

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority)

Investment in Mental Health Wellness Grant Program (IMHWGP)

Resolution Number MH 2014-20B

County of Sonoma

September 24, 2020

PURPOSE OF THE REQUEST:

The County of Sonoma (County) is requesting the Authority to approve Resolution No. MH 2014-20B to approve a new project description for its Crisis Stabilization Unit (CSU) that was previously approved under Resolution No. MH 2014-20, which awarded the county \$2 million in funds to expand its CSU from 12 to 30 beds (Attachment 1). The County is requesting to reduce the grant funded number of beds from 18 to four for a total capacity of 16 beds instead of 30, while retaining the entire allocated grant amount.

BACKGROUND:

On April 24, 2014, the Authority approved Resolution No. MH 2014-20 that approved a final allocation for the County in the amount of \$2 million to relocate and expand the County's CSU, to gradually increase its capacity from the existing 12 beds to 30 beds in the newly renovated facility to serve more adults, youth and children experiencing a behavioral health crisis. The overall cost of the CSU renovation was \$3,289,419.19. CHFFA disbursed \$2 million in grant funds towards the cost of renovation, and the County covered the rest of the cost with Mental Health Services Act and Realignment funds. On March 7, 2016, the CSU opened with 16 beds and expanded to 24 beds by November 2017. By September 2019, the CSU bed count decreased back to 12 with no expanded beds. Resolution No. MH 2014-20 expired on June 30, 2016, shortly after the grant project opened for services, which is why a new resolution is needed to approve a change in project description.

ISSUE:

The County was successful in relocating the CSU and moving the existing 12 beds but was not successful in expanding the number of beds to the required 30-bed capacity as outlined in the grant resolution and as originally proposed, due to, according to the County, regulatory restrictions and natural disasters (the 2017 Tubbs Fire, the 2019 Guerneville Flood, the 2019 Kincaid Fire, and the 2019 Public Safety Power Shutoffs) that impacted the County's budget.

Also, according to the County, when the new CSU opened, it was a relatively standard practice to allow individuals to remain in CSUs beyond the 24-hour regulatory limit when there were no available facilities to which they could transfer clients, even though Medi-Cal does not compensate CSUs for services after 24 hours. The County has been finding it financially challenging to continue absorbing those costs and has been in discussions with the California Department of Health Care Services, which also views these overstays as unacceptable, regardless of the moral dilemma of discharging individuals who remain a danger to themselves.

The County and the region have a shortage in psychiatric hospital beds that has created a bottleneck that leaves clients at the CSU beyond the 24 hour maximum. According to the County's statistics, between July 2015 and October 2019, the average length of stay at the CSU was 38 hours and 44 minutes, with 4.5% of admissions staying 5 days or longer. Operating outside of the CSU regulatory guidelines resulted in an estimated revenue loss in Fiscal Year 2019-2020 of over \$1 million.

The County shared with Authority staff that the decision to return to the original 12 beds was due to the County Department of Health Services' \$11 million revenue gap (including \$8 million in its Behavioral Health Division and \$3 million in its Public Health Division) for Fiscal Year 2019-2020 and to free up resources to address the bottleneck at the CSU. (See Attachments 2 and 3) The \$11 million revenue gap has now increased to a \$25 million structural budget deficit. (See Attachment 6).

The CSU space was originally designed to be divided into three sections: an adult acute section, an adult subacute section and an adolescent section. The subacute section was intended to serve a large number of individuals with less complex needs. Instead the space is currently being used to serve a smaller number of clients and is being utilized to separate cases with higher acuity levels (Attachment 6). So, the space created for 30 beds is still being used but a little differently than initially intended.

ALTERNATIVES CONSIDERED:

At the direction of Authority staff and in an effort to utilize the CSU beds at its initially proposed capacity of 30 beds, the County offered the additional unused CSU beds to local hospitals and health plans for purchase, but those efforts were not successful. The County did not offer the CSU beds to the four neighboring counties because Napa and Marin counties already had their own CSU facilities, and Lake and Mendocino counties are too geographically distant to effectively utilize the CSU services, which are restricted to a maximum 24 hour stay.

Additionally, Authority staff has been in ongoing regular conversations with the County for quite some time, seeking a workout plan for its changes to the CSU bed capacity, starting with the original request of no additional beds over the 12 bed capacity and arriving at the current four additional beds (Attachments 4, 5 and 6). The Authority's technical advisor from the California Institute for Behavioral Health Solutions also was consulted when the County reduced its capacity to 12 beds (with no expanded beds) on ideas and questions that should be shared with the County in order for it to meet the intent of the statute and the program regulations/requirements. Authority staff indicated to the County that not expanding beds was not an acceptable solution and that the County had to reassess its needs and come back to staff with a better proposal to keep its grant funds.

During our regular conversations, the County reviewed the operating costs for a variety of bed levels and shared a comparison between a 30-bed and a 16-bed CSU with Authority staff. It determined that a 16-bed CSU (with 4 expanded beds) is currently more financially feasible than a 30-bed CSU (with 18 expanded beds), while meeting the County's needs for CSU services, but also acknowledged that it could not predict the County's needs, budgets, regulatory modifications or social changes over the remaining 10 years (out of a total of 15 years) life expectancy of the project.

Operating Cost Comparison		
	Initial Bed Count	New Proposed Bed Count
	30	16
Annual Operating Cost	\$14,192,225.00	\$8,523,798.00

NEW PROPOSED MODIFIED PROJECT:

After reassessing its CSU operations, the County determined that a 16-bed rather than a 30-bed CSU, along with a 14-bed Psychiatric Health Facility (PHF), to address the bottleneck at the CSU, would be financially viable and better meet the County's current needs in the crisis continuum of care. According to the County, the CSU would continue to be a priority, and it would continue to allocate the funds necessary to operate the program at the 16-bed capacity. This also would help in reducing the delays still being experienced by hospital emergency rooms when transferring patients, including Medi-Cal patients, to the CSU. The PHF would allow patients to be discharged from the CSU within the 24-hour maximum timeframe and to receive needed care more quickly. With the County requiring that clients stay in a CSU for a maximum of 24 hours, this ensures that the County will be able to claim Medi-Cal funding for all client stays; therefore, ensuring the sustainability of the CSU. The PHF is being funded with County funds and not CHFFA funds and is expected to be open as early as the end of 2020 or early 2021.

On April 21, 2020, the Sonoma County Board of Supervisors approved the resolution to increase the number of CSU beds from 12 to 16 and allocate the funding needed for four more staff members to support the expanded capacity in order to meet the community's needs (Attachment 7).

REVIEW OF THE NEW PROJECT:

The County provided a detailed explanation justifying its request to reduce the approved expanded bed count from 18 to four while maintaining the full grant amount. The County's Board of Supervisors supports the expanded CSU with a total capacity of 16 beds (four bed expansion) and approved the operating budget and the additional staffing required to operate the CSU and provide patient care.

After consideration of the County's request to amend the project description and evaluation of the updated project information, staff is comfortable that their request would still meet the intent of the statute, meet the program regulations, and would have scored appropriately to be awarded grant funding at the time of application submission in 2014. The change in the County's project description would not have prevented the County from receiving an award during the first funding round in 2014. The IMHWGP had sufficient funding to award all eligible applications submitted, and even after six funding rounds, \$6,039,103 of capital funding was not requested and reverted back to the State General Fund.

Although the current project description is less cost effective than the original proposal with the cost per expanded bed increasing from \$111k per bed to \$500k per bed, it is still within the range awarded under the IMHWGP (low of \$50,000 for a renovation/expansion of an old building facility to a high of \$526,000 for a new building being constructed on county-owned land).

