

Date of Hearing: April 4, 2017

**ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS**

Rudy Salas, Chair

AB 1188 (Nazarian) – As Introduced February 17, 2017

***NOTE:** This bill is double referred and if passed by this Committee, it will be referred to the Assembly Committee on Health.*

***NOTE:** This bill adds an urgency clause.*

**SUBJECT:** Health professions development: loan repayment.

**SUMMARY:** Increases from \$10 to \$ 20 the additional license renewal fee collected by the Board of Psychology (BOP) from licensed Psychologists and by the Board of Behavioral Sciences (BBS) from Licensed Marriage and Family Therapists (LMFTs) and Licensed Clinical Social Workers (LCSWs) for the Licensed Mental Health Service Provider Education Program ; adds LPCCs to the definition of "licensed mental health service provider" for participation in the Licensed Mental Health Service Provider Education Program (Loan Program); and requires the BBS to collect the additional \$20 licensure renewal fee from Licensed Professional Clinical Counselors (LPCCs).

**EXISTING LAW:**

- 1) Establishes the licensing and renewal fees, by the BOP, for licensed psychologists and applicants for licensure, as specified. (Business and Professions Code (BPC) Section 2987)
- 2) Requires the BOP to collect an additional \$10 fee at the time of a licensee's renewal, which is transferred to the Controller for deposit in the Mental Health Practitioner Education Fund. (BPC Section 2987.5)
- 3) Establishes the licensing and renewal fees for LMFTs, LCSWs, and LPCCs, as specified. (BPC Sections 4984.7, 4996.3, and 4999.120).
- 4) Requires the BBS to collect an additional \$10 fee at the time of a licensee's renewal, which is transferred to the Controller for deposit in the Mental Health Practitioner Education Fund. (BPC Sections 4984.75, 4996.65)
- 5) Establishes the Licensed Mental Health Service Provider Education Program within the Health Professions Education Foundation. (Health and Safety Code (HSC) Section 128454(a))
- 6) Defines "Licensed Mental Health Service Provider" to mean a psychologist licensed by the BOP, a registered psychologist, postdoctoral psychological assistant, postdoctoral psychology trainee employed in an exempt setting, as specified, or employed pursuant to a State Department of Health Care Services waiver, a LMFT, a MFT intern, a LCSW, and an Associate Clinical Social Worker (ACSW). (HSC Section 128454(1))

- 7) Authorizes any licensed mental health service provider, including a mental health service provider who is employed at a publicly funded mental health facility or a public nonprofit private mental health facility that contracts with a county mental health entity or facility to provide mental health services, who provides direct patient care in a publicly funded facility or a mental health professional shortage area to apply for grants under the Loan Program to reimburse his or her educational loans related to a career as a licensed mental health service provider. (HSC Section 128454(2)(c))

**THIS BILL:**

- 1) Raises from \$10 to \$20 the additional biennial renewal fee for Psychologists, LMFTs, and LCSWs for the Loan Program.
- 2) Requires an LPCC to pay an additional \$20 fee at the time of biennial renewal for the Licensed Mental Health Service Provider Education Program, and adds LPCCs to the definition of "licensed mental health service provider" for the Loan Program.
- 3) Adds an urgency clause in order to address the urgent need for licensed mental health practitioners in medically underserved areas.

**FISCAL EFFECT:** Unknown. This bill is keyed fiscal by the Legislative Counsel

**COMMENTS:**

**Purpose.** This bill is sponsored by the California Association for Licensed Professional Clinical Counselors and the National Association for Social Workers, California Chapter. According to the author, "California and the rest of the nation suffer from shortages of mental health providers. The uneven concentration of existing providers exacerbates the issue particularly for federally designated medically underserved areas. A 2013 Substance Abuse and Mental Health Services Administration report states that recruitment and retention efforts are hampered by inadequate compensation. The report further cites a study that calls for increased attention to incentives, such as loan repayments and forgiveness as a way of successfully recruiting mental health professionals. This bill extends the opportunity for loan repayment assistance, currently available for other licensed mental health service providers, to licensed professional clinical counselors for a commitment to work temporarily in a medically underserved area."

