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COMMISSION
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Mental Health Commission
MHSA-Finance Committee Meeting
Thursday, October 21, 2021, 1:30-3:00 PM
Via: Zoom Teleconference:

https://zoom.us/j/5437776481
Meeting number: 543 777 6481
Join by phone:
1 669 900 6833 US
Access code: 543 777 6481

AGENDA

I. **Call to order/Introductions**

II. **Public comments**

III. **Commissioner comments**

IV. **Chair comments**

V. **APPROVE minutes from the September 16, 2021, MHSA-Finance Committee meeting**

VI. **Community Options for Families and Youth, Inc. (COFY) Program & Fiscal Review discussion and documentation for its Transition Age Youth (TAY) Full Service Partnership, Gabriel Eriksson, LCSW, Chief Executive Officer, COFY,**

VII. **RECEIVE update on the California Incompetent to Stand Trial (IST) Workgroup & Working Groups developments, Commissioner Douglas Dunn, Chair, MHSA-Finance Committee.**

VIII. **Motion—County IST Needs Assessment Items to include in the upcoming CCBHS competitive funding bid for in-county refurbished or new facilities as well as funding for new staff to house, treat and care for county IST residents**

IX. **Adjourn**

The Contra Costa County Mental Health Commission is appointed by the Board of Supervisors to advise them on all matters related to the county's mental health system, in accordance with mandates set forth in the California State Welfare & Institutions Code, Sections 5604 (a)(1)-5605.5. Any comments or recommendations made by the Mental Health Commission or its individual members do not represent the official position of the county or any of its officers. The Commission is pleased to make special accommodations, if needed, please call ahead at (925) 313-9553 to arrange.

Mental Health Services Act (MHSA)

Program and Fiscal Review

I. **Date of On-site Review:** December 10, 2019
II. **Date of Home Visit for Staff Interview:** December 12, 2019
Date of Exit Meeting: March 6, 2020

III. **Review Team:** Windy Taylor, Warren Hayes, Michelle Nobori

IV. **Name of Program/Plan Element:**
Community Options for Families and Youth
3478 Buskirk Avenue, Suite 260
Pleasant Hill, CA 94523

V. **Program Description.** Community Options for Families and Youth ("COFY") is a multi-disciplinary provider of mental health services. COFY's mission is to work with youth whose high-intensity behaviors place them at risk of hospitalization or residential treatment. Mental health clinicians work collaboratively with caregivers, educators, and social service professionals to help exasperated families restore empathic relationships and maintain placement for their children.

COFY provides a Full Service Partnership (FSP) Program funded by the Mental Health Services Act. The program serves youth (12-18) and their families through a Multisystemic Therapy ("MST") model. MST is an intensive family and community-based treatment that addresses the multiple determinants of serious anti-social behavior. The MST approach views individuals as being surrounded by a network of interconnected systems that encompasses individual, family, and extra familial (peers, school, community) factors. Intervention may be necessary in any one or a combination of these systems, and using the strengths of each system to facilitate positive change. The intervention strives to promote behavioral change in the youth's natural environment. Family sessions are provided over a three to five-month period. These sessions are based on nationally recognized evidence-based practices designed to decrease rates of anti-social behavior, improve school performance and interpersonal skills, and reduce out-of-home placements.

COFY as an organization also provides additional programs and services. These programs are Educationally Related Mental Health Services, Functional Family

Therapy and Therapeutic Behavioral Services. The Functional Family Therapy is a short-term, evidence-based practice with an average of 12 to 14 sessions over three to five months. It consists of five major components: engagement, motivation, relational assessment, behavior change, and generalization. Each of these components has its own goals, focus and intervention strategies and techniques. COFY works with schools and specifically with students with school district individualized education programs (IEPs). COFY additionally provides short-term intensive service when needed. COFY's goal and mission is to help families and youth with high psychosocial needs thrive together in their home and local communities.

VI. Purpose of Review. Contra Costa Behavioral Health Services (CCBHS) is committed to evaluating the effective use of funds provided by the Mental Health Services Act. Toward this end a comprehensive program and fiscal review was conducted of the above program. The results of this review are contained herein and will assist in a) improving the services and supports that are provided, b) more efficiently support the County's MHSA Three Year Program and Expenditure Plan, and c) ensure compliance with statute, regulations and policy. In the spirit of continually working toward better services we most appreciate this opportunity to collaborate with the staff and clients participating in this program/plan element in order to review past and current efforts, and plan for the future.

VII. Summary of Findings.

Topic	Met Standard	Notes
1. Deliver services according to the values of the MHSA	Met	Services are delivered to support the root and core values of the MHSA vision.
2. Serve the agreed upon target population.	Met	Program serves clients that meet criteria for the County's children's full service partnership admission criteria.
3. Provide the services for which funding was allocated.	Met	MHSA only funds services consistent with Three Year Plan
4. Meet the needs of the community and/or population.	Met	All community and population needs are

		being fulfilled by the program.
5. Serve the number of individuals that have been agreed upon.	Partially Met	Program is close to serving the number of individuals that has been agreed upon.
6. Achieve the outcomes that have been agreed upon.	Partially Met	Program meets most outcomes
7. Quality Assurance	Met	Grievance procedures and protocols are in place for employees and consumers
8. Ensure protection of confidentiality of protected health information.	Met	The program is HIPAA compliant
9. Staffing sufficient for the program	Met	The Program is fully staffed to provide services
10. Annual independent fiscal audit	Met	No material or significant weaknesses were noted.
11. Fiscal resources sufficient to deliver and sustain the services	Met	Resources appear sufficient.
12. Oversight sufficient to comply with generally accepted accounting principles	Met	Experienced staff implement sound check and balance system.
13. Documentation sufficient to support invoices	Met	Program has documentation to supports all invoices
14. Documentation sufficient to support allowable expenditures	Met	The process has sufficient quality control to support expenditures
15. Documentation sufficient to support expenditures invoiced in appropriate fiscal year	Met	Efficient documentation is provided that details all expenditures in the appropriate fiscal year
16. Administrative costs sufficiently justified and appropriate to the total cost of the program	Met	Methodology supports indirect rate of 13.12%
17. Insurance policies sufficient to comply with contract	Met	Necessary insurance is in place

