

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (the “Authority”)

Investment in Mental Health Wellness Grant Program

Reinstatement of Resolution Number MH 2014-21 (Ventura County)

February 23, 2017

PURPOSE OF THE REQUEST:

Ventura County is requesting the Authority reinstate Resolution No. MH 2014-21 to allow staff to disburse grant funds from the Investment in Mental Health Wellness Grant Program (“IMHWGP”) to Ventura County as well as adjust the scope of the project to eliminate 10 beds that will not be operational due to a licensure issue. Grant funds will be applied toward eligible costs associated with Ventura County Behavioral Health’s children and youth Crisis Stabilization Unit (“CSU”).

BACKGROUND:

On April 24, 2014, the Authority approved a Final Allocation for a grant for the County of Ventura (“Ventura”) in an amount not to exceed \$1,134,777.11 to establish a new 13-bed CSU as part of the first funding round.

As part of its grant application, Ventura planned to renovate and equip a former Assessment and Referral outpatient program to convert it into the approved CSU to serve adults (“adult CSU”). Through Ventura County Medical Center (“VCMC”), Ventura was able to renovate and equip an existing property at a much lower total project with a new more cost-effective plan approved by OSHPD. Ventura completed construction on the adult CSU in January 2016, and the Authority disbursed approximately \$110,000 to VCMC for construction with plans to disburse an additional amount of approximately \$115,000.

The proposed new model slightly affected the project description—the new model allowed for 10 beds rather than the initially projected 13 beds. The model, however, allowed for a cost savings of approximately \$900,000. With this savings, Ventura requested approval from the Authority to establish a six-bed children and youth CSU through Ventura County Behavioral Health (“VCBH”). This amendment increased the new bed count back up to 16. The Authority approved the project description amendment to the adult CSU and approved the children and youth CSU at the April 28, 2016 Authority meeting.

On December 7, 2016, VCBH opened their children and youth CSU and began providing services. For December 2016 and January 2017, 41 youth were admitted to this children and youth CSU with a 71% hospital diversion rate.

ISSUE:

On November 22, 2016, Ventura County notified the Authority that the conversion of the adult Assessment and Referral unit to a CSU could not occur as the California Department of Public Health (“CDPH”) cited VCMC for operating an outpatient clinic within a licensed inpatient facility. According to Ventura, CDPH was initially supportive of the adult CSU model but raised concerns in November 2016 regarding outpatient services being provided in an inpatient facility. Ventura had received legal opinion that operation of the outpatient services was appropriate under Title 22. CDPH disallowed Ventura to operate the CSU in the space it had renovated. This information was communicated to the Authority staff as staff was preparing final disbursements for VCMC and VCBH’s respective programs. Authority staff did not have enough time to accurately process disbursements given the unresolved circumstances and the resolution and grant period expired on December 31, 2016. Ventura then submitted a request for reinstatement of the grant so that funds may be disbursed to VCBH for the children and youth CSU.

On January 11, 2017, VCMC was instructed to close the adult CSU or risk licensure of their facility. On January 13, 2017, Ventura was informed that they may keep the facility open as an Outpatient Psychiatric Observation Service (“OPOS”). The OPOS will be reviewed by CDPH periodically. VCMC’s issue, while still being appealed, has altered the scope of the grant significantly and has eliminated 10 beds from the scope of the project.

Due to CHFFA disbursing funds of approximately \$110,000 to the non-operational adult CSU, funds must now be recalled to CHFFA or transferred from the closed adult CSU to the functioning children/youth CSU. Reinstating Ventura County’s resolution will allow the County to transfer the previously disbursed funds for the closed CSU to the children/youth CSU. VCBH is currently projected to receive roughly \$700,000 for the children and youth CSU, but Authority staff has not yet reviewed VCBH’s disbursement requests and this amount is subject to change based on verification of eligible costs.

Since the resolution and grant period for the children and youth CSU has since expired, a reinstatement of the resolution and extension of the resolution and grant period expiration dates are required to disburse funds.

STAFF RECOMMENDATION:

Staff recommends the Authority approve the reinstatement of Resolution MH 2014-21 to adjust the scope of the project and allow the disbursement of grant funds to VCBH subject to the conditions in the resolution. Staff recommends a resolution and grant period expiration date of August 31, 2017.