**Background.** AB 938 (Yee), Chapter 437, Statutes of 2003, established the Loan Program. The Loan Program which became operational in 2005, created a loan repayment program for mental health providers employed: 1) in publicly funded mental health facilities 2) in public or nonprofit mental health facilities contracting with a county mental health facility, 3) or as individuals who provides direct patient care in a publicly funded facility or a mental health professional shortage area. Individuals employed as noted above may apply for grants under the Loan Program to reimburse his or her educational loans related to a career as a mental health service provider.

*Medically Underserved Areas.* The Loan Program is administered by the Office of Statewide Health Planning and Development's (OSHPD) Health Professions Education Foundation while the BBS and the BOP collect the fee. According to OSHPD, the Health Professions Education Foundation was established in 1987 to encourage persons from underrepresented communities to

become health professionals and increase access to health providers in medically underserved areas. Supported by grants, donations, licensing fees, and special funds, the foundation provides scholarship, loan repayment and programs to students and graduates who agree to practice in California's medically underserved communities. Medically Underserved Areas or Medically Underserved Populations are based on the evaluation of criteria established through federal regulation to identify geographic areas or population groups based on demographic data.

In order to increase the funding available to mental health professionals practicing in designated shortage areas, this bill will increase the current fee collected during biennial renewals by \$10 to increase the funding available and possibly the number of eligible participants. The current biennial renewal fee for LMFTs is \$140, for LCSWs is \$110 and for LPCCs is \$175. The current \$10 fee charged to LMFTs and LCSWs is in addition to the current renewal fee specified in statute. An awardee may receive up to \$15,000 to repay educational loans over a 24-month period in exchange for a 24-month commitment to practicing and providing direct care in a publicly funded or public mental health facility, a non-profit mental health facility, or a mental health professions shortage area.

*LPCCs.* SB 788 (Wyland), Chapter 619, Statutes of 2009, established the LPCC Act. LPCCs are the newest of the four licensed professional mental health related service providers regulated by the BBS. California was the 50th state to establish licensure for this profession. LPCCs can use a variety of psychological techniques to help their clients, including individual, group, marriage and family therapy. Mental health services are provided in numerous settings including, but not limited to, community mental health clinics, private practice, and hospital settings. LPCCs can be licensed to treat couples, families, individuals and children.

In order to obtain licensure as a LPCC, an applicant who began graduate study on or after August 1, 2012 is required to obtain a master's or doctoral degree from an accredited or approved institution, which covers counseling or psychotherapy in content, and includes supervised practicum in specified content areas. In addition, an applicant must obtain a minimum of 3000 post-degree hours of supervised experience.

The Loan Program was established in 2005, before LPCCs were licensed in California. As a result, LPCCs were not included in the Loan Program and therefore LPCCs are not permitted to access the funds for purposes of loan repayment. This bill adds LPCCs to the definition of "licensed mental health service provider" to authorize qualified individuals to receive benefits of the Loan Program by placing the same additional \$ 20 renewal fee, proposed by this bill, upon LPCCs to participate in the Loan Program. In addition, this bill adds an urgency clause to address the "urgent need for mental health practitioners in medically underserved areas in California".

**Prior Related Legislation.** SB 1204 (Hernández) of 2016, would have increased from \$10 to \$20 the additional licensure renewal fee for Psychologists, LMFTs, and LCSWs, and required the BBS to collect the additional \$20 renewal fee from LPCCs for deposit and participation in the Loan Program and would have increased the license application and renewal charge from \$25 to \$50 for physicians and osteopathic physicians to fund the Steven M. Thompson Physician Corps Loan Repayment Program. *NOTE: This bill was held in the Senate Committee on Business, Professions and Economic Development.*

