

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Administrative Office	(2) MEETING DATE 8/26/2014	(3) CONTACT/PHONE Emily Jackson/ 781-5011	
(4) SUBJECT Request to approve a three year contract (August 26, 2014 through August 25, 2017) with Transitions Mental Health Association in a total amount of \$1,860,098 for housing placement and supportive services for chronically homeless individuals, and authorize a corresponding budget adjustment in the amount of \$578,719 from Social Services Realignment funds to FC 180- Department of Social Services to fund the initial year of the contract. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board: <ol style="list-style-type: none"> <li>1. Approve, and direct the Chairperson to sign, a new three year contract (August 26, 2014 through August 25, 2017) with Transitions Mental Health Association in a total amount of \$1,860,098 for housing placement and supportive services for chronically homeless individuals.</li> <li>2. Authorize a corresponding budget adjustment in the amount of \$578,719 from Social Services Realignment funds to FC 180- Department of Social Services to fund the initial year of the contract. 4/5ths vote required.</li> </ol>			
(6) FUNDING SOURCE(S) Social Services Realignment Funds	(7) CURRENT YEAR FINANCIAL IMPACT \$578,719	(8) ANNUAL FINANCIAL IMPACT Year 1- \$578,719 Year 2- \$633,056 Year 3- \$648,323	(9) BUDGETED? No
(10) AGENDA PLACEMENT { } Consent    { } Presentation    { } Hearing (Time Est. ___) <b>{x}</b> Board Business (Time Est. <u>60 min</u> )			
(11) EXECUTED DOCUMENTS { } Resolutions <b>{x}</b> Contracts    { } Ordinances    { } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001449		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: 1415024 <b>{x}</b> 4/5 Vote Required    { } N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? N/A	(16) AGENDA ITEM HISTORY { } N/A    Date: <u>11/5/2013</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Guy Savage			
(18) SUPERVISOR DISTRICT(S) All Districts			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Emily Jackson, Administrative Analyst

DATE: 8/26/2014

SUBJECT: Request to approve a three year contract (August 26, 2014 through August 25, 2017) with Transitions Mental Health Association in a total amount of \$1,860,098 for housing placement and supportive services for chronically homeless individuals, and authorize a corresponding budget adjustment in the amount of \$578,719 from Social Services Realignment funds to FC 180- Department of Social Services to fund the initial year of the contract. All Districts.

## **RECOMMENDATION**

It is recommended that the Board:

1. Approve, and direct the Chairperson to sign, a new three year contract (August 26, 2014 through August 25, 2017) with Transitions Mental Health Association in a total amount of \$1,860,098 for housing placement and supportive services for chronically homeless individuals.
2. Authorize a corresponding budget adjustment in the amount of \$578,719 from Social Services Realignment funds to FC 180- Department of Social Services to fund the initial year of the contract. 4/5ths vote required.

## **DISCUSSION**

### **Background**

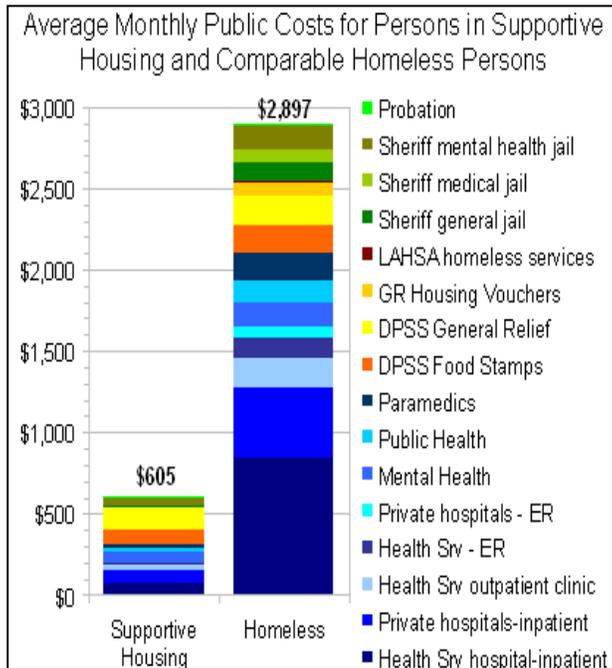
In recent years, increased public attention has been focused on the hardest-to-serve, chronically homeless population, a substantial number of whom are mentally ill. Because it addresses this population and its needs, the "Housing First" approach has emerged as a favored policy in addressing issues of homelessness. In 2009, Congress enacted the Federal Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, which made substantial changes to the US Department of Housing and Urban Development (HUD) - administered McKinney-Vento homeless assistance programs, and emphasized permanent housing programs. The HEARTH Act also strongly encourages Continuum's of Care (CoC) to adopt a "Housing First" approach.