Staff has reviewed all the information received from the County regarding the proposed project description change following the *Procedures for Addressing Requests for Project Description Changes* shared with the Authority in August 2020 and recommends approval of the County's project description change request (Attachment 8).

If approved, this resolution would include a new project description allowing the County to expand the CSU bed capacity by four additional beds rather than the previously approved 18 additional beds.

RECOMENDATIONS:

Staff recommends the authority approve Resolution No. MH 2014-20B approving the new project description as presented in Exhibit A of the resolution.

ATTACHMENTS:

- Attachment 1:** Resolution No. MH 2014-20
- Attachment 2:** Sonoma County 2019-2020 Adopted Budget Report Excerpt
- Attachment 3:** Sonoma County Letter dated August 12, 2019
- Attachment 4:** Sonoma County Letter dated January 24, 2020
- Attachment 5:** Sonoma County Letter dated June 2, 2020
- Attachment 6:** Sonoma County Letter dated July 31, 2020
- Attachment 7:** Sonoma County Board of Supervisors Resolution No. 20-0135
- Attachment 8:** Procedures for Addressing Requests for Project Description Changes
Review Matrix

RESOLUTION NO. MH 2014-20

**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 SONOMA**

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 Sonoma (“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 \$2,000,000.00 for the eligible project (the “Project”), which consists of no more than \$2,000,000.00 for crisis stabilization 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 \$2,000,000.00 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 June 30, 2016.

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 June 30, 2016.

Date Approved: April 24, 2014

EXHIBIT A**PROJECT DESCRIPTION**

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

The County of Sonoma (the “County”) will relocate and expand the County Crisis Stabilization Unit, increasing capacity for more adult, youth and children experiencing a behavior health crisis. Access will be expanded to provide 18 additional overnight beds for a total of 30 in a home-like environment with state-of-the-art crisis stabilization services and capacity to provide medical clearance. Adolescents will, for the first time, be able to receive local county crisis stabilization services. Services will be provided by the County. The site will be identified in the first six months of the grant. The funds will be used to renovate a building, furnish and equip it and finance three months of startup costs.

Summary of Amount:

Program	Approved Grant Amount
Crisis Stabilization	\$ 2,000,000.00

DEPARTMENT HIGHLIGHTS

Service Impacts

When the Department presented its FY 2018-19 budget it was facing a \$19 million revenue gap, primarily the result of over-projected federal reimbursement in the prior fiscal years, decreased revenues, and increased costs. The Department was able to avoid significant reductions to staff and provider contracts through implementation of various fiscal strategies including reduced expenditures, implementation of strategies to maximize revenues, use of one-time funds, system redesign, and the decision by the Board of Supervisors to provide significant funding for behavioral health services. Two years of restoration funding totaling \$17.9 million was provided, of which \$15.1 million was from one-time sources of County discretionary funding, including audit reserve release (SB 90 mandated claims), Social Service Realignment, and Reinvestment and Revitalization Funds.

While the Department was able to address its FY 2018-19 revenue gap with \$9.15 million in year-one Behavioral Health Restoration funding, the Department recognized that the road to fiscal sustainability would be a multi-year process requiring continued focus on improving its operational efficiencies and maximizing its revenue.

In FY 2018-19 the Department made progress on a number of challenges designed to improve the efficiency and effectiveness of its programs and services including, but not limited to, progress toward implementation of the Avatar electronic health record, claiming for Medicare reimbursement for, inputting care treatment plans and diagnosis codes into the claims system improving federal reimbursement, enhanced compliance oversight of Department operations, and the formation of a revenue cycle management unit designed to improve fiscal forecasting, reporting, and monitoring.

The Department continues to face significant challenges in FY 2019-20 as a result of labor increases that must be absorbed despite declining or flat revenue sources. To balance the FY 2019-20 budget, the Department will have to eliminate positions, reduce contracts, and continue to rely upon one-time fund balance from sources including \$8.2 million of year two of restoration funding, \$3 million from Human Services FY 2018-19 Realignment, and \$2.3 million in Departmental fund balance.

To mitigate the impact on its programs and services, the Department will continue to identify opportunities to improve its operations including:

- Continue with the redesign of Department programs to improve service provision, maximize revenues, reduce institutional care, improve compliance with State/federal mandates, and improve utilization review processes;
- Restructure the Department's contracts to improve the efficiency, effectiveness, and value of contracted services including implement competitive procurement and performance-based contracting, active contracting monitoring, and improved collaboration and problem solving processes between Department Behavioral Health Division and community-based providers;
- Continue to improve the Department's fiscal systems including revenue forecasting, fiscal reporting processes to track service provision, program productivity, grant/contract performance and financial status, and oversight and monitoring to meet budget goals and improve services.

The painful reality is even if the Department is successful at maximizing its operational efficiencies, its existing revenues are not sufficient to fund its programs and services at their current levels.

To address the FY 2019-20 revenue gap and move the Department toward fiscal sustainability will require painful reductions to programs and services that will undoubtedly have a detrimental effect on the vulnerable populations we serve in the community – primarily the mentally ill and those with substance use disorders. The ripple effects downstream on our criminal justice system, health systems, and educational systems cannot be understated - resulting in increased incarcerations, emergency room visits, and homeless on our streets. As directed by the Board, the Department in partnership with the Community Development Commission will explore revenue measure options for consideration on the November 2020 ballot. If approved by the Board, this measure will provide much needed funding for both behavioral health and homeless services.

The Department's proposed FY 2019-20 budget includes the following budgetary changes:

Administration Division:

The Administration Division has an overall decrease of \$5.1 million from the FY 2018-19 adopted budget primarily due to the transition of First 5 Sonoma County out of the Department of Health Services into its own public entity as of July 1, 2019.

Behavioral Health Division:

The Behavioral Health Division was projected to have an approximate \$8 million budget hurdle primarily due to decreased Federal Financial Participation (FFP) and Medicare reimbursements, increased labor, and board and care costs. This budget imbalance necessitated the Department to focus on core-mandated services. To mitigate the service impacts to the most vulnerable clients, approximately 20 Full Time Equivalent (FTE), or \$3.1 million in total Salaries & Benefits, will be shifted from Realignment funded-programs to Full Service Partnership programming, which is funded by the Mental Health Services Act (Proposition 63, 1% income tax on personal income in excess of \$1 million). Approximately 100 of the most vulnerable clients will be serviced by this shift in programming. To enable the Department to make this shift towards acute service delivery needs, the following programmatic reductions are reflected in the proposed budget:

- *Elimination of Board and Care Supplemental Payments.* Board and Care supplemental payments support housing for approximately 216 clients in 19 contracted Board and Care facilities. Clients who lose placements at Board and Care facilities will require new housing and may be more continually at-risk for homelessness and face increased crisis situations that can lead to use of Hospital Emergency Department services and higher cost/longer-term care and/or incarceration. The net cost savings of this reduction is \$3.8 million.
- *Reduced Peer and Family Support Contracts.* Provide peer-run self-help centers and community-based programs that support beneficiaries that may or may not be currently receiving treatment to live as independently as possible in their recovery. Absent these services some clients will regress, resulting in an increased need for Hospital Emergency Department services, psychiatric crisis services, conservatorship, criminal justice services, placement in higher level of care and encounters with law enforcement. The net cost savings of this reduction is \$1.16 million.
- *Reduce the Crisis Stabilization Unit from 16 to 12 Beds.* Provides 24/7 crisis intervention, assessment, medication support, and up to 23 hours of supportive care for those in acute mental health crisis. Reduction in beds will result in more individuals being diverted to Hospital Emergency Department Services and an increase in acute hospitalizations. This will also increase amount of time law enforcement must spend on crisis response. The net cost savings of this reduction is \$617,000.
- *Reduction of Adult Services Team and Outpatient Contracts.* Will result in the complete elimination of case management and therapy services for approximately 500 beneficiaries. Absent outpatient supportive services it is likely that for a significant percentage of these beneficiaries' condition(s) will worsen requiring more intensive and costly mental health services and Hospital Emergency Department services, as well as increased contact with law enforcement and the criminal justice system. The net cost savings of this reduction is \$1.53 million.
- *Elimination of the Crisis, Assessment, Prevention, and Education Team.* Provides "on-call" crisis support for local schools. With the loss of this program, the Department will no longer respond to youth in psychiatric crisis at local high school and junior college campuses. The net cost savings of this reduction is \$250,000.
- *Reduction of the Workforce Education and Training Program.* Provides training to staff. Reduction in program services will result in reduced staff development trainings. The net cost savings of this reduction is \$382,000.