18. Effective communication between contract manager and contractor	Met	Communication between contract monitor and contractor is consistent

VIII. Review Results. The review covered the following areas:

1. **Deliver services according to the values of the Mental Health Services Act** (California Code of Regulations Section 3320 – MHSA General Standards). Does the program/plan element collaborate with the community, provide an integrated service experience, promote wellness, recovery and resilience, be culturally competent, and be client and family driven.
   Method. Consumer, family member and service provider interviews and consumer surveys.
   Discussion. The results of 14 client surveys were received. A home visit was completed with one family and client and it was consistent with a positive report out by surveys indicated below.

Questions	**Responses: n=14**				
Please indicate how strongly you agree or disagree with the following statements regarding persons who work with you:	Strongly Agree 4	Agree 3	Disagree 2	Strongly Disagree 1	I don't know n/a
1. Help me improve my health and wellness.	Average score: 3.36 **(n=14)**				
2. Allow me to decide what my own strengths and needs	Average score: 3.29 **(n=14)**				
3. Work with me to determine the services that are most helpful	Average score: 3.5 **(n=14)**				
4. Provide services that are sensitive to my cultural background.	Average score: 2.43 **(n=13)**				
5. Provide services that are in my preferred language	Average score: 3.21 **(n=14)**				
6. Help me in getting needed health, employment, education and other benefits and services.	Average score: 3.21 **(n=14)**				
7. Are open to my opinions as to how services should be provided	Average score: 3.36 **(n=13)**				
8. What does this program do well?	• Provided the right tools for the parent to work with their child. • Culturally sensitive. • Well trained in understanding the needs of the client. • Able to accommodate a working parent's schedule.				

<table>
<tr><td rowspan="1">9. What does this program need to improve upon?</td><td colspan="4">• Staying with the family after a re-offense.
• Having more office locations so that family sessions are easier to attend without extended travel time.</td></tr>
<tr><td>10. What needed services and supports are missing?</td><td colspan="4">• Financial support for emergencies.
• Have more social events that people can participate in frequently.
• Would like services initiated quicker.
• Drug treatment.</td></tr>
<tr><td rowspan="2">11. How important is this program in helping you improve your health and wellness, live a self-directed life, and reach your full potential?</td><td>Very Important
4</td><td>Important
3</td><td>Somewhat Important
2</td><td>Not Important
1</td></tr>
<tr><td colspan="4">Average score: 3.71 (n=14)</td></tr>
<tr><td>12. Any additional comments?</td><td colspan="4">• Case Worker made family feel supported.
• Provided many resources when needed, which was very helpful.
• Felt program staff are very skilled and good with communicating solutions.</td></tr>
</table>

Consumer Interview

Due to the nature of the services being delivered almost exclusively in the field, and because of the time commitments of the families and consumers, we were only able to meet with one family member for a face-to-face interview. The family member was a mother of a 15-year-old daughter who was referred to the program through the Juvenile Court system.

Overall, this mother was extremely appreciative of the services provided by COFY. During the interview, the mother indicated that the services were very beneficial and have helped her family tremendously. She praised the clinician and felt that without the services she wouldn’t have the much needed support. When asked if any improvements could be made the response was that the family does have a hard time with transportation. Additionally, they felt that is was helpful that the clinician does home visits to avoid the extra expense in transportation costs.

Staff Interview:

Seven individuals attended the staff interview. A few of the staff were clinicians for the Functional Family Therapy (FFT) and the others were part of the Multisystematic Therapy (MST). Staff have been with the program starting from a

few weeks to six years. Staff talked about caseload sizes ranging from 5-6 clients to 10-12 clients depending on the type of therapy. Staff shared that the program receives referrals from county clinics, often through the juvenile justice department and truancy court, school counselors, mobile response team but also can come from other full-service partnership providers. The clinicians provide care to the child and family in a top-down approach, according to the MST model: the clinician working with the family works with the parents and the child to look at the family dynamic as a whole. Staff reported spending most of their time working with their clients through daily challenges, such as reducing their isolation and re-integrating them into the community, providing support to youth in court or in schools, and providing support to the family to build and empower them.

During the interview, staff also shared that they get extensive training. They talked about current trainings they have received such as group supervision, clinical development, trauma training, Chile Adolescent Needs and Strengths (CANS), clinical documentation and law and ethics. Staff feel that they do face challenges with certain services and supports. The biggest areas of need that were mentioned were homeless shelters, housing, special needs, food and school support. Overall staff did indicate that they felt like they were meeting the needs of their clients and are able to support the clients in all areas of their lives.
Results. Interviews with program participants and service providers as well as program participant survey results all support that COFY delivers programming in accordance with the values of MHSA.

2. **Serve the agreed upon target population.** For Community Services and Supports, does the program serve children or youth with a serious emotional disturbance. Does the program serve the agreed upon target population (such as age group, underserved community).
   Method. Compare the program description and/or service work plan with a random sampling of client charts or case files.
   Discussion. The COFY Full Service Partnership program accepts referrals from the county clinics, often through the juvenile probation department and truancy court, but also can come from other full-service partnership providers. The MHSA chart review conducted by the MHSA Program and Fiscal Review team confirms the agreed upon target population for full service partnerships.

   Contra Costa Behavioral Health Services also performs a utilization review on all programs which bill Medi-Cal, including COFY. On December 5, 2018 a Level 2 Centralized Utilization Chart Review was conducted. For all of the charts

reviewed, clients met medical necessity for specialty mental health services as specified in the Welfare and Institutions Code (WIC) Section 5600.3(a).
Results. The program serves the agreed upon population.

