



State of California—Health and Human Services Agency
Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

August 4, 2021

The Honorable Joaquin Arambula
Member of the Assembly
State Capitol, Room 5155
Sacramento, CA 95814

Assembly BILL 451 (AS INTRODUCED February 8, 2021) – OPPOSE

Dear Assemblymember Arambula:

The Department of Health Care Services (DHCS) must inform you of its opposition to AB 451.

AB 451 would require a psychiatric unit within a general acute care hospital, a psychiatric health facility (PHF), or an acute psychiatric hospital that has accepted a person for the purpose of determining the existence of a psychiatric medical emergency condition, to provide emergency services and care to treat that person, regardless of whether the facility operates an emergency department, if specified criteria are met. These requirements would not apply to a state psychiatric hospital.

AB 451 would require DHCS-licensed PHFs with open beds to provide emergency services and care to treat a person with a psychiatric emergency medical condition, regardless of whether they are Medi-Cal beneficiaries. Counties build and operate PHFs with 16 beds or less specifically for the Medi-Cal beneficiary population in order to be able to claim Federal Financial Participation (FFP). DHCS is concerned that this bill would limit access to these services for Medi-Cal beneficiaries, since these PHFs have limited beds. Additionally, because 16 patient beds is the maximum amount allowed in PHFs in order to achieve FFP, if a facility chose to add additional beds to ensure adequate beds are available, it would trigger the federal Institutions for Mental Disease (IMD) exclusion. This IMD exclusion would disallow FFP, which may trigger Proposition 30 protections, requiring the state to bear the increased county costs associated with the requirements of AB 451. Although the resources obtained in the 2021-22 final budget for the Behavioral Health Infrastructure proposal will help to resolve the shortage of beds, the proposal will take time to institute, and DHCS is concerned that this bill would compromise beneficiary access in the meantime, and potentially put DHCS at risk of being found to be noncompliant with CMS' requirement that beneficiaries have adequate access to mental health services.

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It is for these reasons that DHCS must oppose AB 451. If you have any questions, please contact me at (916) 440-7500.

Sincerely,

O/S by Carol Gallegos

Carol Gallegos
Deputy Director

cc: Chair and Members, Senate Health Committee
Senate Democratic Caucus
Assembly Democratic Caucus
Assembly Floor Analysis