FY 19-20 Public Health Division:

The Public Health Division was projected to have a \$3 million budget gap primarily due to reduced revenues and associated expenditures of \$1.2 million related to the State's legislative mandate to transition the Whole Child Model program to the Partnership Health Plan, as well as increased labor costs of \$1.8 million. The recommended budget include the following reductions:

- *Reduced Disease Control Unit.* Disease control unit is responsible for protecting the community from communicable diseases such as flu, tuberculosis, sexually transmitted infections, and hepatitis. Public health nurses in this unit promote preventive services such as vaccination, educate health care partners in infection control practices and enhanced surveillance when needed, and support practitioners in diagnosing reportable conditions and identifying and disrupting outbreaks. The Disease Control Unit will be less able to respond to requests for guidance and support regarding all aspects of communicable disease from County departments and/or community partners. Disease Control team will triage services to address most pressing disease control issues within available resources. An expanded disease outbreak may require tapping into County workforce and reserves to cover unbudgeted costs. The net cost savings of this reduction is \$655,000.
- *Reduced Emergency Preparedness Unit.* The Emergency Preparedness unit provides guidance and plans using an all-hazards approach to equip all employees with the knowledge and skills needed to respond to any number of threats. This includes finalizing the agency plan for the County-wide COOP and providing regular training and exercises for department staff to work effectively in shelters and to maintain and support the overall health system. Will require greater prioritization and coordination of preparedness activities across the DHS workforce and in collaboration with Emergency Management Department and other emergency preparedness and response partners. The net cost savings of this reduction is \$130,000.
- *Significant reduction to Teen Parent Connections.* The teen parent program is designed to support pregnant teens and teen parents throughout the pregnancy and beyond to ensure healthy infants and moms using the positive youth development curriculum. Ongoing support is provided to encourage parents to graduate from high school and attend college, to prevent a subsequent pregnancy by advocating for use of effective contraception such as long acting reversible contraception, and to access all screenings and preventive care for baby and parents. Teen parents who lose access to case management from the Teen Parent Connection program are more likely to not graduate from high school, have a second teen pregnancy, become homeless, enter child welfare system, enter juvenile justice system and require other County services that lead to increased long-term County costs for safety net services (including human services, behavioral health, criminal justice, child support, child protective services, etc.). The program currently leverages funds through participating in Medi-Cal Targeted Case Management (TCM) and receiving Cal-Learn funding from Human Services. The net cost savings of this reduction is \$373,000.
- *Reduced administrative support services.* Loss of several key administrative infrastructure positions will limit the ability of Public Health program support unit to assure compliance and operational excellence across the Division. Elimination of staff will move the duties to other remaining personnel to identify priorities, efficiencies, and alternatives for loss of administrative support services. The net cost savings of this reduction is \$393,000.
- *Reduced nurse home visiting teams.* The Field Nursing Initiative and Nurse Family Partnership (NFP) programs assist pregnant women and mothers with young children who have numerous health and social challenges to their health. The NFP provides intensive support to first-time mothers during their pregnancy and has been shown to reduce pre-term birth and improve other maternal and child outcomes. The Field Nursing program offers a broad range of services and assessments to women and their young children, including screening for adverse childhood experiences and depression. Elimination of additional nurse home visiting positions is a lost opportunity for the Department to leverage federal and state funding for prevention and early intervention to vulnerable families to reduce long-term impacts. Evidence-based home visiting is one of the top 2 priorities identified for the Board of Supervisors in its "Strategies to Reduce Poverty in Sonoma" study (November 24, 2014) and has the highest return on investment compared with downstream interventions. The net cost reduction of this savings is \$521,000.
- *Eliminate Animal Care and Control Director Position.* The Animal Care and Control Director is responsible for overall management and administration of Animal Services programs and services including fiscal, human resources, training, and policy functions, and supervision of first line supervisors and professional and technical staff. Elimination of the position will result in transition of the position duties to the Animal Services Operations Manager and the current Public Health Division Director for overall supervision of the unit. The net cost reduction of this savings is \$180,000.

Key Issues

The need to strengthen the behavioral health continuum of care by expanding the availability of supportive housing and inpatient psychiatric services including the development and implementation of a 16-bed regional Psychiatric Health Facility and peer respite housing services.

To balance the FY 2019-20 budget the Department had to make reductions to staffing and community services contracts by \$10.8 million, a net budget decrease of \$10.2 million or 4.0% compared to FY 2018-19. The details of these deep reductions are discussed more fully above.

As directed by the Board, the Department in partnership with the Community Development Commission will explore revenue measure options for consideration on the November 2020 ballot. The Safety Net Departments will conduct a public information and outreach program to assess the viability of the ballot measure.

The Department will assess its home visiting programs to determine the most effective prevention and upstream strategies to meet the needs of residents in need of these services.

The Department will strengthen its disease control efforts to more proactively mitigate the risk of disease outbreaks in Sonoma County.



August 12, 2019

Dear Partner:

I am writing to provide an update regarding the Department of Health Services Behavioral Health Division (DHS-BHD) service changes being implemented as a result of the FY 19-20 budget reductions adopted by the Board of Supervisors in June 2019. As I have shared with you previously, DHS was facing a revenue gap of \$11 million, including \$8 million in its Behavioral Health Division and \$3 million in its Public Health Division for FY 19-20. Like FY 2018-19, the \$11 million revenue gap was primarily the result of a continued decline in revenue and increasing costs. FY 2019-20 will be the fourth year the Health Department will experience flat growth in a major funding stream – 1991 Health and Mental Health Realignment funds as the result of the In Home Support Services (IHSS) redirect.

The lack of 1991 Realignment growth in concert with increasing costs, including an increase in the Health Department's labor and institutional costs, are a major contributor to the Health Department's FY 2019-20 fiscal challenges.

As a result of the aforementioned budget challenges, DHS-BHD is set to implement service changes to the Crisis Stabilization Unit (CSU) effective August 13, 2019. The elimination of 4 beds will move it from a 16 bed facility to a 12 bed facility. It's important to note that while the reduction is unfortunate in the short-term, DHS-BHD is actively working on system improvements that will have positive impacts on the crisis care continuum in both the short and long-term.

One of the long-term improvements the Department is moving forward with is the establishment of a 16 bed Psychiatric Health Facility (PHF). The lack of inpatient psychiatric beds creates a bottleneck that interferes with the smooth functioning of the crisis continuum, particularly at the CSU. Designed to provide less than 24 hours of services to each client, CSU beds are occupied for periods of time ranging from days to months, as clients wait for inpatient beds to open for them. As a result, the CSU is often unable to admit individuals in crisis because beds are occupied for long periods of time.

The establishment of a 16 bed Psychiatric Health Facility (PHF) is designed to address this bottleneck. The availability of 24 hour crisis and longer term psychiatric beds improves the system to allow individuals to transition to the appropriate levels of care in a timely fashion. With 14 of the 16 PHF beds dedicated to Sonoma County, CSU overstays will be significantly reduced if not all but eliminated. This will increase "through-put" and the CSUs ability to more readily admit individuals in psychiatric crises.

