

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA # *B-8

Urgent ☐

Routine ☒

AGENDA DATE December 17, 2013

CEO Concurs with Recommendation YES ☒ NO ☐
(Information Attached)

4/5 Vote Required YES ☒ NO ☐

SUBJECT:

Authorize Applying for Funding Under the Investment in Mental Health Wellness Act of 2013 (SB 82); Approval to Negotiate and Execute an Agreement to Provide a Modular Facility for the Crisis Intervention Program and Crisis Emergency Response Team; and Related Actions

STAFF RECOMMENDATIONS:

1. Authorize the Chief Executive Office and Behavioral Health Director to finalize and submit an application to the California Mental Health Services Oversight and Accountability Commission for competitive Triage Personnel Grant funding under the Investment in Mental Health Wellness Act of 2013 (Senate Bill 82) for additional crisis triage personnel.
2. Authorize the Project Manager to take all necessary actions to locate a Modular Facility for the Crisis Intervention Program (CIP) and Crisis Emergency Response Team (CERT) adjacent to the Psychiatric Health Facility (PHF) at 1904 Richland Avenue, Ceres, California to provide mental health supportive services.

(Continue on Page 2)

FISCAL IMPACT:

Behavioral Health and Recovery Services (BHRS) currently contracts with Doctors Medical Center/Doctors Behavioral Health Center (DMC/DBHC) and hospitals in other Counties for acute inpatient psychiatric beds. At the current budgeted utilization level of 32.65 beds at DBHC along with the 7 out of county placements, the Department is estimating that the County cost for these beds for Fiscal Year 2013-2014 will be approximately \$11.4 million. This is consistent with the Fiscal Year 2012-2013 budget, but is an increase of \$5.6 million over Fiscal Year 2011-2012.

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BOARD ACTION AS FOLLOWS:

No. 2013-639

On motion of Supervisor Monteith, Seconded by Supervisor O'Brien

and approved by the following vote,

Ayes: Supervisors: O'Brien, Withrow, Monteith, De Martini and Chairman Chiesa

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) ☒ Approved as recommended

2) ☐ Denied

3) ☐ Approved as amended

4) ☐ Other:

MOTION:

ATTEST:

CHRISTINE FERRARO TALLMAN, Clerk

File No.

STAFF RECOMMENDATIONS: (Continued)

3. Authorize the Project Manager to issue a Notice to Proceed to a qualified general contractor for site improvements and utilities connections to the Modular Facility upon receipt of proper insurance and bonds.
4. Authorize the use of up to \$173,000 of the Behavioral Health and Recovery Services Committed Fund Balance for Capital Acquisition by a 4/5 vote of the Board of Supervisors for program startup costs including for the Modular Facility, staff relocation and equipment purchases for operation of the Crisis Intervention Program and Crisis Emergency Response Team at 1904 Richland Avenue, Ceres, California.
5. Direct the Auditor-Controller to increase appropriations in the Mental Health Fund in the amount of \$173,000 as identified in the budget journal.
6. Authorize the Project Manager to negotiate and sign contracts, work authorizations, and purchase orders for professional services needed in this phase of the project as long as they are within the approved project budget.
7. Authorize the Project Manager to negotiate and sign change orders up to \$25,000, consistent with the County's Change Order Policy, as long as they are within the previously approved project budget.

FISCAL IMPACT: (Continued)

Several factors contribute to the substantial increase in psychiatric hospitalizations: a dramatic increase in psychiatric inpatient bed usage, an increase in the rate paid to the hospitals, and a larger portion of uninsured patients for which the County has 100% responsibility.

The 24/7 Secure Mental Health Services Strategic Plan, adopted by the Board of Supervisors on November 13, 2012 included an estimated project cost of \$2,166,000 to renovate the existing and vacant facility at the County's Recovery Center at 1904 Richland Avenue, Ceres, California for the Psychiatric Health Facility (PHF). That cost amount was approved for an increase by the Board of Supervisors on August 13, 2013 in the amount of \$265,000 from carryover funds previously allocated by the Board of Supervisors for the Behavioral Health and Recovery Services Adopted Final Budget for Fiscal Year 2012-2013, which were allocated to fully replace the heating, ventilation and air conditioning (HVAC) system at the PHF site. A new project cost of \$2,430,892 was developed to reflect the actual cost of bids and accelerated construction schedule duration of the PHF. Funding for the PHF project is available from the proceeds previously set aside from the 2007 sale of the Stanislaus Behavioral Health Center to Doctors Behavioral Health Center with no impact to the General Fund. The Recoupment Period for the PHF project is estimated between .58 years to 1.38 depending on the alternative solutions to hospitalizations to reduce the overall number of hospitalization admissions, when appropriate.

