

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority)

Investment in Mental Health Wellness Grant Program (IMHWGP)

Sixth Amendment to Resolution Number MH 2014-06 (First Funding Round)

County of Los Angeles

September 29, 2022

PURPOSE OF THE REQUEST:

The County of Los Angeles (County) is requesting the Authority approve an amendment to Resolution Number MH 2014-06 to amend a milestone condition and extend the grant period and resolution expiration dates of its Investment in Mental Health Wellness Grant Program (Welf. & Inst. Code, §5848.5) (IMHWGP) projects.

ISSUE:

The County anticipates missing its upcoming milestone condition deadline of being open and operational by September 30, 2022, for its 15 Crisis Residential Treatment Program (CRTP) projects at the (1) LA+USC Medical Center Campus (LAC+USC), (2) Olive View-UCLA Medical Center Campus (Olive View-UCLA), (3) Rancho Los Amigos National Rehabilitation Center (Rancho Los Amigos), and (4) Martin Luther Jr. Medical Center (MLK), due to delays in the execution of service provider agreements and obtaining community care licensing (CCL).

The Urgent Care Center (UCC) located on the Olive View Campus began providing services on August 22, 2022. Construction of the 15 Crisis Residential Treatment Programs (CRTP) has been completed, and all furnishings and equipment has been received and installed.

Service provider agreements for 12 out of the 15 CRTP facilities were executed on February 1, 2022. However, due to lengthy contract negotiations, the remaining three service provider agreements were delayed and are now anticipated to be executed by November 30, 2022.

Two of the CRTP facilities, located at Olive View-UCLA, passed their CCL site review on August 25, 2022. However, the scheduling of the CCL site reviews for the remaining CRTP facilities have been impacted due to the preparation for the CCL site reviews taking longer than anticipated and the delay in the execution of the three service provider agreements. The County anticipates that all CCL site reviews will be completed, and licenses will be approved by February 28, 2023. Also, the County now anticipates that all facilities will be open and operational by April 30, 2023.

Following is an update for each of the four campuses:

LAC+USC Campus (4 CRTPs, 64 beds):

- Service provider agreements with Central Star Behavioral Health, Telecare, and Valley Star Behavioral Health were executed on February 1, 2022. The service provider agreement with Special Services for Groups is anticipated to be executed by November 30, 2022.

LAC+USC Campus (4 CRTPs, 64 beds) [continued]:

- The County anticipates that all CCL site reviews will be completed, and licenses will be approved by February 28, 2023.
- All four CRTPs are anticipated to be open and operational by April 30, 2023, instead of the previously reported timeframe of being open and operational by summer of 2022.

MLK Campus: Mark Ridley-Thomas Behavioral Health Center (BHC) (1 CRTP, 16 beds):

- The service provider agreement with Stars Behavioral Health was executed on February 1, 2022.
- The County anticipates that the CCL site review will be completed, and license will be approved by February 28, 2023.
- The CRTP is anticipated to be open and operational by April 30, 2023, instead of the previously reported timeframe of being open and operational by summer of 2022.

Olive View-UCLA Campus (5 CRTPs, 80 beds) and (1 UCC, 8 beds):

- CRTP:
 - Service provider agreements with Central Star Behavioral Health, Stars Behavioral Health, Telecare, Valley Star Behavioral Health were executed on February 1, 2022. The service provider agreement with Bel Air Health Services is anticipated to be executed by November 30, 2022.
 - Telecare and Central Star Behavioral Health passed their CCL facility site review on August 25, 2022.
 - The County anticipates that all CCL site reviews will be completed, and licenses will be approved by February 28, 2023.
 - All five CRTPs are anticipated to be open and operational by April 30, 2023, instead of the previously reported timeframe of being open and operational by summer of 2022.
- UCC:
 - The UCC opened on August 22, 2022. Pacifica is the contracted service provider for this facility.

Rancho Los Amigos Campus (5 CRTPs, 80 beds):

- Service provider agreements with Central Star Behavioral Health, Stars Behavioral Health, Telecare Valley Star Behavioral Health were executed on February 1, 2022. The service provider agreement with Bel Air Health Services is anticipated to be executed by November 30, 2022.
- The County anticipates that the CCL site reviews will be completed, and licenses will be approved by February 28, 2023.
- All five CRTPs are anticipated to be open and operational by April 30, 2023, instead of the previously reported timeframe of being open and operational by summer of 2022.

The County is requesting to amend its milestone condition deadline of being open and operational to April 30, 2023. The extension will give the County time to execute the remaining three service provider agreements, obtain CCL licenses for all projects, address any unforeseen delays, and begin providing services.

BACKGROUND:

On February 22, 2018, the Authority approved a reinstatement of, and an amendment to, Resolution Number MH 2014-06, with a grant period expiration date of December 31, 2021, for the County's Department of Mental Health IMHWGP grant in an amount not to exceed \$40,892,700.49 for 240 beds to serve adults in 15 new CRTPs; eight new beds in one expanded Crisis Stabilization Unit (CSU), also known as UCC; 14 Mobile Crisis Support Teams; and one clerical staff to provide field-based crisis intervention services to children, adolescents, and adults throughout the county. As a condition of the approval, the County was required to submit quarterly reports detailing information on milestones achieved, progress, and obstacles or challenges related to the completion of the Crisis Residential Treatment (CRT) and UCC programs, and the County was required to meet milestones conditions deadlines. Previous amendments to Resolution Number MH 2014-06 were: (1) the Authority approved amendments to the project description on May 29, 2014, (2) the Authority approved amendments to the project description on April 9, 2015, (3) the Authority approved an amendment extending the grant period and resolution expiration dates on December 3, 2015.

