

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (“CHFFA”)

Investment in Mental Health Wellness Act of 2013

Agenda Item 9 - Information Item

April 9, 2015

Background

Following the completion of two funding rounds in the Investment in Mental Health Wellness Grant Program (“Grant Program”), roughly \$61 million (primarily for Crisis Residential Treatment Programs) remain available for subsequent funding rounds.

At its two most recent meetings, the Authority discussed possible next steps for the Grant Program and heard from various individuals, including Robert Oakes, Executive Director, County Behavioral Health Directors Association of California (“CBHDA”) and Diane Van Maren, Independent Policy Consultant.

The Authority discussed the results of a county survey recently circulated by CBHDA as well as options for possible program adjustments to maximize the likelihood all remaining funds will be encumbered by June 30, 2016.

Specifically, the Authority discussed the following concepts:

- Reallocate some of the funding currently available for Crisis Residential Treatment to Crisis Stabilization.¹
- Allow longer application periods for any and all remaining funding rounds to permit counties more time to formulate their plans for establishing crisis programs. Currently, application periods are roughly 2.5 months. Some counties have suggested extending this period to six months.
- Extend the readiness and feasibility determination period. Presently, applicants must demonstrate their proposed projects are ready and feasible at the time of submitting their application, or that they will be ready and feasible within six months of submitting the application.
- Seek an expansion of SB 82 to permit eligible crisis providers to include peer respite providers to prompt small county interest (because of an increased likelihood in sustainability) in some of the remaining Crisis Residential Treatment funding.

¹ The Final Change Book for the Grant Program provides \$125,000 for Crisis Residential Programs, \$15,000,000 for Crisis Stabilization Programs and \$2,500,000 for Mobile Crisis Programs. Nearly all of the funds allocated for Crisis Stabilization and Mobile Crisis Programs have been awarded.

The Authority expressed interest in having staff discern the precise process involved to reallocate funds should doing so appear advantageous to the Grant Program. Staff is working with the Department of Finance to make this determination. The Authority also expressed interest in learning more about peer respite programs.

Third Funding Round

The third funding round closed on March 30, 2015 and staff will soon mobilize to score the applications received. Please see Attachment A for a complete list of applications timely received.

In the context of the results from the third funding round application period, staff would like to continue the discussion on the various options articulated above, as well as an additional concept developed by staff as follows:

Another idea to consider is to remove the county maximums currently in place sooner than January 1, 2016 but maintain the regional maximums in place until January 1, 2016. The county maximums presently in place are contained within the Grant Program regulations and they are as follows:

County Population Maximum

- (1) 100,000 or less \$500,000
- (2) Between 100,001 and 400,000 \$1,000,000
- (3) Between 400,001 and 600,000 \$2,000,000
- (4) Between 600,001 and 1,100,000 \$4,000,000
- (5) Between 1,100,001 and 2,500,000 \$7,000,000
- (6) Between 2,500,001 and 9,000,000 \$11,000,000

Some counties that have already been awarded funding have expressed interest in applying for and establishing additional programs. Some of these counties have either already been awarded their county maximums or close to their maximums and any remaining funds available to them are insufficient to implement a new program. In addition, some small counties may only apply for a maximum of \$500,000 in grant funds which is likely insufficient funding to complete a project. Lifting the maximums might have the effect of infusing new competition within the regions and consequently, the impact of encumbering more of the remaining dollars sooner; however it is also possible such an action might inure to the benefit of the larger and more resourced counties within a region.

Attachment A

CHFFA received five Investment in Mental Health Wellness Grant applications as follows:

3rd Funding Round Summary of Grant Applications Received by CHFFA

| | County | Program | Amount | Beds | Vehicles |
|---|----------------|------------------------------|-------------------------|-------------|-----------------|
| 1 | Kings | Crisis Residential Treatment | \$ 995,903.84 | 8 | NA |
| 2 | Los Angeles | Mobile Crisis Support Team | \$ 135,000.00 | NA | 5 |
| 3 | Mendocino | Crisis Residential Treatment | \$ 500,000.00 | 10 | NA |
| 4 | Sacramento | Crisis Residential Treatment | \$ 5,732,583.00 | 45 | NA |
| 5 | San Bernardino | Crisis Residential Treatment | \$ 3,054,094.00 | 16 | NA |
| | | | \$ 10,417,580.84 | 79 | 5 |

| | |
|---|-------------------------|
| Capital Funding Available after 2nd Funding Round | <u>\$ 61,179,327.69</u> |
| If all applications approved | <u>\$ 10,417,580.84</u> |
| Capital Funding Available after 3rd Funding Round | \$ 50,761,746.85 |