

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

(1) DEPARTMENT Behavioral Health	(2) MEETING DATE 4/19/2016	(3) CONTACT/PHONE Anne Robin, Behavioral Health Administrator 781-4734 Raven Lopez, Accountant III 781-4783	
(4) SUBJECT Request to: 1) approve a grant agreement with the California Health Facilities Financing Authority in an amount not to exceed \$971,070 to build a 4- bedroom Crisis Stabilization Unit (CSU) at the Health Agency Campus; 2) approve a resolution granting delegation of signing authority to the Health Agency Director; 3) create a new capital project for development of the Crisis Stabilization Unit; 4) authorize a budget adjustment in the amount of \$869,500 from unanticipated revenue to FC 166-Behavioral Health to fund development of the CSU; 5) authorize a budget adjustment in the amount of \$869,500 to transfer funds from FC 166-Behavioral Health to FC 230-Capital Projects to fund development of the Crisis Stabilization Unit. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board: <ol style="list-style-type: none"> 1. Approve a grant agreement with the California Health Facilities Financing Authority (CHFFA) in an amount not to exceed \$971,070 to build a Crisis Stabilization Unit (CSU) at the Health Agency Campus; 2. Approve and direct chairperson to sign a resolution granting delegation of signing authority to the Health Agency Director or his designee to act on the County's behalf respective to the grant; 3. Approve the creation of a new Crisis Stabilization Unit capital project; 4. Authorize a budget adjustment in the amount of \$869,500 from unanticipated revenue to FC 166-Behavioral Health for the Crisis Stabilization Unit project by 4/5 vote; and 5. Authorize a budget adjustment in the amount of \$869,500 from FC 166-Behavioral Health to FC 230-Capital Projects for development of the Crisis Stabilization Unit by 4/5 vote. 			
(6) FUNDING SOURCE(S) CHFFA Grant	(7) CURRENT YEAR FINANCIAL IMPACT \$869,500.00	(8) ANNUAL FINANCIAL IMPACT \$1,440,000.00	(9) BUDGETED? No
(10) AGENDA PLACEMENT { x } Consent { } Presentation { } Hearing (Time Est. ___) { } Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS { x } Resolutions { x } Contracts { } Ordinances { } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: 1516131 { x } 4/5 Vote Required { } N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { } N/A Date: <u>3/8/16</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: 4/19/2016

SUBJECT: Request to: 1) approve a grant agreement with the California Health Facilities Financing Authority in an amount not to exceed \$971,070 to build a 4- bedroom Crisis Stabilization Unit (CSU) at the Health Agency Campus; 2) approve a resolution granting delegation of signing authority to the Health Agency Director; 3) create a new capital project for development of the Crisis Stabilization Unit; 4) authorize a budget adjustment in the amount of \$869,500 from unanticipated revenue to FC 166-Behavioral Health to fund development of the CSU; 5) authorize a budget adjustment in the amount of \$869,500 to transfer funds from FC 166-Behavioral Health to FC 230-Capital Projects to fund development of the Crisis Stabilization Unit. All Districts.

RECOMMENDATION

It is recommended that the Board:

1. Approve a grant agreement with the California Health Facilities Financing Authority (CHFFA) in an amount not to exceed \$971,070 to build a Crisis Stabilization Unit (CSU) at the Health Agency Campus;
2. Approve and direct chairperson to sign a resolution granting delegation of signing authority to the Health Agency Director or his designee to act on the County's behalf respective to the grant;
3. Approve the creation of a new Crisis Stabilization Unit capital project;
4. Authorize a budget adjustment in the amount of \$869,500 from unanticipated revenue to FC 166-Behavioral Health for the Crisis Stabilization Unit project by 4/5 vote; and
5. Authorize a budget adjustment in the amount of \$869,500 from FC 166-Behavioral Health to FC 230-Capital Projects for development of the Crisis Stabilization Unit by 4/5 vote.

