CEO, Hudson Headwaters Health Network, National Association of Homes and Services for the Aging
- Howard Weitz, Cardiologist, Thomas Jefferson University
- Joy Johnson Wilson, Director of Health Policy and Federal Affairs Counsel, National Conference of State Legislators

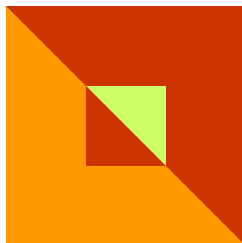
The Medicaid commission is required to submit two reports to Secretary Leavitt. The first report is due September 1, and it will outline recommendations for Medicaid to achieve \$10 billion in savings during the next five years. It will also identify ways to begin meaningful long-term improvements that can better serve Medicaid beneficiaries, and include information on possible performance goals for Medicaid.

The second report, which is due December 31, 2006, will provide information on the major issues affecting Medicaid using different scenarios: 1) an assumption that federal and state spending will continue at current paces, 2) that Congress chooses to lower the rate of growth for Medicaid, 3) that Congress may increase spending for coverage.

The report will also provide recommendations to help ensure long-term sustainability of Medicaid. The proposals will cover key issues such as:

- How to expand coverage to more Americans while still being fiscally responsible;
- How to provide long term care to people who need it;
- A review of eligibility, benefits and service delivery; and
- Improved quality of care, choice, and beneficiary satisfaction.

To view the commission's charter, please visit: <http://www.cms.hhs.gov/faca/mc/default.asp>



Spending on Mental Health and Substance Abuse Treatment Examined in Recent SAMHSA Study

The Substance Abuse and Mental Health Services administration (SAMHSA) recently conducted an analysis of current available spending data. The analysis, entitled, *National Expenditures for Mental Health Services and Substance Abuse Treatment, 1991-2001* indicates that the United States expenditures for treatment of mental and substance abuse disorders totaled \$104 billion in 2001, up from \$60 billion in 1991.

This latest report identifies the three most prominent trends in spending – the move to publicly funded care, the decrease in inpatient care, and the growth in spending on prescription medications.

Some of the other information that the reports cites includes:

- *In 2001, 35 percent of mental health and substance abuse treatment was paid for by private payers, compared with 42 percent in 1991.*
- *In 2001, the largest proportion of mental health and substance abuse expenditures, 28 percent, went to hospital based services, including inpatient, outpatient, and residential care provided by hospitals.*
- *In 2001, retail prescription drugs accounted for 17 percent of total mental health and substance abuse expenditures.*

The report also indicates that private insurance payments for substance abuse treatment fell by a rate of 1.1 percent annually, which is counter to the annual growth rate of 6.9 percent in private insurance payments for all health care. Specialty substance abuse treatment centers accounted for 51 percent of the increase in substance abuse expenditures.

To access the *National Expenditures for Mental Health Services and Substance Abuse Treatment, 1991-2001*, please visit:

<http://www.samhsa.gov>.

NIMH Sponsored Study Highlights Fact That U.S. Leads in Mental Illness

Findings from a National Institute of Mental Health (NIMH) sponsored study, conducted by the University of Michigan and based on interviews with 9,000 randomly selected Americans, has revealed interesting information about the numbers of Americans affected by mental illness.

The study found that one quarter of all Americans met the criteria for having a mental illness within the last year, and a quarter of those had a “serious” disorder that significantly disrupted their ability to function day to day. The study also notes that less than half of people in need of treatment receive it. People who do seek treatment generally do so after a decade or more of delays.

The survey highlighted four major categories of mental illness: anxiety disorders, mood disorders, impulse control disorders, and substance abuse.

The study found that nearly half of all Americans meet the criteria for such an illness at some point in their lives. Most of those cases are mild and do not require treatment. It also determined that co-morbidity, the simultaneous occurrence of two or more

(Continued on page 10)

illnesses, is common. Nearly half of people with one mental disorder met the criteria for two or more illnesses.

The study also noted that while it is unclear why Americans have such high rates of mental illness, cultural factors can play a role. Immigrants dramatically increase their risk of mental health problems, especially if they do not live in native ethnic communities. Also, minorities tend to have lower levels of mental health problems despite lower economic status, indicating that the social



CMS Announces Real Choice Systems Change Grants for Community Living

The Centers for Medicare & Medicaid Services (CMS) recently announced that \$35 million in new grants will be awarded to states to develop programs for people with disabilities or long term illnesses. The new grants, entitled “Real Choice Systems Change Grants” will help states and territories enable people with disabilities to continue to reside in their homes and be active in community life.

President Bush has promoted community living for people with disabilities through the New Freedom Initiative. As a result of the initiative, ten federal agencies have collaborated to remove barriers to community living.

There will be three types of grants offered under this initiative:

Family-to-Family Health Care information and Education Center Grants

Will fund the development of nonprofit centers that provide information and education, training, and peer support to families of children with special health care needs, with a focus on individuals and family-directed supports.