3. **Provide the services for which funding was allocated.** Does the program provide the number and type of services that have been agreed upon.
   Method. Compare the service work plan or program service goals with regular reports and match with case file reviews and client/family member and service provider interviews.
   Discussion. Monthly service summaries and ShareCare Service Activity Reports from Contra Costa County Mental Health's billing system show that the COFY Full Service Partnership program is providing the number and type of services that have been agreed upon. Services include MST program delivery, case management, individual and family outpatient mental health services, crisis intervention, collateral services, and flexible funds. Both program staff and participants indicated services are available on a 24-7 basis via an after-hours crisis phone line.
   Results. The program provides the services for which funding was allocated.

4. **Meet the needs of the community and/or population.** Is the program meeting the needs of the population/community for which it was designed. Has the program been authorized by the Board of Supervisors as a result of a community program planning process. Is the program consistent with the MHSA Three Year Program and Expenditure Plan.
   Method. Research the authorization and inception of the program for adherence to the Community Program Planning Process. Match the service work plan or program description with the Three-Year Plan. Compare with consumer/family member and service provider interviews. Review client surveys.
   Discussion. The Full Service Partnership programs were included in the original Community Services and Supports plan that was approved in May 2006.This was also included in the subsequent plan updates. The program has been authorized by the Board of Supervisors and is consistent with the current MHSA Three Year Program and Expenditure Plan FY 2017-2020. Interviews with service providers and program participants support the notion that the program meets its goals and the needs of the community it serves. Interviews with service providers and program participants support the notion that the program meets it goals and the needs of the community it serves.
   Results. The program meets the needs of the community and the population for which they are designated.

5. **Serve the number of individuals that have been agreed upon.** Has the program been serving the number of individuals specified in the program description/service work plan, and how has the number served been trending the last three years?
   Method. Match program description/service work plan with history of monthly reports and verify with supporting documentation, such as logs, sign-in sheets and case files.
   Discussion. The Full Service Partnership Program has a target enrollment number of 100 clients. The programs target enrollment has fluctuated over the last three years. In 15/16 the program had 93 clients, 16/17, 103 and in 17/18, 97 clients were served. The program met this target in FY16/17. Reports for clients served for FY 19/20 haven't been completed yet for this year. Conversations with COFY indicate staff turnover and retaining staff still pose an issue. Additionally, rigorous training and onboarding for new clinicians along with competitive salary options from neighboring counties continue to be a challenge.
   Results. Annually the program is still struggling with serving the number of individuals specified in the service work plan.

6. **Achieve the outcomes that have been agreed upon.** Is the program meeting the agreed upon outcome goals, and how has the outcomes been trending.
   Method. Match outcomes reported for the last three years with outcomes projected in the program description/service work plan, and verify validity of outcome with supporting documentation, such as case files or charts. Outcome domains include, as appropriate, incidence of restriction, incidence of psychiatric crisis, meaningful activity, psychiatric symptoms, consumer satisfaction/quality of life, and cost effectiveness. Analyze the level of success by the context, as appropriate, of pre- and post-intervention, control versus experimental group, year-to-year difference, comparison with similar programs, or measurement to a generally accepted standard.
   Discussion. The program in FY 16/17 met its objectives in relationship to the Service Work Plan goal criteria. For FY 17/18, program did not meet expected outcomes, which had an increase in psychiatric incidents. In the near future, COFY will be adding outcome measures that will include productive meaningful activity and homeless indicators to measure improvement in the client's mental health.
   Results. Overall, program achieves its primary objectives.

7. **Quality Assurance.** How does the program assure quality of service provision.

Method. Review and report on results of participation in County's utilization review, quality management incidence reporting, and other appropriate means of quality of service review.
Discussion. Contra Costa County did not receive any grievances associated with COFY's Full Service Partnership program. The program has an internal grievance procedure in place and clients receive information on how to file complaints as part of the agency's Notice of Privacy Practices. The program undergoes regular Level 1 and Level 2 utilization reviews conducted by the County Mental Health utilization review teams to ensure that program services and documentation meet regulatory standards. Level 1 and Level 2 utilization review reports indicate that COFY is generally in compliance with documentation and quality standards.

On December 5, 2018, a Level Two Centralized Utilization Chart Reviews and a Focused Review was conducted by CCBHS. The results show that charts generally met documentation standards, but there were a few compliance issues, including missing or misfiled forms (Consent to Treat, Progress notes, and Level 1 worksheet), documentation language (re: Spanish-speaking family vs. English forms), other findings that included no recorded Medi-Cal eligibility and missing signatures. COFY submitted a plan of correction on May 13, 2019 addressing all the findings and how these findings would be resolved.
Results. The program has a quality assurance process in place.

8. **Ensure protection of confidentiality of protected health information.** What protocols are in place to comply with the Health Insurance Portability and Accountability Assurance (HIPAA) Act, and how well does staff comply with the protocol.
   Method. Match the HIPAA Business Associate service contract attachment with the observed implementation of the program/plan element's implementation of a protocol for safeguarding protected patient health information.
   Discussion. COFY has written policies and provides staff training on HIPAA requirements and safeguarding of patient information. Client charts are kept in locked file cabinets, behind a locked door and comply with HIPAA standards. Clients and program participants are informed about their privacy rights and rules of confidentiality.
   Results. The program complies with HIPAA requirements.

9. **Staffing sufficient for the program.** Is there sufficient dedicated staff to deliver the services, evaluate the program for sufficiency of outcomes and continuous quality improvement, and provide sufficient administrative support.

Method. Match history of program response with organization chart, staff interviews and duty statements.
Discussion. The nature of the team approach of MST evidence-based treatment and program staff training allows COFY to provide the services outlined in the Service Work Plan with current staffing. However, the program has indicated that staff are either out on leave or they are having a hard time with staff retention. This includes onboarding processes and lengthy training for new staff hired.
Results. Staffing is in place to provide the full range of services, but not serve the number of clients outlined in the Service Work Plan. Moreover, the turnover of program staff is a potential cause for concern as it may affect the program's ability to effectively serve clients. The MST model takes time to get a clinician trained to take on their own caseload. During the program visit the contract was examined in detail to ensure it was being used fully to support clinical and staff requirements. Contract isn't being maximized and this finding will hopefully help with providing additional support and incentives.