DISCUSSION

Governor Brown signed the Investment in Mental Health Wellness Act of 2013 (SB 82) into law on June 27, 2013. The Act is designed to expand access to early intervention and treatment services and expand California's continuum of services to address crisis intervention, crisis stabilization and crisis residential treatment needs that are wellness, resiliency and recovery oriented. SB 82 is funded through State administered Mental Health Services Act (MHSA) funds, also known as proposition 63.

The California Health Facilities Financing Authority (CHFFA) was authorized to administer a competitive grant process to fund at least 25 mobile crisis support teams and at least 2,000 crisis stabilization and crisis residential treatment beds. Grant awards made by CHFFA were available for development, capital, equipment acquisition, and applicable program start-up costs associated with those programs.

On September 1, 2015, the Board approved the Department's request to apply for a grant with CHFFA to fund the construction of a Crisis Stabilization Unit (CSU). On December 3, 2015, CHFFA awarded Behavioral Health with one-time funds in the amount of \$971,070 for the construction of a CSU at the Health Agency Campus. It was determined that a 4-bed CSU would be the most beneficial for the community. Crisis stabilization is a direct service that provides individuals in severe distress urgent care associated with a mental health disorder for up to 23 hours. The primary objectives of this

service are prompt assessments, stabilization, and/or a determination of the appropriate level of care. The CSU will give individuals in crisis who do not meet the criteria for involuntary treatment on the Psychiatric Health Facility (PHF) an alternative for stabilization, as well as providing an alternative to those who meet the criteria but are better served by a short term crisis stabilization facility. A CSU may also serve as an evaluation point to determine if an individual requires ongoing inpatient treatment. If so, the individual would be transferred to the PHF or another inpatient facility prior to the end of the 23 hour period. An operational CSU is expected to reduce certain PHF admissions and re-admissions, facilitate transfer from emergency departments for individuals in psychiatric crisis, and increase successful engagement for individuals presenting in crisis to on-going outpatient care.

Timeline

- Programming (January 2016 – May 2016):

This includes project charter and budget, drafting the request for proposal (RFP) to solicit proposals from engineers to draft preliminary design and architectural drawings.

- Preliminary Design (May 2016 – August 2016):

This includes site investigation, preliminary design, and City of San Luis Obispo Use Permit and Architectural Review Commission review.

- Design (May 2016 – December 2016):

This includes design review and approval of civil site work (including grading, utilities, accessibility requirements, etc.), and release of a RFP to solicit proposals from modular manufacturers.

- Bidding/Public Purchase (July 2016 – March 2017):

This includes the Board required procurement process and contracting for site improvements and the modular building.

- Construction (November 2016 – August 2017):

This includes site construction and modular installation.

- Building Closeout (August 2017 – October 2017):

This includes closeout documentation, final invoicing, and notice of completion.

- Operations (July 2017– October 2017):

This includes Medi-Cal licensing, RFP for a service provider(s), staffing, training, and furnishing. The CSU is projected to open for client services in September 2017.

OTHER AGENCY INVOLVEMENT/IMPACT

The use of MHSA Community Services and Supports funds were approved through the local MHSA Community stakeholder process prior to the Department applying for funding. The Department worked with Public Works in the planning and building development of the facility.

FINANCIAL CONSIDERATIONS

The Department was awarded \$971,070 to fund 100% of the cost to build the CSU, as well as three months of startup costs, and some equipment. The Department is working closely with Public Works on the construction of the CSU, including costs and timeline. A budget adjustment is requested for FC 230-Capital Projects and FC 166-Behavioral Health to fund the capital project. The grant revenue will be received in FC 166. The portion related to the capital project (\$869,500) will be transferred from FC 166 to FC 230 to fund the project. The remaining \$101,570 for start-up expenses is included in the proposed FY 2016-17 budget. The table below shows how the grant funds will be spent.

