June 9, 2017

Assembly Member Reginald Jones-Sawyer
State Capitol, Room 4126
Sacramento, CA 95814

Re: AB 1250 Counties and cities: contracts for personal services. OPPOSE UNLESS AMENDED

Dear Assembly Member Jones-Sawyer:

The California Council of Community Behavioral Health Agencies (CCCBHA) is very concerned about the behavioral health provisions in your AB 1250.

CCCBHA is a statewide association of county funded non-profit community agencies dedicated to the proposition that the people of California deserve a rational, comprehensive, community-based behavioral health system that is adequately funded to serve all those in need of services. We are their voice at the Capitol and with state agencies, and work to ensure that state and county programs support integrated services for children, youth, adults and the elderly which includes physical health, behavioral health, housing, social services, education, substance abuse services and vocational rehabilitation.

AB 1250 would establish specific standards for the use of personal services contracts by counties and cities which would have huge unintended effects on our public mental health system and would probably put most of our agencies our business.

It would allow a county or county agency, or a city or city agency, to contract for personal services currently or customarily performed by employees only when specified conditions are met, which limits contracting out to situations of dramatic cost savings that don’t include all of the contracts savings all of county operated costs. Other criteria would make it almost impossible for a county to ever justify contracting out any service which is considered to be customarily or currently provided by counties. The provision to avoid the displacement of county or city workers would often result in much less qualified individuals providing very specialized services requiring very specialized expertise.

This bill would result in an upheaval of our county mental health systems and cause harm to those who need the help of our community behavioral health agencies who currently are contracted for the bulk of these services.
Much of the public mental health system and related health and human service programs require integration of funding from multiple sources, which have often been found to be much more effectively delivered by private providers than direct operation by counties.

It probably would lead to increased hospitalizations homelessness and incarcerations and could result in hundreds of millions of dollars in state-mandated reimbursable costs.

For as long as we can remember two thirds of community mental health services have been contracted out to private providers and one third provided directly by counties. This status quo is reinforced by section 5652.5 of the Welfare and Institutions code which provides that county should not start programs of their own when there are available private providers offering services of at least comparable quality and cost. The section also provides conversely that the county should not contract out for new services when there are county operated programs of comparable quality and cost. This is a fair and balanced approach to determining when services should be contracted out and when they should be provided by a county.

On the other hand AB 1250 seems to prohibit contracting out of the services regardless of how much more effective they might be when done by the dozens of community providers, many of whom have award-winning programs representing the state-of-the-art in care for children with serious emotional disturbances in adults and older adults with severe mental illnesses.

We are strongly opposed to this bill in any form in which it could be applied to these types of vital community providers.

Please contact Rusty at 916-205-7777 or rusty@selix.net if we can assist with the passage of your bill.

Sincerely,

Rusty Selix
Director of Policy and Advocacy
Legislative Representative

CC:  Senate Governance and Finance Committee:
Mike McGuire, Committee Chair, Room 5064
Jim Beall, Room 5066
Ed Hernandez, O.D., Room 2080
Robert Hertzberg, Room 4038
Ricardo Lara, Room 5050
John Moorlach, Room 2048
Janet Nguyen, Room 3048

Paul Curtis
Executive Director