Additionally, while the PHF creates a resource for individuals who require longer term inpatient psychiatric services, it is important to modify the system to prevent individuals from entering inpatient care and reduce recidivism for those exiting crisis services. This year's budget includes an increased investment in Adult Full Service Partnerships (FSPs), intensive 24/7 outpatient services, and adult case management. These services will allow DHS to provide services that will divert

individuals from crises. This should be particularly effective for clients who cycle frequently through emergency services.

We believe that Sonoma County's crisis services continuum will be much improved a year from now and the Department will be better positioned to efficiently and effectively care for all Sonoma County residents. We appreciate the continued support from the Board of Supervisors, County Administrator and our community partners as we work through redesigning our continuum of care so that we are better positioned to serve Sonoma County residents.

Sincerely,



Barbie Robinson, MPP, JD, CHC

Director

Department of Health Services

barbie.robinson@sonoma-county.org



January 24, 2020

Mr. Frank Moore
Executive Director
California Health Facilities Financing Authority (CHFFA)
915 Capitol Mall, Suite 435
Sacramento, CA 95814

Dear Mr. Moore:

I am writing on behalf of Sonoma County regarding your review of the Investment in Mental Health Wellness Grant that funded the expansion of the Sonoma County Crisis Stabilization Unit.

The County utilized funds received by CHFFA to develop the Crisis Stabilization Unit (CSU) facility as described in the grant application, and a CSU does in fact currently function in the facility. However, the County has not successfully expanded the CSU to the 30 beds originally proposed to CHFFA. Sonoma County has made a good faith effort to implement the program as designed; however, changes in the regulatory environment, financial considerations and “lessons learned” during this process have forced the County to continue to operate the CSU at its current size. Mitigating factors, along with the impact that repayment of the grant would have on Sonoma County’s behavioral health programs and crisis continuum specifically, are the reasons for our request that CHFFA waive repayment of this grant.

At the time the Sonoma County Department of Health Services (DHS) applied for the CHFFA CSU funding, it operated a 12 bed CSU at the County’s aging Chanate property. The buildings on the Chanate site were no longer functional, and the County determined it would relocate DHS. The DHS application to CHFFA stated that the new facility would replace the original 12 beds and phase in 18 more. The CSU opened on March 7, 2016 with 16 beds. The capacity expanded to 24 beds in November 2017, decreased to 16 beds in July 2018 and further reduced to 12 beds in August 2019. A severe budget shortfall, that continues today, was the primary driver of the two reductions.

The current Sonoma County Department of Health Services (DHS) administrators were not in place during the application and initial implementation of the CSU; therefore, we must make assumptions regarding our predecessors’ intentions. It appears that the initial plan to implement a much larger CSU was consistent with the state regulatory environment in 2015-16. The CSU was to be a “stop and drop” facility that would enable law enforcement and other entities to bring individuals who may be in psychiatric crisis for treatment and disposition. Establishing “low-to-no” barriers to access, the CSU services would eliminate inefficient processes, such as waiting in hospital emergency departments which burdened law enforcement, families and individuals in crisis. In this sense, the CSU was designed to address the gaps in social and health care services continuum that exist in Sonoma County and across the state.

At that time, it was a relatively standard practice for individuals to remain in CSUs beyond the 24 hour limit when there were no available facilities to which they could transfer. These “overstays” were, and continue to be, the result of the lack of psychiatric hospital beds across California. Although Medi-Cal does not compensate CSUs for services after 24 hours, they continue to treat clients while seeking transfer opportunities. CSUs have functioned in this manner with the unstated understanding that such overstays reflect significant gaps in the state’s resources, and acknowledgement that discharge of individuals who remain a danger to themselves is inhumane and likely illegal. However, the regulatory environment has changed over the last couple of years, and the California Department of Health Care Services (DHCS) is increasingly taking the stance that such overstays are unacceptable, regardless. Sonoma County is in discussions with DHCS to address its concerns in this area.

A key lesson learned has been that Sonoma County must invest in a Psychiatric Health Facility (PHF) to address the bottleneck at the CSU. That is, given the nature of the individuals in psychiatric crisis, it is necessary to replace the original plan of a 30 bed CSU, with a plan to establish a 28 bed acute crisis configuration of 12 CSU and 14 PHF beds. Sonoma County DHS is in the process of establishing a 16 bed PHF, with 14 beds dedicated to Sonoma County and two beds set aside for Marin County. The PHF is slated to be operational in late summer of 2020.

Sonoma County DHS asks that CHFFA consider the factors that lead it to operate a 12 bed CSU at this time. This includes the request that CHFFA not require Sonoma County to refund the original grant. Please consider the following:

- The Investment in Mental Health Wellness Grant was a very new endeavor, one from which CHFFA and counties have learned much since the original 2013 legislation establishing it. Sonoma County made an earnest effort to carry out the CSU expansion as planned; however, in this process, it learned that the plan to expand to 30 beds was unadvisedly ambitious. Given the county’s current needs, it is necessary to add a PHF to the crisis continuum to ensure that the CSU can operate in a manner consistent with regulatory standards and continue to improve crisis services.
- Sonoma County could not foresee the change in the State’s regulatory position relative to CSU overstays. We believe that the original plan to expand the CSU relied upon the experience that overstays were “understood” to be a necessity, given the state of California’s psychiatric hospital bed inventory. However, DHCS’s current stance with Sonoma County calls into question our ability to continue operating *any* CSU, if the number and length of overstays continue. Investment in psychiatric hospital beds is necessary to reduce CSU treatment episodes that exceed 24 hours. Unfortunately, a larger CSU will create more opportunities for overstays, while using financial resources needed for the PHF.
- DHS used the CHFFA grant funds to establish a new CSU facility. Sonoma County contributed a significant amount of local funds to this facility in addition to the CHFFA grant, and it remains available for CSU expansion as the need arises. CHFFA’s investment continues to support the availability of crisis stabilization services in Sonoma County, along with the opportunity to expand the CSU when circumstances allow.
- Sonoma County continues to struggle with a significant budget shortfall. This is a structural imbalance, the result of increasing costs and flat revenues in behavioral health; however, this has been exacerbated by a series of natural disasters that include the 2017 Tubbs Fire, the 2019 Guerneville Flood, the 2019 Kincaid Fire in the series of 2019 Public Safety Power Shutoffs. This shortfall is one part of the decision to operate a smaller CSU. Repayment of the CHFFA grant will exacerbate the

ongoing budget crisis; hinder our attempts to stabilize the Behavioral Health Division while continuing to make improvements to the psychiatric crisis service continuum.

The Investment in Mental Health Wellness Grant and Sonoma County's original proposal were both innovations designed to address terrible gaps in psychiatric crisis services. While the final Sonoma County proposal has not developed as proposed, the grant was used to establish a new CSU facility and the County is actively utilizing its resources to build out the crisis continuum to better meet our local needs. It will be unfortunate if Sonoma County is penalized for pursuing an innovation that did not end as originally designed. While the CSU does not exist as proposed, Sonoma County has used the CHFFA funds to establish a CSU while expanding the crisis continuum in a manner that reflects realities on the ground and is consistent with the spirit of the grant. Please exercise the discretion at your disposal to allow Sonoma County to continue to meet the needs of those in psychiatric crisis, waive the repayment of this grant, and partner with Sonoma County to rebuild a stronger part of the statewide behavioral health system.