10. **Annual independent fiscal audit.** Did the organization have an annual independent fiscal audit performed and did the independent auditors issue any findings.
Method. Obtain and review audited financial statements. If applicable, discuss any findings or concerns identified by auditors with fiscal manager.
Discussion. COFY is a California public benefit corporation organized in 2007 for the purpose of providing services to families and youth with emotional disturbances in order to enable these youth to maintain family and community relationships. Patient services revenue from contracts with CCBHS and over 25 educational institutions provides 99% of the revenue.
Results. Annual independent fiscal audits for FY 2016-17, 17-18 and 18-19 were provided and reviewed. No material or significant findings were noted.

11. **Fiscal resources sufficient to deliver and sustain the services.** Does organization have diversified revenue sources, adequate cash flow, sufficient coverage of liabilities, and qualified fiscal management to sustain program or plan element.
Method. Review audited financial statements and Board of Directors meeting minutes. Interview fiscal manager of program.
Discussion. The program appears to be operating within the budget constraints provided by their authorized contract amount, and thus appears to be able to sustain their stated costs of delivering services for the entirety of the fiscal year.
Results. Fiscal resources are currently sufficient to deliver and sustain services.

12. **Oversight sufficient to comply with generally accepted accounting principles.** Does organization have appropriate qualified staff and internal controls to assure compliance with generally accepted accounting principles.
Method. Interview with fiscal manager.
Discussion. The Business Manager is well qualified and has been with COFY for many years. Staff described established protocols that are in place to enable a check and balance system to assure compliance with generally accepted accounting principles. The organization uses Clinitrak and QuickBooks software for entry and aggregation to enable accurate summaries for billing and payment. Supporting documentation is kept in hard copies for storage and retrieval.
Results. Sufficient oversight exists to enable compliance with generally accepted accounting principles.

13. **Documentation sufficient to support invoices.** Do the organization's financial reports support monthly invoices charged to the program and ensure no duplicate billing.
Method. Reconcile financial system with monthly invoices. Interview fiscal manager of program.
Discussion.
A randomly selected invoice for each of the last three years was matched with supporting documentation provided by the agency. A clear and accurate connection was established between documented hours worked and submitted invoices. A clear and accurate connection was established between documented hours/types of mental health services and submitted invoices. COFY's FSP program is a specialty mental health service contract with CCBHS that is based upon established rates and billed monthly according to the documented level of service provided.
Results. Uses established software program with appropriate supporting documentation protocol

14. **Documentation sufficient to support allowable expenditures.** Does organization have sufficient supporting documentation (payroll records and timecards, receipts, allocation bases/statistics) to support program personnel and operating expenditures charged to the program.
Method. Match random sample of one month of supporting documentation for each fiscal year (up to three years) for identification of personnel costs and operating expenditures invoiced to the County.

Discussion. Line item personnel and operating costs were reviewed for appropriateness. All line items submitted were consistent with line items that are appropriate to support the service delivery.
Results. Method of allocation of percentage of personnel time and operating costs appear to be justified and documented. It is suggested that COFY expand on using alternative funds in contract to support travel and training costs that are necessary for COFY to continue to contract with CCBHS for delivery of MST.

15. **Documentation sufficient to support expenditures invoiced in appropriate fiscal year.** Do organization's financial system year end closing entries support expenditures invoiced in appropriate fiscal year (i.e., fiscal year in which expenditures were incurred regardless of when cash flows).
Method. Reconcile year end closing entries in financial system with invoices. Interview fiscal manager of program or plan element.
Discussion. Total contract billing was within contract limits, with no billing by this agency for expenses incurred and paid in a previous fiscal year.
Results. COFY appears to be implementing an appropriate year end closing system.

16. **Administrative costs sufficiently justified and appropriate to the total cost of the program.** Is the organization's allocation of administrative/indirect costs to the program commensurate with the benefit received by the program.
Method. Review methodology and statistics used to allocate administrative/indirect costs. Interview fiscal manager of program.
Discussion. Methodology in which the program identifies indirect cost appears to be clear and reasonable. The program is currently charging 13.12% indirect costs.
Results. Indirect costs appear to be within industry standards.

17. **Insurance policies sufficient to comply with contract.** Does the organization have insurance policies in effect that are consistent with the requirements of the contract.
Method. Review insurance policies.
Discussion. The program provided certificate of commercial general liability insurance, automobile liability, umbrella liability, professional liability and directors and officers liability policies that were in effect at the time of the site visit.
Results. The program complies with the contract insurance requirements.

18. **Effective communication between contract manager and contractor.** Do both the contract manager and contractor staff communicate routinely and clearly regarding program activities, and any program or fiscal issues as they arise.
Method. Interview contract manager and contractor staff.
Discussion. Program staff and County communicate regularly. All invoices are submitted on time and reflect accurate County standards.
Results. The program has good communication with the contract manager.

IX. Summary of Results.

COFY has been in business for over ten years and has established itself as a collaborative and effective program working with families in compromised situations to find hope and the possibility of success and happiness. COFY is committed to serving the needs of youth whose high-intensity behaviors place them at risk of hospitalization or residential treatment. Their intensive family and community-based treatment and has been effective in supporting these youth and their families in connecting more fully to their community. The COFY Full Service Partnership adheres to the values of MHSA. COFY should continue to explore ways of retaining staff to help with maximizing caseloads. COFY appears to be a financially sound organization that follows generally accepted accounting principles and maintains documentation that supports agreed upon service expenditures.

X. Findings for Further Attention.

- COFY should continue to work with their County contract manager to examine staffing, capacity, and referral sources to hit the target they were budgeted for.

