

AB 1316 (Irwin and Ward)

Emergency Services: Psychiatric Emergency Medical Conditions

SUMMARY

Sponsored by the California Hospital Association, [Assembly Bill \(AB\) 1316](#) would help ensure that Medi-Cal managed care plans reimburse hospitals for emergency department care provided to Medi-Cal beneficiaries experiencing a mental health crisis. AB 1316 would also ensure people who need access to a mental health inpatient hospital bed can be transferred promptly to the most appropriate care setting, even if they are on an involuntary hold.

BACKGROUND

Hospitals are caring for a significant and growing number of people in mental health crisis. Behavioral health care needs have never been greater for health care workers, families, and children, especially those in ethnic and minority communities that have been disproportionately hard hit by COVID-19. Economic insecurity, social isolation, health concerns, and the strain of caring for others or working on the front lines all have taken a toll. Nationwide, visits to emergency departments due to a mental health crisis have climbed by 24% for children ages 5 to 11 and by 31% for those 12 to 17.

Unfortunately, individuals with a mental health crisis often remain in the emergency department much longer than others.

A recent state [study](#) showed that **24 California counties have no inpatient psychiatric beds today** and at least 480 more beds are needed to meet statewide needs. It's not uncommon for people in mental health crisis to languish in hospital emergency departments for days or even weeks while waiting for an inpatient bed to become available.

Emergency departments typically lack mental health staff, expertise in psychiatric medications, and physical environments conducive to stabilizing a mental health crisis. While the shortage of inpatient psychiatric beds is one part of the problem, a second — and no less pressing problem — is that hospitals and counties are often forced to wait to transfer a patient to a more appropriate care setting because the person is on an involuntary psychiatric hold (5150).

In some communities, the county mental health department manages the transfer process for patients on a hold, and in other cases, the hospital manages it. Hospitals report that it can take disproportionately longer when waiting for the county to find an inpatient psychiatric bed than it does when the hospital is able to make transfer arrangements.

AB 1316 would clarify that hospital emergency departments should transfer patients in crisis to accepting inpatient psychiatric hospitals, regardless of whether a person is on an involuntary hold.

The second component of AB 1316 would make it clear that Medi-Cal managed care plans bear full responsibility for emergency department services provided to their beneficiaries experiencing a mental health crisis. This provision of the bill codifies the Department of Health Care Services' (DHCS) [No Wrong Door for Mental Health Services](#) guidance, issued in March 2022.

The DHCS guidance states that Medi-Cal managed care plans must cover and pay for hospital claims for emergency department facility and professional services. In contrast, the current contracts that managed care plans have with the state limit the plans' responsibility when an emergency department visit results in an inpatient psychiatric hospitalization or when the services are provided by a mental health professional. The conflicts between the guidance and the contracts create confusion resulting in hospitals not being fully reimbursed for emergency care provided to Medi-Cal beneficiaries in psychiatric crisis.

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