Sincerely,



Barbie L. Robinson

Barbie Robinson, MPP, JD, CHC

Director

Department of Health Services

1450 Neotomas Avenue, Suite 200

Santa Rosa, CA 95405

707.565.4777

barbie.robinson@sonoma-county.org

cc: Carolyn Aboubechara, CHFFA
Sondra Jacobs, CHFFA
Bianca Smith, CHFFA
Eman Hariri, CHFFA
Marissa Montenegro, Sonoma County Department of Health Services
Paul Yoder, Shaw/Yoder/Antwih, Inc.
Terri Wright, Sonoma County Administrator's Office
Travis Shenk, Sonoma County Administrator's Office



June 2, 2020

Mr. Frank Moore
Executive Director
California Health Facilities Financing Authority (CHFFA)
915 Capitol Mall, Suite 435
Sacramento, CA 95814

Dear Mr. Moore:

I am writing on behalf of Sonoma County Department of Health Services (DHS) to provide an update on the current operations including the expansion of bed capacity of the CSU. I would also like to formally request that California Health Facilities Financing Authority (CHFFA) hold Sonoma County financially harmless relative to the changes in the operations of the CSU.

In my January 24, 2020 letter (see attached) I provided background information regarding Sonoma County's original Mental Health Wellness Grant application, the evolution of the CSU operations, and the rationale for why the operations have changed over the past four years. With this correspondence, I am informing you that we are increasing the CSU capacity from 12 to 16 beds. The reasons for this change are twofold:

- The current need for CSU capacity is 12 beds. It is preferable to operate crisis facilities that have more capacity than needed to better ensure the availability of services whenever needed.
- The staffing model for a 16 bed program, which includes an additional 4 clinical staff, is superior to staffing for a 12 bed program. The staffing "critical mass" of a 16 bed program is better able to respond to changes in milieu acuity & volume of activity.

It is DHS's intention to maintain the CSU at 16 beds ongoing. The CSU will continue to be a priority program, and the Sonoma County will allocate the funds necessary to operate the program at this level.

Sonoma County seeks permission to use the full amount of the MHWG funds allocated for the CSU operating as described. As outlined in the previous correspondence, Sonoma County has made good faith efforts to establish the CSU as described in the original application; however, the changing regulatory environment, lessons learned during this process and other occurrences outside of our control, lead us to the practical and necessary decision to operate the CSU as a 16 bed facility.

Sincerely,



Barbie Robinson, MPP, JD, CHC

Director

Department of Health Services

cc: Carolyn Aboubechara, CHFFA
Sondra Jacobs, CHFFA
Bianca Smith, CHFFA
Eman Hariri, CHFFA
Marissa Montenegro, Sonoma County Department of Health Services
Paul Yoder, Shaw/Yoder/Antwih, Inc.
Terri Wright, Sonoma County Administrator's Office
Travis Shenk, Sonoma County Administrator's Office



July 31, 2020

Frank Moore
Executive Director
California Health Facilities Financing Authorities
915 Capital Mall, Room 435
Sacramento, CA 95814

Dear Mr. Moore:

I am writing on behalf of Sonoma County Department of Health Services (DHS), at the request of the CHFFA board and staff, to offer additional information regarding Sonoma County's Investment in Mental Health Wellness Grant (IMHWG) and its request that the current CSU implementation be judged adequate for the County to retain the funding.

Background

Up until 2016, DHS operated a 12 bed CSU at an aging public hospital site on Chanate Road in Santa Rosa, CA. Sonoma County determined that the buildings at Chanate had outlived their useful lives and that all County services would move from the property. The IMHWG was a resource that supported the County to move and expand its CSU to a new location.

The DHS application to CHFFA stated that the new facility would replace the original 12 beds and phase in 18 more, for a total of 30 CSU beds. The CSU opened on March 7, 2016 with 16 beds. By November 2017 the CSU capacity expanded to 24 slots; however, concerns regarding CSU costs and operations led to a County decision to stop its expansion. Significant DHS budget shortfalls and CSU operational issues in July 2018, created further momentum for a bed reduction to 16, and again in 2019 with a reduction to 12 beds. DHS has determined it will increase the CSU to 16 slots, a process that is underway.

Efforts to Expand to 30 beds

Costs and operational issues led Sonoma County to decide it would not expand to 30 beds. A primary driver of this decision is the degree to which clients cannot discharge from the CSU after 24 hours, and the need to invest in additional services to address this. Secondly, Sonoma County does not appear to have a need for 30 CSU slots. Lastly, the budget shortfall influences this decision as well.

While the CSU successfully provides services to individuals who stabilize and return to the community within 24 hours, it is hampered by its inability to transition individuals who require ongoing support beyond the 24-hour crisis stabilization services limit. The regional and county shortage of psychiatric hospital beds creates a bottleneck that leaves clients in the CSU beyond 24 hours. Between July 2015 and October 2019, the average length of stay in the CSU was 38 hours and 44 minutes, with 4.5% of admissions (469 admissions/326 unduplicated clients) staying 5 days or longer.

The problems created by the situation include: 1) clients are ill-served by residing beyond 24 hours in a facility designed only to house and treat for that period of time; 2) the CSU operates outside of regulatory guidance placing the facility at risk; 3) DHS's inability to bill for services beyond 24 hours undermines the financial viability of the program. DHS estimates that it lost over \$1,000,000 in revenue in FY 19-20.

The County has considered making its beds available to other entities in a manner that would allow it to expand further. As DHS Director, I have reached out to local health plans and hospitals soliciting interest in purchasing CSU beds. While this outreach resulted in their financial contribution to the development of the PHF, it did not result in their purchase of CSU beds.

Sonoma County has not contacted other counties to offer beds. The two counties that might be geographically situated to take advantage of the Sonoma CSU, Napa and Marin, have their own facilities. The other two counties, Lake and Mendocino, are geographically too distant to effectively utilize a 24-hour facility. Additionally, we expect that discharge of individuals from these counties would be difficult, for all the reasons reviewed, and would increase the number of overstays at a time we are working to reduce and eliminate them.

DHS has determined that the solution to this problem is to move away from a crisis continuum anchored by 30 CSU slots, to one comprised of 16 CSU slots and 14 Psychiatric Health Facility (PHF) beds. This requires an increase in CSU slots from the current 12 to 16. The introduction of 14 PHF beds will create resources that allow the CSU to discharge clients to the next level of care, and free up CSU slots for clients "boarding" in emergency departments. Transferring these individuals within the 24 hour period will open CSU beds to the degree that it will have adequate availability when needed. DHS has identified a site and a contractor for the PHF, and is in the contracting process. The PHF could be available in spring 2021.

CSU Space Utilization

Original planning divided the CSU into three physically separated sections: 1) adult acute section {Photos A, B}; 2) adult subacute section {Photos C, D, E}; 3) adolescent section {Photo F} with a staff office and observation area in the middle {Photos G, H}. The subacute section was designed to serve a larger number of individuals for briefer periods of time during the day. Our experience, however, has been that the CSU predominantly serves high acuity individuals, who are more physically aggressive. Dynamics such as the opioid epidemic and Prop 47¹ are likely contributors to the CSU serving individuals with much more problematic behavior than in the past. The space originally designed for a larger number of individuals with less complex needs, is currently necessary to serve a smaller number of more behaviorally challenging clients, for the sake of client and staff safety. The larger space is used to segregate the population, isolating individuals who are more aggressive as well as those who are more likely to be victimized.

Budget Considerations

The operating budgets for the CSU at 30 beds and at 16 beds are below {Figure I}, and summaries of the total project cost and Sonoma County's experience with CHFFA grants follow, as requested. DHS believes the county will have the need for 16 beds over time and will be able to support it financially; however, we cannot

¹ Passed by voters in November 2014, Prop 47 reduced penalties for certain lower-level drug and property offenses. One result is that individuals with mental illness and criminal behavior, including aggression, are more likely to be served in the CSU now than in the past.

predict what will happen with county needs, budgets, regulatory modifications or social change over 20 years required. DHS makes this commitment in good faith, but acknowledges it cannot offer a guarantee.

