

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

(1) DEPARTMENT Behavioral Health	(2) MEETING DATE 3/8/2016	(3) CONTACT/PHONE Anne Robin, Behavioral Health Administrator 805-781-4719	
(4) SUBJECT Receive and file a report regarding the possible implementation of an Assisted Outpatient Treatment program and submittal of a resolution declaring intent to implement the program in San Luis Obispo County, should the Board choose to effectuate the program. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board: <ol style="list-style-type: none"> <li>1. Receive and file a report regarding the possible implementation of an Assisted Outpatient Treatment program; and</li> <li>2. Approve the attached resolution, should the Board choose to effectuate the program.</li> </ol>			
(6) FUNDING SOURCE(S) Medi-Cal, Mental Health Services Act (MHSA), client rents and grants	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$657,830 (gross)	(9) BUDGETED? No
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input checked="" type="checkbox"/> Board Business (Time Est. <u>40 min.</u> )			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A    Date: <u>9/22/15, 11/24/15</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Morgan Torell			
(18) SUPERVISOR DISTRICT(S) All Districts			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Jeff Hamm, Health Agency Director  
Anne Robin, Behavioral Health Administrator

DATE: 3/8/2016

SUBJECT: Receive and file a report regarding the possible implementation of an Assisted Outpatient Treatment program and submittal of a resolution declaring intent to implement the program in San Luis Obispo County, should the Board choose to effectuate the program. All Districts.

## **RECOMMENDATION**

It is recommended that the Board:

1. Receive and file a report regarding the possible implementation of an Assisted Outpatient Treatment program; and
2. Approve the attached resolution, should the Board choose to effectuate the program.

## **DISCUSSION**

Staff provided the Board with an analysis of Assisted Outpatient Treatment (AOT), otherwise known as Laura's Law, on September 22, 2015. AOT is a process that allows civil courts to order individuals with severe mental illness and a history of arrest or violence to engage in outpatient treatment. The programs include intensive treatment engagement and a range of services including housing and vocational services, similar to the current Full Service Partnership programs.

Eligible individuals include those with mental illness who have a history of non-compliance with treatment that has been a significant factor in being hospitalized or incarcerated at least twice within the last 36 months, or has resulted in one or more acts, attempts, or threats of serious violent behavior within the last 48 months. Based on population estimates, approximately 10-12 people in SLO County would be eligible annually.

After due consideration and discussion in September, the Board directed staff to return with budget and program options for review. On November 24, 2015, staff returned to the Board with a refined budget and service plan. At the conclusion of that meeting, the Board indicated that Supervisors Arnold and Hill would serve as a committee to work with staff, and staff was directed to complete several tasks:

1. Compare our estimated costs with those of other counties, with the goal of reducing costs if possible
2. Consider Mental Health Services Act (MHSA) as a possible funding source
3. Keep open the option of an in-house program versus using a contractor for most services—identify the pros and cons of each approach
4. Target building the program into the FY 2016-17 budget
5. Bring back necessary paperwork to the Board providing the Board with the capability to effectuate the program should it choose to do so

Staff met with the Board Committee, comprised of Supervisors Hill and Arnold, on December 7, 2015 and February 8, 2016 to review progress made on the tasks.

The proposed program and budget would support staffing to provide intensive services to up to ten individuals at any time

by adding program capacity to Transitions Mental Health Association's (TMHA) current Full Service Partnership (FSP) program. Development of initial community outreach, training, court documents and supports, as well as an evaluation and reporting process will be managed by County staff, with client outreach and treatment services provided through an expansion to TMHA in their current FSP program.

As budget refinements were developed, it became increasingly clear that a County operated program would not be cost effective or efficient. The County does not currently run FSP programs for adults, as it is contracted out to TMHA; therefore, the levels of staffing to implement a new free standing FSP to support an AOT program would be more expensive and less efficient than adding capacity to the current TMHA program. We determined that both administratively and programmatically a contracted program would be more cost effective. TMHA has also already proven specialized experience in managing outreach and treatment programs including peer support, which is an essential element in AOT.

Staff worked closely with TMHA to identify streamlined costs for an AOT program. Elements that could be reduced or eliminated have been, while still keeping service integrity. Total annual net program cost, including outreach, treatment, housing, and County Counsel costs, is now estimated at \$442K compared to \$643K identified in November. The budget for just treatment and outreach is now estimated at \$23K per client per year compared to November's budget estimate of \$44K per client per year. The reasons for the reduced costs are described in the Financial Considerations section below.

Staff contacted counties that have been running AOT programs (L.A., Orange, Nevada, Yolo, and San Diego), as well as counties which are planning on implementing programs in the near future. Budget information was provided by seven counties. Most of the outreach and treatment services are provided through Community Based Organizations contracted by the counties. Several counties did not create a new program, rather, used current capacity within their Full Service Partnership programs to serve individuals deemed eligible for AOT.

Analysis on a point by point basis was difficult as counties did not break out all costs in the same manner. Costs for county counsel services were not specified, except for Los Angeles. Housing costs were not pulled out as distinct budget items but were counted in the overall cost of services. Other operating costs were also not identified in the program budgets provided. As a result, the closest comparator was to the actual treatment and outreach costs as provided by contracted agencies. Overall, of the seven counties running an AOT program, the cost per client ranges between \$15K to \$40K.