- COFY should examine how it recruits and retains staff and consider offering additional incentives to ensure qualified individuals are retained and that the full spectrum of service is available to clients.

- COFY is encouraged to work with the County in planning how to better able to address supportive housing needs surfaced by their clients who are homeless or at risk of chronic homelessness.

- It is recommended that COFY work with the County to begin using the Data Report Collection System (DCR), which will allow for further client tracking outcomes.

XI. Next Review Date. December 2022

XII. Appendices.

Appendix A – Program Description/Service Work Plan

Appendix B – Service Provider Budget

Appendix C – Yearly External Fiscal Audit

Appendix D – Organization Chart

XIII. Working Documents that Support Findings.

Consumer Listing

Consumer, Family Member Surveys

Consumer, Family Member, Provider Interviews

County MHSA Monthly Financial Report

County Utilization Review Report

Progress Reports, Outcomes

Monthly Invoices with Supporting Documentation (Contractor)

Indirect Cost Allocation Methodology/Plan (Contractor)

Board of Directors' Meeting Minutes (Contractor)

Insurance Policies (Contractor)

MHSA Three Year Plan and Update(s)

Info. for Oct. 13, 2021 CPAW System of Care Committee

Additional "one-time" limited multi-year additional Behavioral State Funding per 2021-2022 Budget

Social Services & Behavioral Health Spending Signed into Law by Gov. Newsom, June 27, 2021

Behavioral Health

- More than $2.2 billion for competitive grants to construct, acquire, and rehabilitate new facilities to expand the community continuum of behavioral health treatment resources.
  - Major need to develop a broad county based system of care for the 50-65 person criminal justice involved Incompetent to Stand Trial (IST) population in this county.
  - Must be spent w/in 5 years of the competitive grant award.
- More than $4.4 billion over five years to create a new and innovative behavioral health system for youth ages 0 to 25.
  - This covers the Children and Adolescent, and Transition Age Youth (TAY) Systems of Care.
- Almost $800 million to expand the behavioral health workforce.
  - This is the funding to use to initially pay for the expanded workforce to care for the criminal justice involved 50-65 person county IST population.
- $805 million for the Community Care Expansion program under the Department of Social Services to address the lack of board and cares for individuals living on Social Security Income, including those with mental illnesses.
  - This is a huge issue considering the desperate need to increase reimbursement to Board and Care facilities to prevent them from closing, as they already are doing.
- $429 million in federal funding to the Department of Health Care Services (DHCS) for evidence-based behavioral health programs.
- $205 million in state and federal funds for the Mental Health Student Services Act program.

Social Services

- $222 million in one-time funding to strengthen county prevention efforts to avoid youth entering the foster care system and $138 million in one-time funding to help address the complex needs of foster youth as an alternative to out-of-state placements.
- $63.1 million in one-time funding to support the California Reducing Disparities Project under the California Department of Public Health.

NOTE: The necessary legislative "trailer bill" language, policies, and procedures for disbursing this funding has not yet been written. Funding, including competitive grants, is not expected to be available until early (i.e. March-April), 2022 at the earliest. Thus, additional funding detail is not yet available at this time.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The Legislature hereby finds and declares all of the following:

(a) The COVID-19 public health emergency has impacted every aspect of life as social distancing became a necessity, businesses closed, schools transitioned to remote education, and millions of Americans lost their jobs. The pandemic's impacts on behavioral health, including the toll of pandemic-related stress, have increased the need for community behavioral health resources.

(b) In particular, the pandemic has exacerbated the need to build new capacity or expand existing capacity for the continuum of behavioral health treatment resources in less restrictive, community-based, residential settings of care.

(c) It is the intent of the Legislature to provide competitive grants to qualified entities to construct, acquire, and rehabilitate real estate assets to support the community continuum of behavioral health treatment resource needs due to the pandemic.

SECTION 2. Part 7 (commencing with Section 5960) is added to Division 5 of the Welfare and Institutions Code, to read:

PART 7. BEHAVIORAL HEALTH SERVICES AND SUPPORTS

Chapter 1. Behavioral Health Continuum Infrastructure Program

5960. The department may establish the Behavioral Health Continuum Infrastructure Program pursuant to this chapter if the Legislature appropriates funds for this purpose.

5960.5. If the department establishes the program pursuant to this chapter, the department may do to as follows:

(a) Award competitive grants to qualified entities to construct, acquire, and rehabilitate real estate assets or to invest in needed mobile crisis infrastructure to expand the community continuum of behavioral health treatment resources to build new capacity or expand existing capacity for short-term crisis stabilization, acute and subacute care, crisis residential, community-based mental health residential, substance use disorder residential, peerrespite, mobile crisis, community and outpatient behavioral health services, and other clinically enriched longer term treatment and rehabilitationoptions for persons with behavioral health disorders in the least restrictive and leastcostly setting.

(b) Contract with the Department of State Hospitals pursuant to Chapter 6.7 (commencing with Section 4361.5 of Division 4 of the Welfare and Institutions Code for the following purposes:

(1) To subcontract with private or public entities for sub-acute bed capacity such as Institutions for Mental Disease, Mental Health Rehabilitation Centers, Skilled Nursing Facilities, or any other treatment options, including Community Based Restoration programs, to address the increasing number of patient referrals to the Department of State Hospitals.

(2) To subcontract with private or public entities to house and treat individuals committed to the California State Department of State Hospitals pursuant to Welfare and Institutions Code section 5358 or Penal Code sections 1026, 1370, and 2972. Subcontracted funds may include:

i. Program implementation costs, including funds for projects to modify, expand

or retrofit a space,

ii. One-time purchases of patient and staff furnishings and minor equipment,

iii. Activities related to recruitment and training of staff prior to program activation,

iv. Operating expenses.

(c)Section 5960.30 shall also apply to the Department of State Hospitals subcontractors.