The overall cost of the CSU renovations was \$3,289,419.19. Revenues supporting the project included:

- CHFFA Grant \$2,000,000.00
- Mental Health Services Act (MHSA) \$1,000,000.00
- Realignment \$ 289,419.19

CHFFA Grants and Sonoma County

Sonoma County DHS has secured four grants through CHFFA’s programs and the financing resources and requirements have resulted in different outcomes for each. As described, the CSU operates successfully, at a smaller scale than originally proposed. The Crisis Residential Treatment (CRT) program operates as proposed, and its utility and financing assure that it will continue for the foreseeable future. DHS returned the Peer Respite Grant, before implementing the project, when local budget instability raised questions about our ability to operate this program, with County funding alone, for the useful life of the grant. Lastly, DHS continues to develop the Jail Diversion program. The need for local housing and the financial design of this program leave us confident about this program’s implementation.

Additional Questions

You have asked us to answer the question: **Did the County consider returning all or a portion of the grant and to describe the impact that a repayment would have.**

The DHS Director and Behavioral Health Division Director were not employed in their current roles when the Sonoma County application was submitted, and joined DHS at a time of financial and operational crisis. Our review of the situation led to the conclusion that, despite original plans, the County does not need, and cannot operate, a 30 bed CSU. We understood that DHS would inform CHFFA of this decision and assumed we would review and negotiate together. However, we expected that CHFFA would make the final decision regarding the disposition of this grant. DHS maintains that its CSU implementation meets the intent of the IMHWG and does not believe that it is in the best interest of the State or the County to repay this grant; therefore, it did not consider making an offer to repay the grant.

The IMHWG was an innovation, in which the State provided support and incentives for counties to implement crisis services to fill terrible gaps in our service systems. CSUs are difficult to establish and maintain in medium and small California counties, but Sonoma County DHS took a risk and, in good faith, attempted to implement the project as proposed. While a number of variables contributed to a different outcome, DHS established a new and larger CSU that meets the community’s needs.

Repayment of the CHFFA grant will have a significantly negative impact on DHS’s budget and efforts to expand its crisis continuum. The County remains committed to establishing a PHF which, in combination with the CSU, will best meet the needs of Sonoma County. Repayment of the \$2 million IMHWG will compound the Sonoma County DHS \$25 million structural deficit, the stress the system has experienced through a series of remarkable natural disasters from 2017 to present, and the unknown financial impacts of the COVID emergency.

In the end, DHS has contributed to an increase in CSU slots available in California. The increase of four beds works out to \$500,000 per bed or \$25,000 per-year-per-bed for the 20-year commitment. These costs are consistent with those of other projects funded by the IMHWG.

Lastly, Sonoma County operates a CSU that is a vital crisis service in Sonoma County, the importance of which is expressed in a recent client's written comment after receiving services:

"I felt that you guys are always working on my behalf to stabilize me or prevent me from behaving badly by your love and compassion toward my cause. I felt lost but I'm better now because I will be found. I will find myself. Thank you!"

In the interest of supporting the behavioral health service system within Sonoma County, DHS requests that the CHFFA Board exercise the discretion available to it, and allow the grant to support the CSU as currently designed.

Sincerely,



Barbie Robinson, MPP, JD, CHC
Director
Department of Health Services

cc: Carolyn Aboubechara, CHFFA
Sondra Jacobs, CHFFA
Bianca Smith, CHFFA
Eman Hariri, CHFFA
Marissa Montenegro, Sonoma County Department of Health Services
Paul Yoder, Shaw/Yoder/Antwih, Inc.
Terri Wright, Sonoma County Administrator's Office
Travis Shenk, Sonoma County Administrator's Office

CSU Space Utilization

Photo A - adult acute section



Photo B - adult acute section

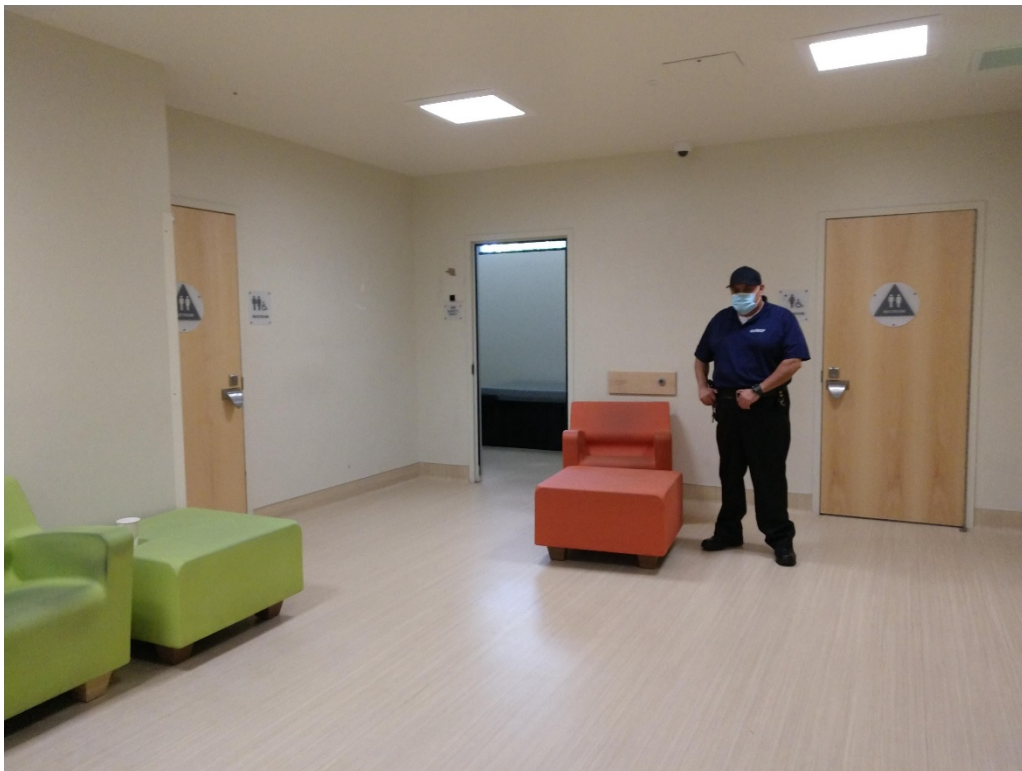


Photo C - adult subacute section



Photo D - adult subacute section



Photo E - adult subacute section



Photo F - adolescent section



Photo G - adolescent section/staff area



Photo H - adolescent section/staff office and observation area



Figure I - operating budgets for the CSU at 16 beds and at 30 beds

22615 Crisis Stabilization Unit (CSU)			
Account	Title	Expense - 16 beds	Expense - 30 beds
50101	Regular Wages	4,161,983	6,444,815
50111	Extra help	313,925	588,609
50112	Overtime	266,560	499,800
50115	Premium pay	147,915	277,341
50118	Shift differential	125,167	234,688
50601	Salary Savings	(74,909)	-
50606	Classification costs	209,379	-
SALARIES & BENEFITS		5,150,020	8,045,253
Account	Title	Expense - 16 beds	Expense - 30 beds
51031	Waste Disposal Services	901	1,689
51032	Janitorial Services	44,459	83,361
51041	Insurance - Liability	19,491	36,546
51042	Insurance - Premiums	51,248	96,090
51071	Maintenance - Bldg & Improve	24,388	45,728
51211	County Counsel - Legal Advice	47,839	60,000
51222	Safety/Emergency Services	349	349
51225	Training Services	12,000	12,000
51228	Interpreting Services	18,716	35,093
51230	Security Services	923,108	1,730,828
51241	Outside Printing and Binding	2,505	4,697
51244	Permits/License/Fees	99	186
51247	Pre-employment Screen Services	779	1,461
51249	Other Professional Services	820,500	1,538,438
51256	Services for linen services	62,778	117,709
51290	IRR Administration Services	500,161	937,802

