

Date of Hearing: May 11, 2022

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Chris Holden, Chair

AB 1859 (Levine) – As Introduced February 8, 2022

Policy Committee: Health Vote: 11 - 2

Urgency: No State Mandated Local Program: Yes Reimbursable: No

**SUMMARY:**

This bill requires a health care service plan (health plan) or a health insurance policy issued, amended or renewed on or after January 1, 2023, that includes coverage for mental health services to, among other things, (1) approve the provision of mental health services for persons who are detained for 72-hour treatment and evaluation under the Lanterman-Petris-Short (LPS) Act and (2) schedule an initial outpatient appointment for that person with a licensed mental health professional on a date that is within 48 hours of the person's release from detention. This bill prohibits a noncontracting provider of covered mental health services from billing such an enrollee or insured more than the cost-sharing amount the enrollee or insured would pay to a contracting provider for those services.

**FISCAL EFFECT:**

- 1) Costs of \$2,000 in fiscal year (FY) 2022-23 and \$12,000 in FY 2023-24 to the California Department of Insurance, to review insurance policies for compliant language (Insurance Fund).
- 2) Costs of approximately \$200,00 per year in FY 2022-23 and FY 2023-24, and in the low-to-mid hundreds of thousands of dollars annually thereafter, to the Department of Managed Health Care to review Evidence of Coverage documents, provider contracts and other health plan documents for compliance with the requirements of this bill and to address enrollee complaints (Managed Care Fund).
- 3) The California Health Benefits Review Program (CHBRP) estimates this bill will increase total net annual expenditures by approximately \$1.6 million, or approximately 0.001%, for enrollees with health plans or health insurance policies. A very small, unknown percentage of this cost would be incurred by the state for its share of cost in Covered California plans.

**COMMENTS:**

- 1) **LPS Act.** The LPS Act provides for involuntary commitment for varying lengths of time for the purpose of evaluation and treatment, provided certain requirements are met. Typically an individual first interacts with the LPS Act through what is known as a 5150 hold, which allows a peace officer or other authorized individual to commit a person for an involuntary detention of up to 72 hours for evaluation and treatment if they are determined to be, as a result of a mental health disorder, a threat to self or others, or gravely disabled. The peace officer or other authorized individual who initially detains the individual must determine and

document that the individual meets this standard.

Outpatient follow-up care after a 5150 depends largely on where the patient is discharged and whether that patient was undergoing treatment for a mental health condition prior to hospitalization. Patients discharged from an inpatient psychiatric hospital may have faster access to outpatient follow-up care because they are already connected to a mental health provider network; similarly, patients are more likely to get an appointment within 48 hours if they already have an established treatment relationship with a mental health professional. Patients who do not meet these two conditions are often instructed to schedule appointments with mental health providers and are sometimes assisted by hospital navigators, but must often wait 30 to 60 days for an available appointment.

2) **Purpose.** According to the author:

After a 72-hour involuntary hospitalization, the process of obtaining follow-up care is often frustrating and complicated for the discharged person, who often is still experiencing significant mental anguish and is ill-equipped to take necessary steps to obtain follow-up care. Although there is currently no mandated standard of care after a 5150 hold, prompt follow-up with outpatient mental health providers after discharge from a psychiatric hospitalization is critical for maintaining continuity of treatment and preventing repeat hospitalizations...According to [CHBRP], 24% of enrollees who had a 72-hour hold have a follow-up visit within 48 hours of the hold, and 37% have no follow-up visit within 90 days.

3) **Mental Health Workforce Supply in California.** CHBRP notes that coverage does not guarantee access to care for mental health or substance used disorders. Access is also affected by the supply of providers. Among people with mental health disorders who were seeking care, lack of provider access is a key reason cited for unmet need. CHBRP cites a 2018 study that reported California had 80,000 behavioral health professionals in 2016 who were disproportionately distributed across the state, as measured by per capita ratios. The study projected that “California will have 50% fewer psychiatrists than will be needed to meet both current patterns of demand and unmet demand for behavioral health services. California will have 28% fewer psychologists and other licensed mental health professionals to meet both current patterns of demand and unmet demand for behavioral health services” by 2028 (Coffman et al., 2018).

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