

Date of Hearing: July 2, 2024

ASSEMBLY COMMITTEE ON APPROPRIATIONS
Buffy Wicks, Chair
SB 26 (Umberg) – As Amended January 11, 2024

Policy Committee: Health Vote: 16 - 0

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

SUMMARY:

This bill establishes, upon appropriation, the Community Assistance, Recovery, and Empowerment (CARE) Scholarship Program to provide an annual scholarship for the purpose of increasing the number of culturally competent, licensed behavioral health practitioners to implement the CARE Court program.

Specifically, this bill:

- 1) Establishes the CARE Scholarship Program in the Department of Health Care Access and Information (HCAI) and requires HCAI to administer an annual scholarship for the purpose of increasing the number of culturally competent licensed marriage and family therapists (LMFTs), clinical social workers (LCSWs), professional clinical counselors (LPCCs), and psychologists needed to work for county behavioral health agencies to implement the CARE Act.
- 2) Requires HCAI to develop requirements to implement the scholarship program and to post information about the program on its website.
- 3) Requires a scholarship applicant be pursuing an appropriate degree program and to agree to work for a county behavioral health agency in support of the county's CARE Act needs for at least three years upon licensure.
- 4) Conditions the program on an appropriation by the Legislature.

FISCAL EFFECT:

HCAI anticipates cost pressures of an unknown amount, likely several million dollars, to develop and establish the scholarship program (General Fund). HCAI estimates 5% of the amount appropriated will be needed for state administration if HCAI uses the framework of an existing grant program to implement the CARE Scholarship Program. If HCAI must create a new grant program, HCAI estimates needing 6% to 10% of the funds appropriated to the grant program for administration.

According to the Legislative Analyst's Office, the General Fund faces a structural deficit in the tens of billions of dollars over the next several fiscal years.

COMMENTS:

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

SB 1338 (Umberg 2022) created the CARE Act (also known as CARE Court) as a response to the urgent need for innovative solutions for individuals who are suffering with untreated schizophrenia spectrum and psychotic disorders, often unhoused in our communities, and who face high risks for repeated hospitalization, incarceration, institutionalization, mental health conservatorship, and premature death. However, it is well-documented that there is a significant shortage of behavioral healthcare professionals in California. The shortage of professionals in this space, that was apparent before the passage of CARE Court, has hindered prompt medical treatment for many Californians. Therefore, SB 26 aims to further support the CARE Act's implementation by creating the CARE Scholarship fund. This program would provide annual scholarships to individuals pursuing a degree in behavioral health if they agree to work for the CARE program in county behavior health agencies. This scholarship would help financially support and incentivize a new workforce to effectively implement the CARE Act and mend California's mental health, substance abuse, and homelessness crises.

2) **Background.**

CARE Court. CARE Court was developed to help connect a person in crisis with a court-ordered care plan for up to 12 months, with the possibility to extend the plan for an additional 12 months. The CARE Court framework provides individuals with culturally, linguistically, and clinically appropriate, community-based services and supports that may include short-term stabilization medications, wellness and recovery supports, connection to social services, and a housing plan. The California Health and Human Services Agency's website states CARE Court is an upstream diversion to prevent more restrictive conservatorships or incarceration, based on evidence that demonstrates many people can stabilize, begin healing, and exit homelessness in less restrictive, community-based care settings.

The first cohort of counties to implement CARE Court includes Glenn, Orange, Riverside, San Diego, Stanislaus, and Tuolumne, and the City and County of San Francisco, beginning no later than October 1, 2023. The remainder of the counties in the state are required to begin implementing CARE Court no later than December 1, 2024, unless a county is provided additional time due to a state or local emergency. All counties must implement CARE Court by December 1, 2025.

HCAI Health Workforce Programs. HCAI administers several scholarship and loan forgiveness programs that provide financial assistance for health care professionals in exchange for working in underserved areas of California, and provides funds to institutions that train health professionals to provide health care in California's medically underserved areas. For example, the Workforce, Education, and Training Program funds stipends, mental health loan assumption, education capacity, consumer and family member employment, and regional partnerships. The Licensed Mental Health Services Provider Education Program (LMH Program) provides scholarships and loan repayments to health professional students and graduates who provide direct patient care.

Author's Budget Request. The author requested \$10 million in the budget for this bill; however, the budget agreement includes no such funding.

Analysis Prepared by: Allegra Kim / APPR. / (916) 319-2081