Account	Title	Expense - 16 beds	Expense - 30 beds
51301	Publications and Legal Notices	1,049	1,967
51401	Rents and Leases - Equipment	6,194	6,194
51421	Rents and Leases - Bldg/Land	151,281	151,281
51901	Telecommunication Data Lines	11,893	22,299
51902	Telecommunication Usage	10,154	19,039
51904	ISD - Baseline Services	119,841	224,702
51906	ISD - Supplemental Projects	5,325	9,984
51909	Telecommunication Wireless Svc	1,893	3,549
51911	Mail Services	270	506
51920	Risk Mgmt Benefit Admin Chgs	6,992	13,110
51922	County Car Expense	476	476
51923	Unclaimable county car exp	176	176
51924	Cost Plan Charges	114,864	215,370
51931	Unallowable Computer Charges	26,193	49,112
51934	ERP System Charges	73,662	138,116
51935	Unclaimable ERP System Charges	2,334	4,376
52042	Janitorial Supplies	-	-
52043	Safety Supplies/Equipment	179	336
52081	Medical/Laboratory Supplies	63,752	119,535
52101	Other Supplies	1,485	2,784
52111	Office Supplies	4,250	7,969
52112	Office Furniture/Fixtures	-	-
52113	Ergonomic Supplies	5,677	10,644
52116	Photocopy Supplies	1,052	1,973
52191	Utilities Expense	39,078	73,271
53013	Client Meal Expenses	55,692	104,423
53015	Client Transport Expenses	4,343	8,143
53016	Client Medical/Dental/Lab Svcs	5,000	9,375

Account	Title	Expense - 16 beds	Expense - 30 beds
53613	Intradepartmental Expenses	131,352	246,285
	Services & Supplies, Other Costs	3,373,778	6,146,972
	TOTAL COSTS	8,523,798	14,192,225

The department expects FFP to increase based upon additional billable beds



APPROVED
APR 21 2020

COUNTY OF SONOMA
SUMMARY REPORT

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403
THE WITHIN INSTRUMENT IS A
CORRECT COPY OF THE ORIGINAL
ON FILE IN THIS OFFICE.

ATTEST: **APR 21 2020**

BY *[Signature]*
SHERYL BRATTON, Clerk/Secretary
DEPUTY CLERK/ASST. SECRETARY

Agenda Date: 4/21/2020 #7

To: Board of Supervisors of Sonoma County
Department or Agency Name(s): Department of Health Services
Staff Name and Phone Number: Barbie Robinson, 565-7876
Vote Requirement: Majority
Supervisorial District(s): Countywide

	AYE	NO
GORIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
RABBITT	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ZANE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GORE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HOPKINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Title:
Behavioral Health Crisis Stabilization Unit Staffing Allocations

Recommended Action:
Adopt a personnel resolution effective April 21, 2020 adding 4.00 full-time equivalent Behavioral Health Clinician allocations within the Department of Health Services.

Executive Summary:
The Department of Health Services operates a Crisis Stabilization Unit that provides critical mental health services including client assistance, crisis intervention, crisis stabilization, crisis residential treatment, and rehabilitative mental health services. The Crisis Stabilization Unit serves anyone in the County who is experiencing a behavioral health crisis. There are currently 12 beds within the Crisis Stabilization Unit, a number insufficient to meet the needs of a community as large as Sonoma County. Hospital emergency rooms are experiencing delays in transferring Medi-Cal recipients to the Crisis Stabilization Unit, and recipients are experiencing delay in receiving the care they need. In addition, law enforcement is being diverted from the Crisis Stabilization Unit to hospital emergency rooms more frequently, adding to the delay in care and congestion in the system. With the addition of the requested 4.00 full-time equivalent Behavioral Health Clinicians, the Crisis Stabilization Unit will be able to increase the number of beds to 16, allowing the County to more effectively meet the needs of the community.

Discussion:
The County currently operates a Crisis Stabilization Unit that provides critical mental health services including client assistance, crisis intervention, crisis stabilization, crisis residential treatment, and rehabilitative mental health services. The Crisis Stabilization Unit serves anyone in the County who is experiencing a behavioral health crisis. Due to financial constraints, the number of beds available at the Crisis Stabilization Unit dropped from 20 to 16 in July 2018 and from 16 to 12 in July 2019. The current number of beds within the Crisis Stabilization Unit is insufficient to meet the needs of a community as large as Sonoma County. Hospital emergency rooms are experiencing delays in transferring Medi-Cal recipients to the Crisis Stabilization Unit, and recipients are experiencing delay in receiving the care they need. In addition, law enforcement is being diverted from the Crisis Stabilization Unit to hospital emergency rooms more frequently, adding to the delay in care and congestion in the system.

With the addition of the requested 4.00 full-time equivalent Behavioral Health Clinicians, the Crisis Stabilization Unit will be able to increase the number of beds to 16, allowing the County to more effectively

Agenda Date: 4/21/2020

meet the needs of the community. The increased bed count will help to reduce the delays being experienced by hospital emergency rooms in transferring Medi-Cal recipients to the Crisis Stabilization Unit and will allow recipients to more quickly receive the care they need. In addition, the additional staff and associated increased bed count will enhance the Crisis Stabilization Unit's capacity to accept individuals being brought in by law enforcement, thereby reducing the burden on local area hospital emergency rooms. Proper care being provided in a timely manner to individuals experiencing a mental health crisis will result in earlier stabilization and may allow for the utilization of less restrictive options for follow-on care. A reduction in costly acute inpatient hospitalizations is anticipated.

Additional staff will also increase the speed of assessing and discharging clients, which will result in a reduction in overstays and potentially increased revenue, and will result in a safer facility for staff and clients.

Primary Duties/Responsibilities of the Additional Behavioral Health Clinician

Behavioral Health Clinicians in the Crisis Stabilization Unit perform a variety of clinical functions including, but are not limited to, the following: clinical assessments; referral, case management, crisis intervention and stabilization, psychiatric evaluation, medication monitoring and support, rehabilitation, provide motivational counseling, and therapy. In addition, Behavioral Health Clinicians participate in in-service training, attend team/staff meetings and work on various committees and/or workgroups. These positions are considered critical in the County's Specialty Mental Health system of care, specifically the ability for the Department to properly assess the needs of those (primarily Medi-Cal beneficiaries) attempting to access the services offered by the Sonoma County Behavioral Health Division.

Prior Board Actions:

None

FISCAL SUMMARY

Expenditures	FY 19-20 Adopted	FY 20-21 Projected	FY 21-22 Projected
Budgeted Expenses		659,258	718,284
Additional Appropriation Requested	178,652		
Total Expenditures	178,652	659,258	718,284
Funding Sources			
General Fund/WA GF			
State/Federal	178,652	659,258	718,284
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources	178,652	659,258	718,284

Narrative Explanation of Fiscal Impacts:

Funds for these positions will be use of 1991 Mental Health Realignment, Medi-Cal Federal Financial Participation for additional billable service units. Additionally the Department will explore other funding opportunities. There are no additional FTE space needs or ISD costs as Crisis Stabilization Unit staff work in

Agenda Date: 4/21/2020

shifts and share resources.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)
Behavioral Health Clinician	6,290.93 - 7,645.82	4.00	0 <input type="checkbox"/>

Narrative Explanation of Staffing Impacts (If Required):

Requested staffing is intended to address staff deficiencies identified above. If approved, the Department of Health Services will work with Human Resources to fill these positions.