Additionally, on October 28, 2021, the Authority approved a fifth amendment to Resolution Number MH 2014-06 that amended the milestones conditions and extended the grant period and resolution expiration dates to December 31, 2022. The amended milestones conditions were the following: (1) the County shall provide evidence acceptable to Authority staff demonstrating the crisis residential treatment and crisis stabilization programs shall be operational on or before September 30, 2022; (2) funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority staff that the project is on track to be operational on or before September 30, 2022; (3) the County must submit all grant disbursement requests for the CRT and UCC programs, including required supporting documentation, to the Authority no later than October 31, 2022.

The County met the last condition of submitting all disbursement requests and supporting documentation no later than October 31, 2021, since construction of the five sites was completed prior to October 2021.

RECOMMENDATION:

Staff recommends the Authority approve a sixth amendment to Resolution Number MH 2014-06 to amend a milestone condition and extend the grant period and resolution expiration dates to July 31, 2023, subject to the following amended milestone condition:

- 1) The County must provide evidence acceptable to Authority staff demonstrating that the CRT and UCC programs shall be operational by April 30, 2023, and funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority staff.

All other conditions in the Resolution shall remain the same and in full effect.

~~FIFTH~~ SIXTH AMENDMENT TO RESOLUTION NO. MH 2014-06

**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 LOS ANGELES**

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 Los Angeles (“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 \$40,892,700.49 for the eligible project (the “Project”), which consists of no more than \$35,000,000.00 for crisis residential treatment capital costs, \$4,210,526.31 for crisis stabilization capital costs, \$559,233.00 for mobile crisis capital costs, and \$1,122,941.18 for mobile crisis personnel 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 \$40,892,700.49 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 grant~~ period that ends on ~~December 31, 2022~~ July 31, 2023. The Grantee shall meet the following conditions in addition to all other applicable requirements for the LAC-~~USC~~ Medical Center Campus, Olive View-UCLA Medical Center Campus, Rancho Los Amigos National Rehabilitation Center, and Martin Luther King Jr. Medical Campus:

- 1) The ~~County~~ Grantee ~~must~~ shall provide evidence acceptable to Authority staff demonstrating the crisis residential treatment and crisis stabilization programs shall be operational by ~~September 30, 2022~~ April 30, 2023, and funds shall not be disbursed if the Grantee is unable to provide evidence acceptable to Authority staff.
- 2) ~~Funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority staff that the crisis residential treatment and crisis stabilization programs are on track to be operational on or before September 30, 2022.~~
- 3) ~~The County must submit all grant disbursement requests for the crisis residential treatment and crisis stabilization programs, including required supporting documentation, to the Authority no later than October 31, 2022.~~

Section 2. The Executive Director or the Deputy Executive Director, are hereby authorized and directed, 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. 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 or the Deputy Executive Director, are 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 or the Deputy Executive Director, are 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 or the Deputy Executive Director, are 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 or the Deputy Executive Director, deems necessary or advisable in order to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 5. The Authority hereby requires the County of Los Angeles to submit quarterly reports with detailed information on milestones achieved, progress, and obstacles or challenges related to the completion of the Project as described in the Grantee's application.

Section 6. This Resolution expires ~~December 31, 2022~~ July 31, 2023.

Date Approved: _____

EXHIBIT A

PROJECT DESCRIPTION

The proceeds of the grant will be used by the County of Los Angeles (County) as follows:

Crisis Residential

The County will implement 15 new Crisis Residential Treatment Programs (CRTPs) with a capacity of 16 residents each located throughout the county for a total of 240 new beds to serve adults with mental illness in psychiatric crisis, including those with co-occurring substance abuse disorders. CRTPs will be located throughout the County and provide a safe home-like environment. The funds will be used for acquisition of real property, construction/renovation, furniture and equipment, information technology, and three months of startup costs. Grant funds for the acquisition and construction/renovation of real property may be provided directly to a designated private nonprofit corporation.

Crisis Stabilization

The County will establish one expanded 16-bed Crisis Stabilization Unit aka Urgent Care Center (UCC) adding eight (8) new beds. The expanded UCC will increase access and capacity throughout the region. The UCC will provide services for adults and adolescents whose issues can be met with short-term (under 24 hours), immediate care and connections to community-based resources. The program will emulate the four existing UCCs, providing 24-hour stabilization services, 365 days a year in a home-like environment. The funds will be used for acquisition of real property, construction/renovation, furniture and equipment, information technology, and three months of startup costs. Grant funds for the acquisition and construction/renovation of real property may be provided directly to a designated private nonprofit corporation.

Mobile Crisis Support

The County will establish 14 mobile crisis support teams and 1 clerical staff to provide field-based crisis intervention services to children, adolescents, and adults throughout the county. The program's objectives are to expand access and capacity throughout the region, which decreases the need for inpatient psychiatric hospitalizations by providing immediate field-based services. The teams will include partnerships with law enforcement agencies throughout the county in which law enforcement officers, along with one licensed clinician, will respond to 911 calls for assistance involving persons experiencing a mental illness. This program will partner with nine law enforcement agencies. Also, the law enforcement agencies will contribute unmarked police vehicles (for the teams to respond to calls), office space, furniture, training, and personnel to partner with licensed clinicians. Planned psychiatric mobile response teams will provide two licensed mental health clinicians to respond to community calls to persons of all ages with various acute mental health issues. The funds will be used to purchase four vehicles, information technology equipment, three months of program expansion costs, and to hire the new personnel.

Summary of Amounts

Programs	Approved Grant Amount	Expected Federal Financial Participation
Crisis Residential	\$ 35,000,000.00	
Crisis Stabilization	\$ 4,210,526.31	
Mobile Crisis Capital	\$ 559,233.00	
Mobile Crisis Personnel	\$ 1,122,941.18	\$ 784,561.65

Total \$ 40,892,700.49