
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair
2021 - 2022 Regular Session

AB 988 (Bauer-Kahan) - Mental health: 988 crisis hotline

Version: June 16, 2022

Urgency: Yes

Hearing Date: August 1, 2022

Policy Vote: G.O. 12 - 0, HEALTH 10 - 0

Mandate: Yes

Consultant: Janelle Miyashiro

Bill Summary: AB 988 establishes the Miles Hall Lifeline Act, which establishes a 988 Crisis Hotline Center for the purpose of connecting individuals experiencing a mental health crisis with suicide prevention and mental health services, as specified; establishes a 988 surcharge to fund crisis services; requires the Office of Emergency Services to ensure that designated 988 centers utilize technology that allows for transfers between 988 centers as well as between 988 centers and 911 public safety answering points; and requires the California Health and Human Services Agency to designate a 988 center to provide crisis intervention services and crisis care coordination to individuals accessing 988.

Fiscal Impact: The Office of Emergency Services (OES) anticipates approximately \$55.6 million in annual revenue from the monthly surcharge of \$0.08 per access line, to be deposited into the 988 State Mental Health and Crisis Services Special Fund. Revenue from the surcharge will offset, to some extent, OES's stand-up and administrative costs, which include:

- One-time costs of approximately \$35 million for information technology equipment and services.
- Ongoing annual costs of approximately \$31.5 million to implement and administer the program.

Unknown, likely significant fiscal impact to the California Health and Human Services Agency (CHHS) to among other things, designate centers and create the 988 system implementation plan, convene the working group, and administer the program.

The California Department of Tax and Fee Administration (CDTFA) anticipates:

- Implementation costs of approximately \$50,000 to \$250,000.
- Beginning in FY 2023-24, ongoing administrative costs of approximately \$445,000.

The California Department of Insurance (CDI) estimates costs of \$377,000 in FY 2021-22, \$902,000 in FY 2022-23, and \$679,000 ongoing to coordinate with CHHS and the Department of Managed Health Care to develop a guidance and adopt regulations (Insurance Fund). CDI does not anticipate these costs to be absorbable.

The bill appropriates \$8,035,700 from the General Fund to the 988 State Mental Health and Crisis Services Fund to cover the state's first year of administrative costs and to fund the designated 988 centers to support the first year of their implementation of the 988 system.

Background: The National Suicide Hotline Designation Act (NSHD) of 2020 designated 988 as the new three-digit number for the national suicide prevention and mental health crisis hotline. Specifically, the NSHD requires the Federal Communication Commission (FCC) to designate 988 as the universal telephone number for a national suicide prevention and mental health crisis hotline, which operates through the National Suicide Prevention Lifeline (NSPL) Network.

To adequately fund the 988 system, the NSHD authorizes states to impose a fee on access lines for providing 988 related services. In the California Emergency Telephone User Surcharge Act, an access line is defined as a wireline communication service (landline), a wireless communication service line (cell phones), and Voice over Internet Protocol (VoIP). Revenue from the fee must be held in a designated account to be spent only in support of 988 services, and the FCC must submit an annual report on state administration of these fees. The fees may only be spent on (1) ensuring the efficient and effective routing of calls made to the 988 suicide prevention and mental health crisis hotline to an appropriate crisis center; (2) personnel; and, (3) the provision of acute mental health crisis outreach and stabilization by directly responding to the 988 national suicide prevention and mental health crisis hotline.

Proposed Law:

- Establishes the “Miles Hall Lifeline and Suicide Prevention Act.”
- By July 16, 2022, requires the OES to ensure that designated 988 centers utilize technology that allows for transfers between 988 centers and 911 public safety answering points (PSAPs).
- No later than 90 days after the passage of the Act, requires OES to:
 - Appoint a 988 crisis hotline system director to implement and oversee the administration of the program.
 - Establish and convene a State 988 Technical Advisory Board for the purposes of advising OES on:
 - The development of technical and operational standards for the 988 system that allow for coexistence with California’s 911 system.
 - The creation of standards for 988 operators to process and dispatch the necessary mental health response and when to transfer into the “911” PSAPs, and vice versa.
- Requires the Board to meet at least quarterly until December 31, 2028, and authorizes the Board to be disbanded after that time at the discretion of OES.
- By July 1, 2024, requires OES to ensure interoperability between and across crisis and emergency response systems used throughout the state, including 911, emergency services, behavioral health crisis services, and other nonbehavioral health crisis services. Requires OES to consult with the NSPL and the Substance Abuse and Mental Health Services Administration on any technology requirements for 988 centers.

