

**California Department of Health Care Services
Proposed Trailer Bill Language**

Children’s Psychiatric Residential Treatment Facility (AB 2317)

FACT SHEET

Issue Title: Children’s Psychiatric Residential Treatment Facility (AB 2317). The Department of Health Care Services (DHCS) is proposing to clean up the statute governing Psychiatric Residential Treatment Facility (PRTFs) to align interdisciplinary team member requirements with federal statutes and make other technical changes.

Background: In 2022, Governor Newsom signed AB 2317 (Ramos, Chapter 589, Statutes of 2022), which: 1) establishes PRTFs as a new category of residential health facilities licensed by DHCS; 2) defines “psychiatric residential treatment facility” as a licensed health facility, operated by a public agency or private organization, with a provider agreement with a state Medicaid agency, that provides inpatient services to individuals under 21 years of age in a nonhospital setting; and 3) requires DHCS in collaboration with the California Department of Social Services and other stakeholders to establish regulations and certifications consistent with Medicare and Medicaid regulations to maximize federal financial participation (FFP), as specified. Additionally, AB 2317 required PRTFs to conform with existing laws pertaining to aftercare plans, confidential information sharing, background checks, seclusion and restraint, serious and unusual occurrences, and judicial review of placement of patients in PRTFs.

Although DHCS is moving forward with implementation, some of the bill’s provisions relating to interdisciplinary team member requirements are inconsistent with federal regulations, which risks jeopardizing FFP.

Justification for the Change: DHCS is proposing cleanup language related to the PRTF interdisciplinary team members to align with federal statute and other technical changes.

AB 2317 added the following professions, in addition to what is currently required by federal law, a licensed vocational nurse and a mental health professional who has a master’s degree in psychology, marriage and family therapy, nurse practitioner, social work, or counseling to the list of individuals, one of whom, must be included on the interdisciplinary team, which is inconsistent with federal regulations (Title 42, Code of Federal Regulations Section 441.156 (c) and (d)). DHCS is also concerned with the inclusion of a mental health professional, as it differs from the Centers for Medicare and Medicaid Services’ requirements and the definitions of particular professional disciplines. DHCS proposes to align the composition and credentials of the interdisciplinary team members with federal regulations and CMS requirements (Uncodified Section 1 of Chapter 589, Statutes of 2022 and Welfare and Institutions Code (WIC) Section 4081(h)).

DHCS also proposes to make the following technical changes:

- Correct cross reference from subdivision (v) to apply to the entire section relating to licensing facilities serving individuals under the age of 21 (WIC Section 4081(v)(4)(B)).
- Correct cross reference from subdivision (v) to subdivision (w), which specifies the Department's bulletin authority (WIC Section 4081(n)(2) and (n)(3)).
- Correct cross reference from subdivision (o) to subdivision (p) to specify the enforcement actions that a facility may appeal (WIC Section 4081(r)).
- Correct chaptering issue from AB 204 (Committee on Budget, Chapter 738, Statutes of 2022). These provisions are necessary for DHCS' licensing and monitoring responsibilities, as well as, to ensure that confidential records can be released to social workers and probation officers for individuals in the child welfare system for care coordination purposes (WIC Section 5328(a)(1)(A) and (B), (a)(4)(A) and (B), (a)(12)(A), (a)(20)(B)(vii) and (a)(28)).

Summary of Arguments in Support:

- Aligns the makeup of the interdisciplinary team with federal statute.
- Corrects chaptering issues from the 2022 legislative session.

BCP # and Title: 4260-077-BCP-2023-GB Children's Psychiatric Residential Treatment Facilities (AB 2317)