5960.10. Except as provided in Section 5960.15, the department shall determine the methodology and distribution of the grant funds appropriated for the program pursuant to Section 5960.5(a) to those entities it deems qualified.

5960.15. An entity shall meet all of the following conditions in order to receive grant funds pursuant to Section 5960.5(a), to the extent applicable and as required by the department:

(a) Provide matching funds or real property.

(b) Expend funds to supplement and not supplant existing funds to construct, acquire, and rehabilitate real estate assets.

(c) Report data to the department within 90 days of the end of each quarter for the first five years.

(d) Operate services in the financed facility for the intended purpose for a minimum of 30 years.

5960.20. (a) This chapter shall be implemented only if, and to the extent that, the department determines that federal financial participation under the Medi-Cal program, including but not limited to the increased federal funding available pursuant to Section 9813 of the federal American Rescue Plan Act of 2021 (Pub. Law 117-2), is not jeopardized.

(b) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific this chapter, in whole or in part, by means of information notices or other similar instructions, without taking any further regulatory action.

5960.25. For purposes of implementing this chapter, the department may enter into exclusive or nonexclusive contracts, or amend existing contracts, on a bid or negotiated basis. Contracts entered into or amended pursuant to this section shall be exempt from Chapter 6 (commencing with section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and the State Administrative Manual, and shall be exempt from the review or approval of any division of the Department of General Services.

5960.30. (a) Notwithstanding any other law, a facility project funded by a grant pursuant to this chapter shall be deemed consistent and in conformity with any applicable local plan, standard, or requirement, and allowed as a permitted use, within the zone in which the structure is located, and shall not be subject to a conditional use permit, discretionary permit, or to any other discretionary reviews or approvals.

(b) Notwithstanding any other law, the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) shall not apply to any facility project, including a phased project, funded by a grant pursuant to this chapter if all of the following requirements, if applicable, are satisfied:

(1) No facility is acquired by eminent domain.

(2) The grantee shall ensure a facility is licensed by and in good standing with the department or other state licensing entity, as applicable, at the time of occupancy. The facility shall be in decent, safe, and sanitary condition at the time of occupancy.

(3) The grantee shall require all contractors and subcontractors performing work on the facility project to pay prevailing wages for any proposed rehabilitation, construction, or major alterations in accordance with Chapter 1 (commencing with

Section 1720) of Part 7 of Division 2 of the Labor Code.

(4) The grantee obtains an enforceable commitment that all contractors and subcontractors performing work on the facility project will use a skilled and trained workforce for any proposed rehabilitation, construction, or major alterations in accordance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(5) The project proponent submits to the lead agency a letter of support from a county, city, or other local public entity for any new proposed construction, major alteration work, or rehabilitation.

(6) Any new construction, facility acquisition, or rehabilitation is paid for, in whole or part, with public funds.

(7) The facility project expands the availability of behavioral health treatment services in the subject jurisdiction.

(8) Long-term covenants and restrictions require the facility to be used to provide behavioral health treatment for no fewer than 30 years.

(9) The facility project does not result in an increase in the existing onsite development footprint of structure, structures, or improvements by more than 10 percent. Any increase to the existing onsite development footprint shall be exclusively to support the provision of behavioral health treatment in the subject jurisdiction, including, but not limited to, all of the following:

(A) Achieving compliance with local, state, and federal requirements.

(B) Providing sufficient space for the provision of services and amenities.

(C) If determined that a grantee's facility project is not subject to the California Environmental Quality Act pursuant to this section, the grantee shall file a notice of exemption with the Office of Planning and Research and the county clerk of the county in which the project is located in the manner specified in subdivisions (b) and (c) of Section 21152 of the Public Resources Code.

5960.35. (a) The following definitions shall apply to this chapter:

(1) "Department" means the State Department of Health Care Services.

(2) "Program" means the Behavioral Health Continuum Infrastructure Program authorized by this chapter.

(b) The following definitions shall apply to the implementation of this chapter:

(1) "Low-rent housing project," as defined in Section 1 of Article XXXIV of the California Constitution, does not apply to any facility project pursuant to this section that meets any one of the following criteria:

(A) The development is privately owned housing, receiving no ad valorem property tax exemption, other than exemptions granted pursuant to subdivision (f) or (g) of Section 214 of the Revenue and Taxation Code, not fully reimbursed to all taxing entities, and not more than 49 percent of the dwellings, apartments, or other living accommodations of the development may be occupied by persons of low income.

(B) The development is privately owned housing, is not exempt from ad valorem taxation by reason of any public ownership, and is not financed with direct long-term financing from a public body.

(C) The development is intended for owner-occupancy, which may include a limited-equity housing cooperative as defined in Section 50076.5 of the Health and Safety Code, or cooperative or condominium ownership, rather than for rental-occupancy.

(D) The development consists of newly constructed, privately owned, one-to-four family dwellings not located on adjoining sites.

(E) The development consists of existing dwelling units leased by the state public body from the private owner of these dwelling units.

(F) The development consists of the rehabilitation, reconstruction, improvement or addition to, or replacement of, dwelling units of a previously existing low-rent

housing project, or a project previously or currently occupied by lower income households, as defined in Section 50079.5 of the Health and Safety Code.

(G) The development consists of the acquisition, rehabilitation, reconstruction, improvement, or any combination thereof, of a development which, prior to the date of the transaction to acquire, rehabilitate, reconstruct, improve, or any combination thereof, was subject to a contract for federal or state public body assistance for the purpose of providing affordable housing for low-income households and maintains, or enters into, a contract for federal or state public body assistance for the purpose of providing affordable housing for low-income households.

(2) "Tribal entity" shall mean a federally recognized Indian tribe, tribal organization, or urban Indian organization, as defined in Section 1603 of Title 25 of the United States Code.