Systems Transformation Grants

Will provide states with greater support to begin or further current initiatives to implement more of a comprehensive, integrated reform strategy. The funds will be used to develop state-based strategic plans and system assessments, and will target areas of systems infrastructure such as access and self-directed services.

Aging and Disability Resource Center Grants (ADRC)

Will help support state efforts to create “one stop shop” centers to help consumers learn about and access long-term supports.

In addition to the grants highlighted above, some funding will also be used to conduct a national evaluation and to develop grant support tools. A copy of the 2005 Real Choice Systems Change solicitation package, including the application forms, can be obtained at <http://www.grants.gov>.

For more information about the grants, visit the CMS web site at: <http://www.cms.hhs.gov/newfreedom/>.

Legislative Update

The Legislature is mid-way through its first year of the 2005-06 legislative session, and CMHDA has been working on a number of bills that impact county mental health programs and their ability to provide service to clients-consumers with mental illness. Highlighted below are just a few of the legislative measures CMHDA has been actively working on.

AB 360 (Frommer) — Nursing Facility Rates. This bill is meant to be a “clean-up” to last year’s AB 1629, which created a new facility-specific rate-setting system for skilled nursing facilities, among other things. Due to unintended consequences for IMDs that are not eligible for Medi-Cal payments, AB 360 as introduced would exempt IMDs from being required to pay a new “quality assurance fee” imposed by AB 1629. CMHDA is working with the author and the sponsor of the bill (the California Association of Health Facilities) to ensure that the new rate-setting system created by AB 1629 works for IMDs, and that the rates that county mental health agencies pay for IMD beds are fair and reasonable.

Position: Support, if amended.

Status: In Senate Appropriations Committee.

AB 599 (Gordon) – California Veterans. This measure specifically includes California veterans with mental illness who do not qualify for federal veteran’s services as one of the target populations eligible for mental health services under Realignment. The bill as originally introduced was problematic because it did not acknowledge the responsibility of the federal government to provide services to veterans who qualify for services. CMHDA worked extensively with the author’s office in an effort to improve the referral process of veterans to county Veterans Services Officers (VSOs) for assistance. As a result, the following compromise language was adopted: “county [mental health] shall refer a veteran to the county veteran’s service officer, if any, to determine the veteran’s eligibility for, and the availability of, mental health services provided by the United States Department of Veteran’s Affairs or other federal health care providers.”

Position: Neutral, As Amended

Status: Passed out of the Assembly. Pending Action on Senate Floor.

AB 733 (Nation) – Duty to Warn. As a result of a recent court ruling by the Second District Court of Appeals in Ewing v. Goldstein, the professional “Tarasoff” standard has been broadened to include communication of family members which would trigger a Tarasoff warning by a psychotherapist. AB 733 would provide clarity in the law regarding a psychotherapist’s responsibilities to file a Tarasoff warning with law enforcement, and define the specific nature of client-therapist communication which would trigger such a filing. Specifically, AB 733 (Nation) would specify that a psychotherapist’s duty to warn applies when the patient himself or herself has communicated the threat directly to the psychotherapist. Recent amendments to the bill include: 1) prospective language which would apply to only actions filed on or after January 1, 2006; 2) when a threat has been communicated by a third party, the therapist is encouraged, but not required, to contact the patient to the extent that the therapist reasonably believes is necessary to assess whether the patient poses a serious threat of physical violence against a reasonably identifiable victim or victims. Due to additional policy considerations, this bill has been made into a two-year bill.

Position: Support

Status: Passed out of Assembly Health Committee on Consent Calendar; In Senate Judiciary Committee.

Two-year Bill.

AB 1689 (Lieber) – EPSDT Services. As introduced, this measure would require counties that contract with EPSDT Medi-Cal providers who are providing mental health services to out-of-county foster care children, to include terms and conditions in county contracts allowing for automatic reciprocity for the billing of mental health services provided by out-of-county providers. CMHDA will be working with EPSDT providers and other stakeholders over the next several months to address this issue and develop tangible recommendations which could potentially be amended into AB 1689 next January. Due to the complexities

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associated with this issue, the author's office has made this bill into a two-year bill, to allow more time to address the multi-faceted issues of out-of-county contracts.

Status: Two-year bill.

SB 570 (Midgen) – Mentally Incompetent Minors. This measure would authorize judicial courts, in counties that agree to the provisions set forth, to order minor children to be referred for psychological evaluations to determine the presence or absence of a serious mental disorder or developmental disability. The provisions of this measure extend to children who may be wards of the court and establishes procedures to follow including the referral to a multidisciplinary team for the purposes of creating a treatment plan. Under the bill's current provisions, assessments and tests are limited to certain licensed professionals, including psychologists and psychiatrists. Recent amendments to the bill establish this bill as permissive for counties to adopt and would require the adoption of a resolution by the county Board of Supervisors in order for the provisions to be effective in a county. CMHDA is continuing to work with the author to address a few remaining concerns.