Senate Bill 82 Grant Funding

With today's action, staff requests authorization from the Board of Supervisors for the Behavioral Health Director to finalize and submit an application to the California Mental Health Services Oversight and Accountability Commission for the competitive triage personnel grant in the amount of up to \$1.5 million annually under the Investment in Mental Health Wellness Act of 2013 (Senate Bill 82). Approximately \$32 million in Mental Health Wellness Act (MHW) funds are available annually to fund mental health triage personnel grants statewide and a projected \$4,576,000 in MHW funds are available based on a distribution formula within the California Mental Health Directors Association (CMHDA) Central Region. The competitive triage personnel grant provides for up to three years of annual funding allocations for allowable costs of triage personnel, administration and evaluation costs for the crisis triage personnel. There is no match County match requirement. Grant funds may assist the County in reducing the number of hospitalizations experienced by individuals and in preventing additional crisis interventions, when appropriate.

Staff will be returning to the Board of Supervisors in January 2014 for authority to pursue a share of \$142.5 million in SB 82 Capital Funding statewide appropriated by the Legislature to selected counties to be used to increase capacity for client assistance and services in crisis intervention, crisis stabilization, crisis residential treatment, rehabilitative mental health services, and mobile crisis support teams. Approximately \$25 million in Capital Funding is available within the Central Region. Maximum grant funding awards of up to \$2 million will assist the County with the construction and renovation of one of the wings at the Stanislaus Recovery Center (SRC) facility, project administration, furniture, fixtures and equipment and up to three months of program startup costs for a potential CSU. Implementation of a CSU will have the ability to reduce hospitalizations, when appropriate, as identified in the Strategic Plan.

CIP/CERT Modular Facility

Currently \$3,000,685 remains from the sale proceeds in Committed Fund Balance for Capital Acquisition and can only be used by approval of the Board of Supervisors. The Project Manager is requesting authorization to provide a commercial modular facility at 1904 Richland Avenue, Ceres, to be located adjacent to the Psychiatric Health Facility as an interim solution to provide a Crisis Intervention Program (CIP), Crisis Emergency Response Team (CERT) and contracted peer-supported Warm Line program for County residents in crisis. On September 17, 2013, the Board of Supervisors authorized the use of \$370,000 in Committed Fund Balance for Capital Acquisition staff to operate the CIP and Warm Line Program in a leased facility at 1444 Florida Avenue, Modesto for a period of six months through the opening of the PHF in Ceres anticipated on March 1, 2014.

The proposed commercial modular building will house these relocated programs to include the CIP, CERT and Warm Line adjacent to the PHF while the County applies for funding to remodel existing space within the Stanislaus Recovery Center to accommodate a safe and secure Crisis Stabilization Unit under SB 82. The estimated cost of providing the modular

facility adjacent to the PHF is up to \$173,000 which will include a modular facility lease agreement with option to purchase, site improvements, utility connections and furniture and equipment for the programs. After use of funds within the Committed Fund Balance of sale proceeds for the modular facility, there will be \$2,827,685 remaining for future capacity expansion and delivery of mental health services within the County.

Staff will return to the Board of Supervisors upon award of a SB 82 Triage Personnel Grant. All appropriations and estimated revenue associated with the modular facility placement are included in the budget journal. There is no General Fund impact from these actions. As the project progresses, all major project decisions will be brought back to the Board of Supervisors at each phase of the project for consideration, review, and approval.

DISCUSSION:

During the past two years, Stanislaus County has experienced a dramatic increase in acute psychiatric inpatient admissions. This increase impacts capacity and creates financial burdens for the County. The Behavioral Health and Recovery Services (BHRS) holds the responsibility for the total costs for the Uninsured and Forensic patients. Thus, recent increases in uninsured admissions are of significant concern and have highlighted the lack of options for the appropriate level of care needed for the County's patients.