5960.40. The provisions of this chapter are severable. If any provision of this chapter or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

5960.45. This chapter shall remain in effect only until January, 1, 2027, and as of that date is repealed.

Behavioral Health Continuum Infrastructure Program and Community Care Expansion Listening Session

DRAFT

Hosted by:

Marlies Perez, Chief
Department of Health Care Services

Corrin Buchanan, Assistant Director
Department of Social Services

Listening Session Format

For each topic, DHCS will:

1. Present the information specified in BHCIP
2. Provide a prompt related to the policy decisions for the BHCIP grant making
3. Solicit stakeholder verbal or written feedback via chat on the prompt
4. DHCS is gathering information and will not be responding to questions during the listening session

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How to Provide Feedback

1. "Raise your hand" to provide verbal feedback during the Listening Session
2. Submit your feedback in writing:
   - Type your feedback/comments in the chat box located on your control panel
   - Send an email to bhcip@dhcs.ca.gov with the subject line "Listening Session". Feedback is accepted through October 15, 2021

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CA Infrastructure Investment

- California is making a significant investment in infrastructure by providing competitive grants to qualified entities to construct, acquire, and rehabilitate real estate assets
- $3 billion in infrastructure funding opportunities are available through the Behavioral Health Continuum Infrastructure Program at DHCS and the Community of Care Expansion Program and the California Department of Social Services (CDSS)

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Collaboration

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DHCS and CDSS are closely collaborating on the BHCIP and CCE infrastructure grants

- Combined stakeholder meetings with counties and tribal entities
- Joint Planning Grant for Counties and Tribal Entities
- Leveraging TA resources
- Alignment on policy, when feasible
- Timing RFA releases to support local efforts

CA Homeless/ Housing Efforts

- These infrastructure investments are part of a larger effort to rebuild the state's portfolio of housing and treatment options for people with severe behavioral health challenges who are at risk of or experiencing homelessness
- California is investing $12B over the next two years to end and prevent homelessness including flexible funding to local governments with strong accountably measures and investments in the social safety net and healthcare delivery system

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Need for BH Infrastructure

- The majority of Californians with behavioral health (BH) conditions self-reported they were not receiving treatment. (California Health Care Foundation Mental Health Almanac 2018 and SUD Almanac 2018.)
- Inpatient psychiatric bed capacity in California is 21 beds/100,000 people whereas experts estimate 50 beds/100,000 people is needed to meet the need across the state. (CA Hospital Association)
- Number of SUD treatment facilities has decreased by 13 percent over the last three years (down to 874 licensed facilities in 2020 compared to 1,009 in 2018).

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BHCIP Vision

- BHCIP offers a tremendous opportunity to create new capacity within the BH facility infrastructure in California
- DHCS is excited to lead out such a significant project that will have a lasting impact on the BH field
- BHCIP will align with DHCS' other efforts around integration, CalAIM, Children and Youth Behavioral Health Initiative, address homelessness and expanding BH access

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BH Needs Assessment

- DHCS will publish a behavioral health capacity and gap analysis in November 2021.
  - Assessment of the current state's BH continuum of care, including mental health and SUD systems
  - Determine the need for expanding existing capacity and/or proposing enhancements to the existing continuum
  - Inform the BHCIP rounds of grant applications, in addition to the SMI/SED IMD waiver.
  - The Needs Assessment will be one source of information to determine the need for statewide capacity.

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BHCIP Overview

- Passed in FY 2021-22 State budget.
- $2.2B total for the BHCIP
- Amends Welfare and Institutions Code
- Provides competitive grants for counties, tribal entities, non-profit and for-profit entities to build new or expand existing capacity in the continuum of public and private BH facilities
- Funding will be **only** for new or expanding infrastructure (brick and mortar) projects and not BH services

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BHCIP Overview

- DHCS will release Request for Applications (RFAs) for BHCIP through multiple rounds
- Rounds will target various gaps in California's BH facility infrastructure
- Rounds will remain open until funds are awarded
- Different entities will be able to apply in each round for specific projects to address identified infrastructure gaps
- Stakeholder engagement will occur throughout the project

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Facility Types

- BH Wellness Centers
- Short-term crisis stabilization
- Acute and subacute care
- Crisis residential
- Community-based MH residential
- Substance use disorder residential
- Peer respite
- Mobile crisis
- Community and outpatient
- Other clinically enriched longer term treatment and rehabilitation options for persons with BH disorders in the least restrictive and least costly setting

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Feedback

1. In order to expand CA's BH continuum of care, what other BH facilities would you like to have considered for funding?

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Requirements in Law

Part 1, Chapter 7, Section 5960.15. An entity shall meet all of the following conditions in order to receive grant funds pursuant to Section 5960.5(a), to the extent applicable and as required by the department:

(a) Provide matching funds or real property

(b) Expend funds to supplement and not supplant existing funds to construct, acquire, and rehabilitate real estate assets.

(c) Report data to the department within 90 days of the end of each quarter for the first five years.

(d) Operate Medi-Cal services in the financed facility for the intended purpose for a minimum of 30 years.

Proposed Additional Requirements

- DHCS will also require that Medi-Cal beneficiaries are served in grant funded facilities
- The 30 years begins after construction is completed

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Exemptions

5960.30. (a) Notwithstanding any other law, a facility project funded by a grant pursuant to this chapter shall be deemed consistent and in conformity with any applicable local plan, standard, or requirement, and allowed as a permitted use, within the zone in which the structure is located, and **shall not** be subject to a conditional use permit, discretionary permit, or to any other discretionary reviews or approvals.