"Housing First" places people into permanent housing and then provides behavioral health treatment, case management, and other services needed to allow the clients to stabilize in place and to maintain their housing. The model does not require people to be well before putting them into housing, nor does it require clients to participate in any services other than case management as a condition of receiving housing. The "Housing First" model is considered by HUD and other federal agencies to be a best practice for ending homelessness among those who have been chronically homeless, because use of this model consistently demonstrates a decreased use of emergency services, criminal justice resources, and many other public services.

A study done in Los Angeles several years ago compared the public costs of 279 matched pairs of high-risk, chronically homeless persons and their counterparts who had been placed in supportive housing. As demonstrated in the graphic on the next page, Los Angeles saw a dramatic difference in public costs for the two groups. When placed in supportive housing, individuals' reliance on various public services decreased substantially, resulting in an average 79% reduction in monthly costs per individual. The findings in Los Angeles demonstrate that housing vulnerable homeless individuals can result in a practical, tangible public benefit.

The 100,000 Homes Campaign is a national effort that emphasizes a “Housing First” approach to housing highly vulnerable, chronically homeless individuals. Communities participating in the Campaign use a Vulnerability Index tool to identify chronically homeless persons who are the most at risk of dying on the streets and then prioritize them for supportive housing. This approach is consistent with the HEARTH Act’s emphasis on permanent housing and HUD’s requirement that communities reserve their most intensive interventions for those most in need. The 100,000 Homes Campaign has been endorsed by HUD and over the past several years, HUD has made policy changes in both its homeless assistance and public and assisted housing programs to encourage more communities to implement the Campaign model.

Last year, the Homeless Services Oversight Council (HSOC) engaged in a strategic planning effort to identify areas for focus in the 10 Year Plan to End Homelessness. The HSOC identified housing as a priority, and voted to join the 100,000 Homes Campaign, consistent with the goals outlined in the 10 Year Plan. An ad-hoc committee of the HSOC has engaged in conducting a needs assessment and developing recommendations in order to begin implementation of the 100,000 Homes Campaign and other key priorities outlined in the 10 Year Plan. The ad-hoc committee set a goal of housing 50 of the most vulnerable, chronically homeless individuals through the application of a locally applied Vulnerability Index.



Based on a review of housing first models in other communities, it is clear that coordinated public-private partnerships are necessary to ensure success. Behavioral health services, public benefits screening and enrollment, and coordination of care are examples of public resources that have been effectively used to support housed individuals. The Housing Authority of San Luis Obispo (HASLO) has committed to set aside up to 50 Housing Choice Vouchers to house the most vulnerable homeless persons. As a partner in the community-wide effort to address homelessness, County staff has worked to identify resources that the County could contribute towards local implementation of the 100,000 Homes Campaign. On November 5, 2013, the Board directed staff to issue a Request for Proposal (RFP) for housing placement and supportive services in support of the local implementation of the 100,000 Homes Campaign.