Crisis Stabilization Unit Budget	
Capital Expenses	
Construction: Project Administration	\$ 23,500
Construction: Professional	68,400
Construction: Construction	313,900
Construction: Miscellaneous	6,600
Construction: Inflation/Contingency	147,100
Real Property: Modular	310,000
Subtotal Capital Expenses	\$ 869,500
Start-up Expenses	
Salaries & Benefits	\$ 22,270
Household Expenses	6,000
Medical Supplies (non medication)	5,000
Medical Testing	5,000
Office Supplies	3,000
Telephone	3,000
Furnishing	50,000
Information Technology	7,300
Subtotal Start-up Expenses	\$ 101,570
Total CSU Budget	\$ 971,070

Once the CSU is built and certificated, the services provided will generate revenue through Medi-Cal reimbursement (Federal Financial Participation) which will help offset a portion of the on-going costs. The annual on-going cost to run the CSU is estimated at \$1.44M. The estimate was based on County costs, including required staffing levels and other operating expenses; however, the Department will prepare a request for proposal (RFP) during FY 2016-17 for the operation of the CSU starting in FY 2017-18. The Department anticipates that there are some community based organizations with experience in operating a CSU, which may be more cost effective in providing the services compared to the County. The County will retain rights to operate the facility if the RFP process does not elicit proposals meeting the criteria for excellence and fiscal efficiency expected. The California Code of Regulations requires a minimum of one licensed mental health or waived/registered professional on site for each four patients receiving crisis stabilization at any given time. The Department estimates the CSU will need 12.50 FTE of staff to fully operate the facility 24/7. This will allow for two staff to be working per shift, with a therapist and support staff on duty at all times. As previously noted, the staffing is based on one licensed staff person per four clients and is required to be separate dedicated staff for the unit. Licensed staff will include Psychiatric Technicians/Licensed Vocational Nurses (currently classified as Mental Health Therapists II/III) for medication management services, and Licensed Clinicians to provide diagnosis, psychotherapeutic treatment including individual and group therapy. Mental Health Workers will provide basic monitoring and supports to clients during their stay. The Mental Health Workers may also be persons with lived experience of mental illness who may assist clients from a recovery and wellness perspective.

Below is a breakdown of the estimated positions needed:

- 2.00 FTE Mental Health Therapist IV's
- 5.00 FTE Mental Health Therapist II/III
- 5.00 FTE Mental Health Worker I
- 0.50 Health Information Technician

On September 18, 2015, the community's MHSA Advisory Committee, made up of stakeholders within the mental health system (including consumers and family members), agreed to support funding of up to \$700K annually for the CSU using MHSA Community Services and Supports funds. Medi-Cal revenue and MHSA revenue will fund 86% of the annual on-going support costs. The Department is requesting an estimated \$207K in General Fund to fund the remaining balance. These expenses will be realized during the first full year of operation in FY 2017-18.

FY 2017-18 CSU Support Costs	
Revenue	
Medi-Cal	\$ (532,860)
MHSA	(700,000)
General Fund Requested	(207,140)
Total Estimated Revenue	\$ (1,440,000)
Expenses	
Contracted Provider	\$ 1,440,000
Total Estimated Expenses	\$ 1,440,000

RESULTS

The proposal includes a robust evaluation plan, and the projected results to be measured include:

- 25% reduction in PHF admissions by Mental Health Evaluation Team staff.
- Decrease in CSU patients who re-admit within one year after post-discharge triage by 10% after first year baseline.
- Decrease in CSU clients who return for a crisis service from hospital, PHF, or jail within 15 and 30 days by 10% after first year baseline.

The addition of a CSU in San Luis Obispo fulfills the intent of SB 82 by increasing access to effective outpatient and crisis stabilization services to better meet the needs of individuals with mental health conditions in the least restrictive manner possible. This modality has also proven effective in reducing wait times in emergency departments, reducing impact on local law enforcement agencies by allowing a more streamlined access to crisis services, and has better clinical outcomes for individuals who do not need acute inpatient treatment. Providing the most appropriate services to the clients increases the probability of positive treatment outcomes. Furthermore, positive treatment outcomes contribute to the wider County vision of a healthy and safe community.

ATTACHMENTS

1. Attachment 1 - CHFFA Grant Resolution
2. Attachment 2 - CHFFA Grant Agreement