On February 22, 2016, staff presented an Assisted Outpatient Treatment overview and budget proposal to the Mental Health Services Act Advisory Committee (MAC) for review. While no action was taken at that meeting, an informal poll of the stakeholders indicated support for use of MHSA funds to pay for some or all of the net program costs for implementation of AOT.

A follow up meeting with the MAC will occur on Monday, March 28 to request formal approval of the use of MHSA funds for AOT.

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

County Counsel and the Clerk of the Board have also reviewed the resolution as to form and legal effect. The Department has worked closely with TMHA to develop an appropriate staffing and program level.

#### **FINANCIAL CONSIDERATIONS**

The FY 2016–17 Behavioral Health Budget submittal includes a Budget Augmentation Request (BAR) for AOT that includes two in-house positions (a 1.0 FTE Administrative Services Officer I and a .50 FTE Mental Health Therapist IV) and other costs and revenues related to the first, or partial, year of program development/operation.

For policy making purposes, the table below compares the estimated annual budget presented to the Board in November versus the more refined estimates that now apply. The original estimates given in November represented a stand-alone, fully staffed program with a wide variety of supportive services commensurate with known best practices. As per the Board's direction, the Department sought to reduce costs without reducing the program's caseload capacity. By co-locating the AOT services within TMHA's adult Full Service Partnership (FSP) program, some administrative efficiency allowed costs to be reduced. For instance, TMHA will use current managers to provide oversight and team supervision, but not specific AOT program management. TMHA will reduce the original proposed level of outreach and public education to generate referrals. The Department eliminated the cost of an evaluator for program data analysis and potential expansion using grant sources. The current estimates reflect a direct service level reduction compared to the

proposal brought to your Board in November, which will impact clients in the following manner:

- The reduction of a .5 FTE licensed clinician for TMHA will result in fewer, if any, group therapy sessions. The clinician will still be able to primarily provide individual therapy, while referring clients to community-based group services which may enhance their wellness and recovery. The clinician will focus their time on intensive therapeutic strategies, but will be less able to provide rehabilitation opportunities which will need to be referred to other community providers.
- The original budget included a .5 FTE “medication manager” (registered nurse) to be a part of the AOT clinical team, providing case consultation, field nursing and health assessments, along with medication support for enrolled clients. By eliminating this position, the clients in the expanded FSP will need to be served in the Mental Health clinic sites, and health consultations for clients will need to be done using community nursing resources.
- Finally, the reduced request eliminates specific funds for placing clients in facilities specifically designed for those discharging from any Institutions for Mental Diseases (IMD). Clients in AOT will be served in other housing programs unless and IMD step-down placement is absolutely necessary.

Should the Board approve the resolution to implement the program, the estimated net cost in the first full year of operation will be \$441,762. With the possible endorsement of the MAC, as mentioned above, that net cost could be substantially or entirely reduced by the application of MHSA funding.

It should also be noted that all of the expenses shown in the following table are fully variable costs with the exception of County Counsel costs. County Counsel costs are shown for illustrative purposes only (at an estimated 8 hours per week), emphasizing the relatively significant workload the AOT program will present to County Counsel relative to other Health Agency programs. Since County Counsel time allocated among the various County departments and programs are gathered and reflected in the Countywide cost plan, and charged out in subsequent fiscal years as overhead, those costs will not catch up with the department until two years after they were incurred.

<b>Program Costs</b>	<b>Option 1(b) from 11/24/15 Board Meeting</b>	<b>Updated Annual Budget</b>	<b>Difference</b>
Total Salaries & Benefits	\$207,041	\$210,196	\$3,155
Total Services & Supplies (excl Prof Services)	\$48,918	\$44,280	(\$4,638)
Professional Services (Evaluator)	\$10,000	\$0	(\$10,000)
Other Professional Services (TMHA)	\$435,112	\$227,684	(\$207,428)
Housing - Independent Living w/Supports	\$22,460	\$22,460	\$0
Housing - Intensive Residential (TMHA)	\$46,002	\$60,000	\$13,998
Housing - Board & Care	\$32,500	\$32,500	(\$0)
Housing - IMD Step Down	\$78,307	\$0	(\$78,307)
County Counsel Costs	\$60,710	\$60,710	\$0
<b>Total Gross Program</b>	<b>\$941,050</b>	<b>\$657,830</b>	<b>(\$283,220)</b>
Revenue: Medi-Cal - Treatment services	(\$214,994)	(\$126,634)	\$88,360
Revenue: Medi-Cal - Admin/QA	(\$58,843)	(\$44,164)	\$14,679
Revenue: Medi-Cal - Intensive Residential	(\$7,563)	(\$29,070)	(\$21,507)
Other Revenue: Client Rents & Grants	(\$16,565)	(\$16,200)	\$365
<b>Total Net Program</b>	<b>\$643,085</b>	<b>\$441,762</b>	<b>(\$201,323)</b>

## **RESULTS**

It is intended that this report will provide the Board with sufficient information upon which to base a decision about whether or not to direct staff to proceed with implementation of an AOT program. If the Board chooses that course of action,

funding for the program will be included in the FY 2016-17 budget. Once the FY 2016-17 budget is approved, the Department will begin recruitment of County staff and amendment of the TMHA contract. Implementation of AOT will provide services to improve and maintain the health and safety of individuals and families affected by mental illness, therefore contributing to efforts to help the County attain its vision of a healthy and safe community.

## **ATTACHMENTS**

1. Attachment 1 - Assisted Outpatient Treatment Program Resolution