Position: Pending Review of Amendments

Status: Passed Out of Senate. In Assembly Appropriations Committee.

SB 643 (Chesbro) – Nursing Facilities. As a measure designed to strengthen the provisions of the Olmstead Act, SB 643 seeks to expand various supportive system linkages and interventions for individuals transitioning from skilled nursing facilities (SNFs) to community based settings. This measure would, among other things, allow the court to order the conservator or the public guardian's office to secure behavioral, psychological, psychosocial rehabilitation, neurological, supported living, or other professional mental health assessments, to address an alternative placement or supports a conservatee may need to transition to an alternative placement. Recent amendments also allow for discretion of the mental health professional to make recommendations to the court of an appropriate entity to conduct additional assessments which fall out of the scope of mental health services.

Position: Support (as amended)

Status: Passed out of Senate. In Assembly Appropriations Committee

For more information on these or other legislative bills, contact Patricia Ryan, MPA, Executive Director at pryan@cmhda.org, or Erin Riggs, MSW, Associate Director, Legislation and Policy at eriggs@cmhda.org.

Update on the Medicare Modernization Act, Part D, Prescription Drug Benefit

One of the most critical issues taking place this year is the roll-out of the Medicare Modernization Act, Part D, Prescription Drug Benefit, which will become effective on January 1, 2006. Essentially, this new privatized program will require all individuals who receive prescription drug coverage through Medicaid to switch plans and obtain their drug coverage through either private Prescription Drug Plan (PDP) or join a private health plan (managed care/HMO plan) under the Medicare Advantage plan (Part C, previously called the Medicare + Choice plan) that offers drug coverage.

There are a number of ramifications associated with this fast-tracked switch for Medi-Medi clients, especially in terms of continuity of care issues. Medi-Medi clients will have a very short window of time in which they can enroll in a drug plan that best meets their health needs and serves their area. If Medi-Medi clients miss this short window of opportunity, the Centers for Medicare and Medicaid Services (CMS) will automatically enroll these beneficiaries into some type of PDP, which may or may not cover their current medications.

Education and outreach is a critical element in the transition process, both for those who receive Medicare and Medicaid benefits as well as those who provide services. Highlighted below are resources which provide additional information on the MMA Part D Prescription Drug Benefit.

MMA Part D Issue Briefs and Background Materials

- From the Kaiser Foundation <http://www.kff.org/medicare/rxdrugs.cfm>
- From the California Healthcare Foundation:
<http://www.chcf.org/topics/healthinsurance/drugbenefit/index.cfm?CFID=999865&CFTOKEN=31654138>
- **The Commonwealth Fund:** Impact of the Medicare Prescription Drug Benefit on Home- and Community-Based Services Waiver Programs

MMA Part D Outreach Materials

- **CMS Strategy for Dual Eligibles:**
<http://www.cms.hhs.gov/medicarereform/strategyforduals.pdf>
- **More information on partnership outreach can be found at the CMS Partner Center at**
<http://www.cms.hhs.gov/partnerships/default.asp>
- **More information on provider education and outreach regarding drug coverage can be found at:**
<http://www.cms.hhs.gov/medlearn/drugcoverage.asp>
- **To obtain copies of fact sheets for your patients, visit:**
<http://www.medicare.gov/Publications/Pubs/pdf/11065.pdf>
- **For sample letters sent to Medicare beneficiaries visit:**
<http://www.ssa.gov/organizations/medicareoutreach2/>

CMS Implementation and Drug Plans

- **You can also find additional information regarding prescription drug plans at:**
<http://www.cms.hhs.gov/pdps/>
- **Further information on CMS implementation of the MMA can be found at the following CMS web site:**
<http://www.cms.hhs.gov/medicarereform/>



California Mental Health Directors Association

2125 19th Street, Second Floor
Sacramento, CA 95818
Phone: 916-556-3477
Fax: 916-446-4519
E-mail: ssalim@cmhda.org

Mission

The general purpose of the Association is to ensure the accessibility of quality, cost-effective, culturally competent mental health care for the people of the State of California, and to provide the leadership, advocacy and support to county and city mental health programs for quality care necessary to meet our vision and values for the public mental health system.

We're on the Web:
www.cmhda.org

Baby On Board



Hey - being a newborn baby is hard work!

We are proud to announce that Heather Anders, our System of Care Liaison has given birth to a beautiful baby boy. James Aaron Anders was born on Friday, July 1st at 7:36 a.m. measuring in at 22 inches long and weighing 7 lbs. 6 ozs. Congratulations to Heather and her husband Chuck Anders, who works for United Advocates for Children of California.

Hmm, what should I do next to get my mom's attention?