(b) Notwithstanding any other law, the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) **shall not apply** to any facility project, including a phased project, funded by a grant pursuant to this chapter if all of the following requirements, if applicable, are satisfied

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BHCIP Proposed Rounds

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Round 1: Mobile Crisis $150M (July 2021)

Round 2: Planning Grants $8M (Nov 2021)

Round 3: Launch Ready $585M (Jan 2022)

Round 4: Children and Youth $460M (*Aug 2022*)

Round 5: Addressing Gaps #1 $462M (*Oct 2022*)

Round 6: Addressing Gaps #2 $460M(Dec *2022*)

Proposed BHCIP Timeline

July 2021	Release Round 1: Mobile Crisis RFA
September 2021	Award Round 1: Mobile Crisis Projects
Sept/October 2021	Re-Release Round 1: Mobile Crisis RFA Part 2
October 2021	BHCIP/DSS Listening Session
November 2021	Release BH Assessment Report
November 2021	Release Round 2: Planning Grants RFA
January 2022	Award Round 2: Planning Grants
January 2022	Release Round 3: Launch Ready RFA
April 2022	BHCIP Listening Session for Rounds 4-6
May 2022	Award Round 3: Launch Ready Grants
August 2022	Release Round 4: Children and Youth RFA
October 2022	Release Round 5: Addressing Gaps #1 (TBD)
December 2022	Release Round 6: Addressing Gaps #2 (TBD)

BHCIP Funding Available

- *FY 21/22:* **$743.5M total**
  - $150M Mobile Crisis
  - $593.5M General BHCIP
- Obligate $300M Coronavirus Fiscal Recovery Fund (CFRF) by June 2024 and liquidate by December 2026.
- Expend $443.5M in State General Fund (SGF) by June 30, 2026.

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BHCIP Funding Available

FY 22/23: **$1.38B total**

- $1.16B General BHCIP Infrastructure
- $218.5M from Coronavirus Fiscal Recovery Fund (CFRF)
- Obligate CFRF funds by June 2024 and liquidate by December 2026.
- Expend $1.16B in State General Fund by 2027.

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CDSS Community Care Expansion

- The CCE program will fund the acquisition, construction, and rehabilitation of adult and senior care facilities that serve applicants and recipients of Social Security Income (SSI) including individuals who are at risk of or experiencing homelessness and those who have behavioral health conditions

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Overlapping Characteristics of the CCE and BHCIP

- BHCIP facility types are broader but include adult and senior care facilities
- CCE aims to serve the SSI population, but is inclusive of individuals with behavioral health conditions
- Like the BHCIP, the CCE will require a match and a commitment of long term use of the facility for the intended purpose

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BHCIP and CCE Coordination

- DHCS and CDSS are working collaboratively on the design and implementation of these programs and will continue to engage stakeholders jointly
- Applicants are encouraged to consider both funding streams when planning for system of care enhancements

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Advocates for Human Potential (AHP)

- AHP will assist DHCS with overall BHCIP project implementation including:
  - Planning grants (contracts/funding/TA)
  - Applicant and grantee assistance including preparation of proposals for rounds
  - Real estate TA for grantees (land use zoning, permitting, real estate acquisition, applicable exemptions)
  - Additional TA
  - DHCS project management

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Feedback

1. What are the TA needs for counties and tribes for the planning grants?
2. How could TA help in preparing the proposals?
3. How could TA assist in implementing grants?

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Required Match

- Matching funds or real property will be required
- Match requirements are still in development
- Initial recommendations:
  - Lower for counties/tribal entities
  - Lower for non-profits with county contracts
  - Higher for private entities

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Feedback

1. What funds would entities propose to use for the match?
2. Any comments about the real property match option?

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Grant Funding

Maximum funding could be determined based on:

- Set amount available per facility type rehabilitated for expansion
  - Per bed
  - Per increase in outpatient capacity
- Set amount available for newly constructed facility type
  - Per bed
  - Per increase in outpatient capacity
- Priorities determined by the state
  - For example - reduces hospitalization, incarceration and/or institutionalization

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Feedback

1. What are the funding limit recommendations for each eligible facility type?
2. Are there other factors that could be considered to determine funding levels?

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Round One: Mobile Crisis

- RFA's released in July 2021 to counties and Tribal entities for crisis care mobile units (CCMU).
- Entities could apply for up to $1M per CCMU team from September 2021 – June 30, 2025
- Awards will be made in early October 2021

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Round One: Mobile Crisis

DHCS will re-release the Round One: Mobile Crisis RFA for new county and tribal applicants.

- Entities already awarded may apply, but new applicants will receive priority funding.
- RFA will be released in Oct.

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Round Two: Planning Grants

- Eligibility limited to counties and Tribes (638s and Urbans) $8M Total
- Planning will encompass all rounds, incorporate DSS grant opportunities and other planning efforts such as expanding workforce
- Up to $100K per Planning Grant
- Counties and tribal entities may apply as a regional model
- TA will be provided
- Release RFA Oct 21, Due Nov 21, Award Jan 22
- Project period Jan 22-Dec 22

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Feedback

What comments do you have regarding the Planning Grant round?

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Round Three: Launch-Ready

- All entities will be eligible including counties, Tribes, non-profit, and private entities
- Funding will be for launch-ready BH facilities outlined by DHCS in the RFA which meet the gaps identified in the BH Needs Assessment
- County letter of support/acknowledgement may be required
- Additional requirements will be forthcoming
- Release RFA Jan 22, Due Mar 22, Initial Award of projects May 22
- Project period from May 22-June 26

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Feedback

What information can DHCS provide to assist with planning efforts for this RFA?

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Rounds Four-Six

- Future stakeholder feedback opportunities will be available for rounds four-six of the BHCIP.
  - Round 4: Children and Youth $460M (Aug 2022)
  - Round 5: Addressing Gaps #1 $462M (Oct 2022)
  - Round 6: Addressing Gaps #2 $460M(Dec 2022)
  - Addressing Gaps rounds may include other state priorities such as justice involved and other special populations.
- General comments are accepted through the BHCIP mailbox; however, more details will be available as these rounds are developed.

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Contact Information

Current information regarding the implementation of BHCIP can be found online: BHCIP-Home (ca.gov)

Written comments and feedback can be submitted to the BHCIP mailbox at: BHCIP@dhcs.ca.gov

Written comments for the CDSS CCE Project at: housing@dss.ca.gov

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