The Administrative Office developed an RFP with input from representatives from the Department of Social Services, Health Agency, County Planning and Building Department, HASLO, City of San Luis Obispo, and Santa Clara County (which has been very successful in implementing a local version of the 100,000 Homes Campaign model). The RFP was released in early March as directed by County purchasing guidelines, and was distributed to service providers throughout the State. Only one proposal was received by the mid-April deadline. Despite there being a single response, the proposal was extensively reviewed by County staff in the Department of Social Services, Health Agency and Planning and Building Department, as well as staff from the City of San Luis Obispo and HASLO. Transitions Mental Health Association (TMHA) was selected to provide housing placement and supportive services to clients housed under the local 100,000 Homes Campaign program which they have named “50Now.”

TMHA is a community based, private non-profit human services agency. Since 1980, TMHA has developed and operated residential, vocational, and day rehabilitation programs in San Luis Obispo and Northern Santa Barbara Counties for psychiatrically disabled adults, homeless disabled adults, and at-risk youth. TMHA services include Mental Health Services Act (MHSA) Full Service Partnerships and Assertive Community Treatment programs, adult and youth oriented mental health housing and treatment programs, vocational services, older adult programs, homeless services, case management, social rehabilitation programs, three Wellness Centers in San Luis Obispo County, two Recovery Learning Communities in North Santa Barbara County, support groups, public outreach and education, and family advocacy services. TMHA operates the Growing Grounds Farms and Growing Grounds Downtown in San Luis Obispo and the Growing Grounds Farm in Santa Maria, three horticultural businesses that provide the only structured, multi-level vocational training program on the Central Coast for adults with mental illness. The three businesses employ nearly 200 adults annually. In 2010, TMHA assumed operation of the SLO Hotline, a 24-hour suicide prevention and mental health crisis line.

TMHA's philosophical approach to service delivery is to create a supportive, structured environment that is responsive to the needs and preferences of individual clients and their families, focusing on increased self-determination. The emphasis of the many programs run by TMHA is to facilitate the learning of vital independent living skills, and to build a framework for community re-entry through empowerment and experience.

### **50Now Program**

50Now is a comprehensive program which will leverage resources from existing programs in the community to place chronically homeless clients into housing and provide targeted, individualized supportive services to help them maintain housing. TMHA will be the 50Now program lead, but will subcontract with the Community Action Partnership of San Luis Obispo County (CAPSLO), who will assist in providing case management services to clients. In addition to subcontracting with CAPSLO, TMHA will work collaboratively with other homeless serving agencies, including the El Camino Homeless Organization (ECHO), 5Cities Homeless Coalition and Community Health Centers of the Central Coast (CHC), HASLO, and County staff in the Department of Social Services and Health Agency to assure that a continuum of necessary supportive services are provided to clients of the program.

The goal of the 50Now Program is to house 50 of the most vulnerable homeless people in San Luis Obispo County over a period of three years. In following with the 100,000 Homes Campaign model, clients of the 50Now Program will be prioritized for housing using a Vulnerability Index tool which evaluates the mental and physical health conditions and social status of identified individuals. The list of prioritized individuals will be created and maintained by the County. Services will be provided in all regions of the county. The key components of the 50Now Program are as follows:

#### **Housing Placement**

Using Housing Choice Vouchers provided by HASLO, TMHA will place chronically homeless individuals into permanent supportive housing. To the extent possible, individuals will be housed in priority order, based upon their placement on the Vulnerability Index. TMHA will assess individual client needs to make sure that clients are placed into housing environments which offer the greatest opportunity for achieving stability. HASLO will conduct initial site inspections to ensure that housing units meet HUD housing quality standards and TMHA will assure that all costs, including lease costs, move-in costs, and repairs of damage caused by tenants are paid using Housing Choice Vouchers and 'gap funding' included in the program budget. Assuring that costs are covered is key to encouraging local landlords to rent to clients.

