

CA POLICY BRIEF October 2010

AB 3632 County Mental Health Funding Suspended

On October 8, 2010, Governor Arnold Schwarzenegger signed the overdue 2010-11 California Budget Bill and line item vetoed approximately \$133 million intended to fund AB 3632 mandated services.

AB 3632 is a state program which mandates county mental health departments to provide mental health services for eligible special education students.¹

Shifting Responsibility to Schools

With the AB 3632 mandate and associated funding suspended, counties will no longer be required to provide mental health services to special education students through June 30, 2011.

In areas where the county mental health department stops providing AB 3632 services, school districts will become responsible for ensuring that mental health services outlined in Individualized Education Plans (IEPs) are provided.² The potential for increase in associated service costs and demand will no doubt pose strong challenges for school districts already crippled by insufficient budgets.

Does this Affect School-Based Medicaid Billing?

No. Aside from a potential increase in reimbursable services and outreach, **the suspension of AB 3632 does not impact** mental health related LEA Billing services or allowable MAA program activities.

Legal Challenge

Not long after the budget was signed, a lawsuit was filed against the state by Disability Rights California, Mental Health Advocacy Services and the law firm Gibson, Dunn & Crutcher. The lawsuit alleges that suspending funding for the AB 3632 mandate violates the Individuals with Disabilities Act and the Americans with Disabilities Act.

Resources for Additional Information

Paradigm HealthCare Services directs clients interested in more information to the following sources:

CMHDA. The [California Mental Health Directors Association](#) is a nonprofit advocacy association representing the mental health directors from each of California's 58 counties.

DRC. [Disabilities Rights California](#) is a nonprofit closely monitoring AB 3632 developments, including [press coverage of the ongoing lawsuit](#).

¹ AB 3632, initiated in 1984, is located in Chapter 26.5 of Division 7, Title 1, of the California Government Code

² Under the federal Individuals with Disabilities Education Act (IDEA), if an agency other than an LEA fails to provide or pay for necessary special education and related services for an eligible student, the LEA must provide or pay for these services