- By July 16, 2022, requires the CHHS to designate a 988 center to provide crisis intervention services and care coordination to individuals accessing 988.
- Requires each 988 center to do all of the following:
 - Meet federal Substance Abuse and Mental Health Services Administration requirements and national best practices guidelines for operational and clinical standards, as specified.
 - Maintain and active agreement with the administrator of the NSPL for participation within the network.
 - Comply with state technology requirements for the operation of 988.
- No later than 90 days after the passage of the Act, requires CHHS to appoint a 988 crisis services director and appoint and convene a state 988 policy advisory group.
- Requires the advisory group to meet at least quarterly until December 31, 2028, and authorizes the group to be disbanded after that time at the discretion of CHHS.
- By December 31, 2023, requires the CHHS to create a five-year implementation plan for the 988 system that includes specified components.
- Requires the five-year plan to include:
 - A state governance structure of the 988 system.
 - Standards of care for call centers, mobile crisis teams, and behavioral health crisis services.
 - Metrics for evaluating the 988 system.
 - A framework for local implementation of statewide 988 policies, regulations, and guidelines for the coordination of the 988 crisis response system across 988 call centers, 911, county behavioral health, public health, first responders, law enforcement agencies, and other relevant entities.
 - Procedures for determining the annual operating budget for the purposes of establishing the rate of the 988 surcharge and how revenue will be dispersed to fund the 988 system.
 - Strategies for ensuring that the 988 crisis response system is adequately funded, including mechanisms for reimbursement of behavioral health emergency or crisis response.
- Establishes the 988 State Mental Health and Crisis Services Special Fund, consisting of revenue generated by the 988 surcharge; appropriations made by the Legislature; grants and gifts, interest, premiums, gains, or other earnings; and money from any other source deposited in or transferred to the Fund.

- Authorizes federal funds payable directly to the state by the Substance Abuse and Mental Health Services Administration to implement 988 be made directly to the Fund.
- Provides that money in the Fund is subject to all of the following:
 - Money shall not revert at the end of any fiscal year and shall remain available for the purposes of the Fund in subsequent state fiscal years.
 - Money shall not be subject to transfer to any other fund or to transfer, assignment, or reassignment for any other use or purpose unless specified.
 - Money in the Fund shall be available, upon appropriation by the Legislature.
- Requires all revenue generated by the 988 surcharge:
 - Only be expended for the operations of the 988 center and mobile crisis teams and be prioritized to fund the 988 centers first and the operation of the mobile crisis teams second.
 - Be used to supplement and not supplant federal, state, and local funding for mobile crisis services and crisis receiving and stabilization services as calculated in the 2019–20 fiscal year.
 - Be used to fund service and operation expenses that are not reimbursable through federal Medicaid match, Medicare, health care service plans, or disability insurers.
- Authorizes the OES to adopt regulations regarding the process for counties to receive funds. Requires the OES to require entities seeking funds to annually file an expenditure and outcomes report with information.
- Beginning January 1, 2023, creates a 988 surcharge on each access line for each month or part thereof for which a service user subscribes with a service supplier.
 - Sets the 988 surcharge for the 2023 and 2024 calendar year at \$0.08 per access line per month and, for years beginning January 1, 2025, at an amount based on a specific formula, but no greater than \$0.30 per access line per month.
- Makes various conforming changes throughout the Emergency Telephone Users Surcharge Act to provide authority for OES to implement the surcharge for 988 in addition to 911.
- Adds the Mental Health Services Oversight and Accountability Commission and the State Department of Public Health in the list of entities OES must send the summary of the calculation of the proposed surcharge to.
- Requires all amounts of the 988 surcharge collected to be spent for specified purposes. Before funds are dispersed, requires the funds to be used to pay authorized refunds and the CDTFA's and OES's administrative costs.

- Appropriates \$8,035,700 from the General Fund to the 988 State Mental Health and Crisis Services Fund to cover the state's first year of administrative costs and to fund the designated 988 centers to support the first year of their implementation of the 988 system.
- Establishes definitions.
- States the measure is an urgency statute necessary to provide public safety resources as quickly as possible.
- Declares codified Legislative findings that to enable public agencies to implement the 988 hotline required by the provisions of the Act, it is necessary that a surcharge be imposed upon access lines purchased by every person in the state for access to the 988 crisis hotline.
- Declares uncodified Legislative intent as follows:
 - To implement the NSHD Act of 2020, in compliance with the Federal Communication Commission's rules designating "988" as a three-digit number for the National Suicide Prevention Hotline to assure all persons residing in and visiting the State of California have access to the "988" suicide prevention and behavioral health crisis hotline and care 24 hours per day, seven days per week.
 - The 988 system in California operate as an emergency suicidal, mental health, and substance use disorder crisis system that provides compassionate, appropriate, and easily accessible care to reduce unnecessary hospitalizations and arrests.
 - By July 16, 2022, the congressionally established go-live date for the 988 number nationwide, 988 centers will be designated by the CHHS and prepared to receive and respond to the anticipated 125-percent rise in call volume in the first year of operation of 988. To ensure the success of this transition, the OES and the CHHS will provide call centers with necessary technology, financing, and guidelines by July 16, 2022.
 - By December 31, 2023, the CHHS and the OES will develop a plan for the statewide coordination of 988, 911, and county behavioral health crisis services, including mobile crisis teams. The plan will be based on a five-year implementation plan that includes a landscape analysis of existing services and describes how to expand, improve, and link services to fully implement this act by January 1, 2029.

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