REINSTATEMENT OF RESOLUTION MH 2014-21

**A RESOLUTION OF THE CALIFORNIA HEALTH
FACILITIES FINANCING AUTHORITY APPROVING
EXECUTION AND DELIVERY OF GRANT FUNDING UNDER
THE INVESTMENT IN MENTAL HEALTH WELLNESS GRANT PROGRAM
TO THE COUNTY OF VENTURA**

WHEREAS, The California Health Facilities Financing Authority (the “Authority”), a public instrumentality of the State of California, is authorized by the Investment in Mental Health Wellness Act of 2013 (Welfare and Institutions Code Section 5848.5, “Act”) and implementing regulations (California Code of Regulations Title 4, Division 10, Chapter 5 (commencing with Section 7113)) to award grants for capital funding and personnel funding to finance eligible projects; and

WHEREAS, Authority staff reviewed the application submitted by County of Ventura (“Grantee”) against the eligibility requirements of the Act and implementing regulations and, pursuant to the Act and implementing regulations, recommends approval of a grant in an amount not to exceed \$1,417,055.04 for the eligible project (the “Project”), which consists of no more than \$1,134,777.11 for crisis stabilization capital costs, and \$282,277.93 for mobile crisis capital costs;

NOW THEREFORE BE IT RESOLVED by the California Health Facilities Financing Authority, as follows:

Section 1. The Authority hereby approves a grant in a total amount not to exceed \$1,417,055.04 to complete the Project as described in the Grantee’s application and as more particularly described in Exhibit A to this Resolution (Exhibit A is hereby incorporated by reference) within a project period that ends on August 31, 2017.

Section 2. The Executive Director is hereby authorized for and on behalf of the Authority to approve any minor, non-material changes in the Project described in the application submitted to the Authority ~~and extend the project period completion date identified in Section 1 as authorized under the Act and implementing regulations~~. Nothing in this Resolution shall be construed to require the Authority to provide any additional funding, even if more grants are approved than there is available funding. Any notice to the Grantee shall indicate that the Authority shall not be liable to the Grantee in any manner whatsoever should such funding not be completed for any reason whatsoever.

Section 3. The Executive Director is hereby authorized and directed, for and on behalf of the Authority, to disburse funds not to exceed those amounts approved by the Authority for the Grantee. The Executive Director is further authorized and directed, for and on behalf of the Authority, to execute and deliver to the Grantee any and all documents necessary to complete the disbursement of funds that are consistent with the Act and implementing regulations.

Section 4. The Executive Director of the Authority is hereby authorized and directed to do any and all things and to execute and deliver any and all documents which the Executive Director deems necessary or advisable in order to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 5. This Resolution expires ~~December 31, 2016.~~ [August 31, 2017.](#)

Date Approved: _____

EXHIBIT A

PROJECT DESCRIPTION

The proceeds of the grant will be used by the County of Ventura as follows:

Crisis Stabilization Program

~~The County of Ventura (the "County") will establish a Crisis Stabilization Treatment Program, by converting its Assessment and Referral (A&R) outpatient program unit to a 10-bed crisis stabilization unit ("CSU"). The funds will be used to renovate and equip the former A&R unit.~~

The County will establish a second 6-bed CSU in Ventura County that would serve up to six youth (ages 6-17) at a time. The proposed facility would be an unlocked CSU focused on treating clients as close to home as possible in a safe, welcoming, and calming environment. The facility will treat youth and connect them with services, in turn reducing unwarranted hospitalizations. Grant funds will be used to renovate and equip real property on County owned land.

Mobile Crisis Support Team

The County will expand its adult Mobile Crisis Support Teams by seven vehicles. The program serves the entire county and will provide coverage 24 hours/7 days. The services are expected to begin in July 2014. The grant funds will be used by the County to purchase and equip seven vehicles for the adult program.

Summary of Amounts:

Program	Approved Grant Amount
Crisis Stabilization	\$ 1,134,777.11
Mobile Crisis Capital	\$ 282,277.93

Total \$ 1,417,055.04