#### **Supportive Services**

To assure coordination of services, TMHA will assemble a multi-disciplinary team of service providers to engage and provide supportive services to clients. TMHA will be responsible for coordinating, monitoring, evaluating and adjusting services provided to clients. Supportive services will include both case management and a continuum of indicated health care services. Services will be available 24 hours a day, 7 days a week.

TMHA will work with CAPSLO as a subcontractor to provide case management services which will be based upon the needs of individual clients but may include:

- Visitation- frequency to be determined by client need, but a minimum of one time a week
- Transportation of clients to medical, mental health, legal, social service and other appointments
- Assistance in applying for benefits including State Supplementary Security Income, MediCal, CalFresh (formerly food stamps), In Home Supportive Services. TMHA will be responsible for using the SSI/SSDI Outreach, Access, and Recovery process to help clients obtain disability benefits for which they qualify.
- Assistance in accessing appropriate services.
- Money management, when indicated
- Assistance and training in activities of daily living (ADLs) and instrumental activities of daily living (IADLs).

TMHA will provide assistance and ongoing assessment in the following areas:

- Cooking/feeding
- Dishwashing/laundry/housecleaning
- Grooming/dressing
- Toileting
- Personal hygiene
- Shopping
- Medication management
- Assistance in establishing vocational goals, and provide vocational counseling, referral to appropriate

vocational services, and provide job coaching and support as needed

Health care services will also be based upon the needs of individual clients but may include:

- Psychiatry
- Therapy (for mental illnesses, substance use disorders or co-occurring disorders)
- Medication management
- Recovery-oriented mental wellness supports
- Medical care

County Behavioral Health will provide entitlement services to Medi-Cal or indigent individuals who meet medical necessity criteria for mental health services. The County will also provide drug and alcohol services for Medi-Cal eligibles who are voluntary, or through the County's current court programs.

### **Collaboration with Other Agencies**

A key component of the 100,000 Homes Campaign model is partnership and collaboration between providers to ensure that necessary services are provided to clients. To address this, TMHA will form a stakeholder group consisting of 50Now Program Managers, other homeless service providers, a representative from HASLO, and a representative from the County. The stakeholder group will actively recruit the participation of other regional homeless service partners, and will strengthen and clarify the Program vision throughout operation, and meet regularly to assess progress.

### **Reporting and Documentation**

Due to the significant investment of County funds and other community resources towards this effort, TMHA will closely monitor program progress. Regular program reporting will be done in the County's Homeless Management Information System (HMIS), consistent with reporting for existing homeless service programs within the county. For clients of Behavioral Health, TMHA will use the Anasazi electronic health record system to create progress notes and treatment plans for clients and will work with the County to track and report on the amount of Medi-Cal reimbursement received for services provided to clients of the Program.

TMHA will also use mutually-agreed-upon assessment tools that have been found to be reliable to track individual client progress towards increasing stability. Because clients are to be housed in priority order, TMHA will maintain documentation about the status of individuals prioritized for housing, including information about attempts to engage with individuals and the housing status of each. Since the County will maintain the prioritized list, status information will be made available to the County upon request, as TMHA requests additional names of those individuals prioritized for housing on the Vulnerability Index.

A significant measure of Program success will be the extent to which 50Now clients experience reduced use of public services. TMHA and the County will work together to compare the public costs of individual clients prior to, and after involvement in the 50Now Program. To facilitate this comparison, TMHA will provide quarterly reports to the County which will include data related to:

- Client participation in case management
- Time to get a client into housing from initial engagement
- Where clients go upon exiting housing
- Client sufficiency and stability as measured by mutually-agreed-upon assessment tools
- Client use of community services as measured by incarcerations, citations, arrests, hospitalizations, and use of Psychiatric Health Facility

The proposed contract has an initial three year term, effective upon approval by the Board of Supervisors. Pending successful performance and mutual agreement between the County and TMHA, the contract may be automatically extended for an additional three one year terms. If extended beyond the initial three year term, compensation will be negotiated between the County and TMHA.