History

Effective October 31, 2007, Stanislaus County sold its 67-bed inpatient acute psychiatric facility, Stanislaus Behavioral Health Center, to Doctors Medical Center of Modesto (DMC), a Tenet Healthcare affiliate. The Center subsequently became known as Doctors Behavioral Health Center (DBHC). At that time, the County entered into a Provider Agreement with DMC for the purchase of 35 beds on a daily basis for County patients, defined as: Medi-Cal adult beneficiaries of Stanislaus County, adult indigent uninsured residents of Stanislaus County, and "restoration to competency" patients. That agreement was terminated on December 31, 2009, and a new agreement was effective January 1, 2010 through June 30, 2012. The previous agreement, effective July 1, 2012 through September 30, 2013, reserved up to 25 inpatient acute psychiatric beds on a daily basis. The current agreement, as approved by the Board of Supervisors on September 24, 2013, is effective October 1, 2013 through June 30, 2014 and reserves a minimum of 21 beds from October 1, 2013 through February 28, 2014, then to correspond with the anticipated opening of the County's Psychiatric Health Facility, reduces the minimum number of reserved beds to nine per day from March 1, 2014 through June 30, 2014. Additionally, County patients may be placed in other, out-of-County facilities for a variety of reasons: lack of capacity at DBHC; patient not suitable for treatment at DBHC; or patient is under 18 years of age. Those patients who are the County's responsibility may be placed in a secure facility only upon assessment by County staff; local hospitals do not have the authority to direct the admission of a County patient.

In Stanislaus County, one level of acute care presently exists for short-term acute stays-psychiatric inpatient care provided at DBHC. DBHC is considered an Acute Inpatient Psychiatric Unit that is part of a general acute care hospital – DMC. Within the County, there are no free-standing Acute Psychiatric Hospitals, no Psychiatric Health Facilities (PHFs), no sub-acute Mental Health Rehabilitation Centers (MHRCs) or Institutes for Mental Diseases (IMDs). There is one privately operated sub-acute Skilled Nursing Facility (SNF) in Modesto currently; however, it is not an IMD as its operating structure allows for less than 50% psychiatric care. There are no County-owned/operated facilities for acute or sub-acute inpatient psychiatric care.

The historical average of inpatient beds (local and out-of-county beds) used by patients under the County's responsibility has been 19 per day; however, this past year the daily census has been over 40 per day, of which on average 54% are uninsured. The corresponding impact to the community overall has been no available beds at DBHC and long waits in local hospital emergency departments. This has challenged the community's ability to place consumers in local, appropriate, and cost effective levels of care. The most significant increase to inpatient admissions is with the uninsured population, especially consumers new to the mental health system.

Strategic Planning Efforts

During 2012, the Chief Executive Office, BHRS, DMC and other stakeholders met and began a new working relationship that focused on the capacity issues and growing need for psychiatric inpatient services. This group identified both short and long-term issues related to the need for secure 24/7 mental health services and programs that surround such services. The result of this effort is a Strategic Plan that addresses inpatient needs and identifies systems issues surrounding 24/7 secure mental health services that could assist in avoiding hospitalization and reduce recidivism.

The Strategic Plan was approved by the Board of Supervisors on November 13, 2012 and identified three main goals:

- Develop recommendations for increased capacity to provide inpatient 24/7 care, including but not limited to, options that will provide less costly alternatives when appropriate;
- Assess opportunities for creating a community crisis stabilization service to avoid hospitalization when possible; and
- Develop aftercare strategies as an element of a behavioral health continuum of care around inpatient services.

As part of the first goal, a County-owned PHF will begin to address the current level of need for inpatient treatment facilities by supplementing the existing inpatient services, and potentially reducing the number of out-of-county placements being made today. An existing and now vacant residential facility located at the County's Stanislaus Recovery Center site at

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1904 Richland Avenue, Ceres, is currently being renovated and is on track to open March 1, 2014. This location also will provide for co-location to other adjacent drug and alcohol programs.