AB 2543 (Berg) of 2008 would have established the Geriatric and Gerontology Workforce Expansion Act which allows any geriatric service provider, as defined, to apply for grants, on or after January 1, 2010, under the existing Licensed Mental Health Service Provider Education Program to reimburse for educational loans related to a career as a LMFT or intern or LCSW who provides geriatric services, as specified. *NOTE: This bill was vetoed by Governor Schwarzenegger because it would have double-assessed fees for similar programs on the same professions.*

AB 1852 (Yee), Chapter 557, Statutes of 2006, revised the definition of "licensed mental health care practitioner" related to the Loan Program to include a marriage and family therapist intern, associate clinical social worker, a psychologist licensed by the BOP, and a registered psychologist, postdoctoral psychological assistant, or postdoctoral psychology trainee employed in an exempt setting, as specified.

AB 938 (Yee), Chapter 437, Statutes of 2003, established the Licensed Mental Health Provider Education Program, to be developed by the Health Professions Education Foundation after soliciting advice from specified boards and agencies, to provide grants to specified practicing mental health providers in return for service in medically underserved areas. The Loan Program became operational January 1, 2005 and funded by a \$10 surcharge on specified mental health professionals' licensing fees, which would be deposited in the Mental Health Practitioner Education Fund.

#### **ARGUMENTS IN SUPPORT:**

The California Association of Licensed Professional Clinical Counselors writes in support, "On behalf of the California Association for Licensed Professional Clinical Counselors (CALPCC), I am writing in Support of AB 1188 (Nazarian). CALPCC is a Sponsor of this bill which seeks to increase access to mental health care in underserved areas by increasing the funding available for loan reimbursement for mental health professionals to serve in designated underserved areas of the State."

The California Psychological Association writes in support, "CPA supports this legislation as it will double the amount of funds available for psychologists who commit to work in an underserved area. California and the rest of the nation suffer from shortages of mental health providers. The maldistribution of existing providers compounds the issue particularly for federally designated medical underserved areas. Recent studies show the U.S. mental health provider shortage is also made worse by the aging of the psychiatry specialty. Shortages in psychiatry may be considered even more acute than they are in primary care."

The American Association for Marriage and Family Therapy, California Division writes in support, the, [AAMFT-CA] has taken a position of Support on your Assembly Bill 1188, which would increase from \$10 to \$20 the amount each licensed MFT contributes to the Mental Health Practitioner Education Fund as a part of license renewal. It also would add professional clinical counselors to the program."

Mental Health American of Los Angeles writes in support "On behalf of Mental Health American of Los Angeles I am writing in support of [this bill], which seeks to increase access to mental health care in underserved areas by increasing the funding available for loan

reimbursement for mental health professionals to serve in designated underserved areas of the State."

The National Association of Social Workers-California Chapter writes in support, "The National Association of Social Workers, California Chapter (NASW-CA) is a co-sponsor of AB 1188 (Nazarian), which would help alleviate the shortage of mental health providers working in medically underserved areas by shoring up the current Licensed Mental Health Services Provider Education Program (LMHSPEP)."

**ARGUMENTS IN OPPOSITION:**

None on file.

**POLICY ISSUE(S) FOR CONSIDERATION:**

AB 1852 (Yee), Chapter 557, Statutes of 2006, revised the definition of "licensed mental health care practitioner" for the Loan Program to include a marriage and family therapist intern, and an associate clinical social worker. This bill adds LPCCs to the definition of "licensed mental health care practitioner" but does not include LPCC interns. The author may wish to amend the bill as follows to include LPCC interns in the Loan Program.

**AMENDMENTS:**

On page 4, line 2, after *counselor*, insert, *and licensed professional clinical counselor intern*.

**REGISTERED SUPPORT:**

California Association of Licensed Professional Clinical Counselors (sponsor)  
American Association for Marriage and Family Therapy, California Division  
California Psychological Association  
Mental Health America of Los Angeles  
National Association of Social Workers-California Chapter

**REGISTERED OPPOSITION:**

None on file.

**Analysis Prepared by:** Elissa Silva / B. & P. / 916-319-3301