Attachments:

Personnel resolution

Related Items "On File" with the Clerk of the Board:

None



County of Sonoma
State of California

THE WITHIN INSTRUMENT IS A
CORRECT COPY OF THE ORIGINAL
ON FILE IN THIS OFFICE.

ATTEST: APR 21 2020

SHERYL BRATTON, Clerk/Secretary
BY: *[Signature]*
DEPUTY CLERK/ASST. SECRETARY

Date: April 21, 2020

Item Number: 7

Resolution Number: 20-0135

4/5 Vote Required

Resolution of the Board of Supervisors of the County of Sonoma, State of California, Amending the Department Allocation List for the Department of Health Services to Add 4.00 Full-Time Equivalent Behavioral Health Clinician Allocations

Whereas, the Department of Health Services operates a Crisis Stabilization Unit that provides critical mental health services including client assistance, crisis intervention, crisis stabilization, crisis residential treatment, and rehabilitative mental health services;

Whereas, the Department has identified a need to increase the number of beds available in the Crisis Stabilization Unit from 12 to 16 to meet the needs of the community; and

Whereas, the Department is requesting additional staff within the Behavioral Health Division to support the additional capacity of the Crisis Stabilization Unit.

Now, Therefore, Be It Resolved that the Department Allocation List for the Department of Health Services is hereby revised as follows:

Budget Index	Job Class	Class Title	Existing Positions In Class	Change In Position Allocation	New Total Allocation For Class	Time-Limited End Date	Salary Range
22030102	2503	Behavioral Health Clinician	75.68	4.00	79.68	Ongoing	3617

Supervisors:

Rabbitt: Aye Zane: Aye Gore: Aye Hopkins: Aye Gorin: Aye

Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

So Ordered.

**Procedures for Addressing Requests for Project Description Changes
Review Matrix
County of Sonoma – Crisis Stabilization Unit (CSU)
Investment in Mental Health Wellness Grant Program - First Funding Round**

Procedure	Notes
1. Project Description change was presented as an information item Authority.	County project description change was presented to the Authority on June 25, 2020.
2. If applicable, the Grantee provided proof of budget cuts and how they were allocated among all County programs, including the CHFFA funded program.	The project description change is being requested to address the County’s current needs in the continuum of care. Nevertheless, the overstay at the CSU, which are also now longer acceptable, according to the Department of Health Care Services, did affect the County’s revenue, resulting in a revenue loss of approximately \$1M in FY 2019/2020. To address the County Department of Health Services’ (DHS) \$11 million revenue gap in FY 2019/2020 and achieve fiscal sustainability, the County had to make reductions to programs and services for the vulnerable populations – primarily the mentally ill and those with substance use disorders. (Attachment 3)
3. The Grantee provided a report that was presented to the Board of Supervisors that looks at potential courses of action that could be taken besides the one presented to staff. The report included the following:	
a. The other county programs that would be affected and how these programs would be affected by continuing to fund the CHFFA project at the promised bed capacity.	Operating the CSU at a 30-bed capacity places the existence of the CSU at risk, creating a budget deficit for the County DHS that will impact its crisis continuum, more particularly the operation of the PHF that is needed to support the efficiency and effectiveness of the CSU.
b. A list of solutions that consider a reduction in Authority approved capacity along with a prorated grant award and their effects on the county operationally and on meeting the need for services in the county, including the annual number of clients that would no longer be served.	Return of grant funds, even if prorated, will place an additional strain on the County’s current \$25 million budget deficit, especially after the recent natural disasters and the COVID-19 financial impact. The County looked at three possible solutions with bed capacities at 12 (0 added), 30 (18 added) and then finally 16 (4 added). It initially reduced the CSU bed count to 12 to address the budget deficit. It attempted to offer its beds to other providers to maintain the 30-bed capacity with no offers and operating a

Procedure	Notes
<p><i>Continued</i></p> <p>b. A list of solutions that consider a reduction in Authority approved capacity along with a prorated grant award and their effects on the county operationally and on meeting the need for services in the county, including the annual number of clients that would no longer be served.</p>	<p>30-bed CSU was not a viable solution because of the more than double operating costs as compared to a 16-bed CSU. Finally, the County decided that the 16-bed capacity was the best to meet the need for services in its County and could be financially sustainable.</p>
<p>c. A report/study on the updated need for services in the county.</p>	<p>The County’s letters discussed the current need for services in the County. To better address the continuum of care for clients who need a higher level of care after discharge from the CSU and to address the current number of the overstay at the CSU, the County has determined that the County’s needs would be met with a 16-bed CSU combined with a 14-bed PHF.</p>
<p>4. The Grantee must submit updated information that is required in the grant application for the new/amended project.</p>	<p>The County provided an updated operating budget, updated details regarding the County’s needs, the County Board of Supervisors’ approval of the project change and approval for the additional CSU staff.</p>
<p>5. CHFFA staff will evaluate the new information submitted and determine if it meets the intent of the statute, meets regulations/program requirements, is feasible and sustainable, and will score it as if it were a new application.</p>	<p>The proposed project change and the supporting documentation were evaluated by CHFFA staff and it has been determined that the proposed change meets the intent of the statute and program regulations/requirements and is sustainable.</p>
<p>6. CHFFA staff will assess whether it would have awarded the county had it submitted the new/amended project information and make a recommendation based on that determination.</p>	<p>CHFFA staff reviewed the new documentation and information, scored the proposed project change as if it were a new application, and determined that the County of Sonoma 4-bed Crisis Stabilization Unit would have received a grant award.</p>

RESOLUTION NO. MH 2014-20B

A RESOLUTION OF THE CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY APPROVING A NEW PROJECT DESCRIPTION UNDER THE INVESTMENT IN MENTAL HEALTH WELLNESS GRANT PROGRAM FOR THE COUNTY OF SONOMA'S GRANT

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, The County of Sonoma ("Grantee") was approved by the Authority, through the approval of Resolution No. MH 2014-20, and, pursuant to the Act and implementing regulations, to receive a grant in an amount not to exceed \$2,000,000.00 for the eligible project (the "Project"), which consisted of no more than \$2,000,000.00 for crisis stabilization capital costs;

WHEREAS, The Grantee has requested to amend the project description.

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

Section 1. The Authority hereby approves the project description as described in Exhibit A (hereby incorporated by reference) to this Resolution.

Section 2. The Executive Director and the Deputy Executive Director are each hereby authorized, for and on behalf of the Authority, to approve any minor, non-material changes in the Project described in the project description as authorized under the Act and implementing regulations. Nothing in this Resolution shall be construed to require the Authority to provide any additional funding.

Section 3. The Executive Director and the Deputy Executive Director are each hereby authorized and directed, for and on behalf of the Authority, to do any and all things and to execute and deliver any and all documents, which the Executive Director and the Deputy Executive Director deem necessary or advisable in order to effectuate the purposes of this Resolution and the transaction contemplated hereby.

Section 4: This resolution expires December 31, 2021

Date Approved: _____

EXHIBIT A

PROJECT DESCRIPTION

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

The County of Sonoma (the “County”) will relocate and expand the County Crisis Stabilization Unit, increasing capacity for more adult, youth and children experiencing a behavior health crisis. Access will be expanded to provide four additional overnight beds for a total of 16 in a home-like environment with state-of-the-art crisis stabilization services and capacity to provide medical clearance. The funds will be used to renovate a building, furnish and equip it and finance three months of startup costs.

Summary of Amount:

Program	Approved Grant Amount
Crisis Stabilization	\$ 2,000,000.00