### **OTHER AGENCY INVOLVEMENT/IMPACT**

The HSOC voted last year to join the 100,000 Homes Campaign. An ad-hoc committee of the HSOC set a goal of housing 50 chronically homeless people and conducted a communitywide needs assessment to identify needed resources in order to successfully implement the 100,000 Homes Campaign locally.

HASLO has committed 50 Housing Choice Vouchers to this effort to house chronically homeless individuals.

Staff from the Department of Social Services, Health Agency, Planning and Building Department, HASLO, City of San Luis Obispo, and Santa Clara County all assisted in the development of the RFP and evaluation of TMHA's proposal.

Led by TMHA, the 50Now program represents a collaborative effort between regional service providers including CAPSLO, HASLO, ECHO, 5Cities Homeless Coalition, CHC, and the County to serve some of the most vulnerable homeless individuals who are at risk of dying on the streets.

County Counsel has reviewed and approved the contract as to legal form and effect.

## **FINANCIAL CONSIDERATIONS**

The 50Now Program contract has a total County cost of \$1,860,098 over three years. Annual costs are as follows:

- Year 1- \$578,719
- Year 2- \$633,056
- Year 3- \$648,323

The Contract will be funded in the Department of Social Services' budget, using Social Services Realignment funds that the County receives from the State to fund various health and human services programs. The contract will not have any impact on the County's General Fund.

A corresponding budget adjustment in the amount of \$578,719 will fund the initial year of the contract. Funding will be built in to the Department of Social Services' FY 2015-16 and FY 2016-17 budgets to fund subsequent years of the contract

## **RESULTS**

The 50Now Program will house 50 chronically homeless individuals over three years and will provide supportive services to housed individuals to increase their stability and decrease their reliance on public services to reduce community costs. The performance measures for the program are as follows:

TMHA will house 50 chronically homeless individuals in permanent supportive housing for at least one year, over the course of three years. Housing milestones are as follows:

1. Within 9 months- permanently house 17 individuals
2. Within 15 months- permanently house 34 individuals (cumulative)
3. Within 21 months- permanently house 50 individuals (cumulative)

TMHA's services will result in increased client sufficiency and stability as demonstrated by improvement on standardized assessment tools that have demonstrated statistical validity.

1. 50% of successfully housed clients will report improved self-sufficiency via a standardized assessment tool within 12 months of being housed.
2. Housed clients with a history of incarceration will demonstrate a 50% reduction in number of bed days in an incarceration setting, in the first 12 months of being housed compared to the previous 12 months.
3. Housed clients with a history of citations and arrest will demonstrate a 50% reduction in number of citations and arrests, in the first 12 months of being housed compared to the previous 12 months.
4. Housed clients with a history of emergency room (ER) and hospital stays will demonstrate a 50% reduction in number of bed days in ER and hospital settings, in the first 12 months of being housed compared to the previous 12 months.
5. Housed clients with a history of Psychiatric Health Facility (PHF) stays will demonstrate a 50% reduction in number of bed days in San Luis Obispo County PHF, in the first 12 months of being housed compared to the previous 12 months.

6. In the first 12 months, 30 of 50 clients will be screened for case management.
7. In the first 12 months, 30 of 50 clients will be assessed for Affordable Care Act qualifications and apply for benefits if appropriate.
8. 60% of clients housed will remain in housing for at least 6 months.
9. 50% of successfully housed clients will be offered opportunities for educational development, participation in TMHA's Supported Employment Program or other employment opportunities, and/or involvement with peer education activities.
10. In the first 12 months, 60% of clients will increase or maintain income entitlement benefits; in months 13-24, 80% will increase or maintain income (General Assistance, SSI, SSDI, and CalFresh).

## **ATTACHMENTS**

1. 50Now Program Contract with Transitions Mental Health Association