The Chief Executive Office and Behavioral Health and Recovery Services are currently working with local law enforcement and its partner Hospital Emergency Departments and Psychiatric Centers to establish a process for individuals in crisis to be brought to the SRC site for consideration of admission to the PHF or alternative option, if appropriate. With location of the PHF and adjacent support facilities, such as the Crisis Intervention Program and Crisis Emergency Response Team modular, at 1904 Richland Avenue, Ceres, the 24/7 Secure Mental Health Services Strategic Plan will be one step closer to providing additional vital services to our community while reducing the County's exposure to the General Fund.

Crisis Intervention Program (CIP)/Crisis Emergency Response Team (CERT)

Consistent with the second goal of the Strategic Plan, on September 17, 2013, the Board of Supervisors authorized BHRS to implement a temporary Crisis Intervention Program (CIP) on Florida Avenue across from DMC effective October 1, 2013 and to run six months through the opening of the PHF. A CIP provides a supervised outpatient service for the evaluation of individuals in crisis. With today's action, the Strategic Plan will be further enhanced by the relocation of the CIP and consolidation of the Crisis Emergency Response Team (CERT) and contracted peer-supported Warm Line to be located at the PHF site within a 2,160 square foot commercial modular facility further expanding the Continuum of Care at the site. As a central intake location for the PHF, the modular facility will be used to co-locate the temporary CIP, CERT and the Warm Line effective with the completion of the PHF and provide an interim solution until funding for a Crisis Stabilization Unit (CSU) is available, potentially under SB 82 Capital Facilities grant funding. This CIP/CERT building will also serve an integral role as the central intake location for individuals in crisis and assist the County with discharge planning of patients.

Schedule

A fully functioning PHF is anticipated to be open by March 1, 2014 with Telecare Corporation, Inc. providing psychiatric inpatient services as previously approved by the Board of Supervisors. Therefore, the County will seek to place the modular building at the 1904 Richland Avenue, Ceres in January 2014 and to perform site improvements and utility connection work, purchase or relocate equipment and furniture, and staff the facility in anticipation of the opening day of the Psychiatric Health Facility.

Upon approval by the Board of Supervisors, the County will submit the grant application in January 2014 for SB 82 funding for Triage Personnel. Award notifications for this portion of the SB 82 funds are expected in Spring 2014. It is anticipated that upon award, the County would begin these added SB 82 funded mental health services beginning in Fiscal Year 2013-2014 to support goals identified in the Strategic Plan.

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Staff is in the process of drafting the SB 82 Capital Facilities grant application and will return to the Board of Supervisors in January 2014 with further details about the CSU project scope and a request for authorization to apply for these grant funds prior to the January 22, 2014 due date. If SB 82 Capital Facilities funding is awarded, the County could have a remodeled and functional CSU within the existing SRC by mid-year 2014-2015 after going through design, public bidding and construction.

POLICY ISSUES:

Approval of the recommended actions supports the Board's priorities of A Safe Community, A Healthy Community, and Efficient Delivery of Public Services by ensuring County patients have access to the safe, appropriate level of care as needed with regard to 24/7 secure mental health services.

STAFFING IMPACT:

The SB 82 Triage Personnel grant will assist the County in delivery of mental health services, providing for up to three years of annual funding allocations for allowable costs of triage personnel, administration and evaluation costs for mental health crisis triage personnel. At this time, it is projected that the grant request amount of up to \$1.5 million will pay for ten (10) staff of various classifications. It is expected that a significant portion of the services that they provided will be Medi-Cal reimbursable, providing for sustainability beyond the initial three years. Existing staffing budgeted within Fiscal Year 2013-2014 for the CIP, CERT and Warm Line will be relocated to the modular facility at 1904 Richland Avenue, Ceres to assist in delivery of mental health services.

Existing Capital Projects staff currently managing the Psychiatric Health Facility Project will provide construction and leasing efforts administration for the CIP, CERT, Warm Line modular facility with assistance from Behavioral Health and Recovery Services staff.

CONTACT:

Patricia Hill Thomas, Chief Operations Officer, 209 525-6333.

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Explanation: Budget JV to increase office equip and modile structure and improvements for CERT at SRC site in Ceres

Requesting Department		CEO	Date Entry		Auditors Office Only	
Dan Wirtz						
Prepared by		Supervisor's Approval	Keyed by		Prepared By Approved By	
12/11/2013		12/13/13			12/12/13	
Date		Date	Date		Date	