



Board Agenda Item 43

DATE: June 21, 2022

TO: Board of Supervisors

SUBMITTED BY: Susan L. Holt, Director, Department of Behavioral Health

SUBJECT: Retroactive State Application / Agreement for Substance Abuse and Mental Health Services Administration Community Mental Health Services Block Grant and Agreement for Mental Health Services Block Grant Coronavirus Response and Relief Supplemental Appropriations Act and American Rescue Plan Act

RECOMMENDED ACTION(S):

1. **Approve and authorize the Chairman to execute a retroactive:**
 - a. **Application / Agreement with the California Department of Health Care Services for Substance Abuse and Mental Health Services Administration Community Mental Health Services Block Grant funds for dual diagnosis mental health services in licensed residential board and care facilities, effective July 1, 2021 through June 30, 2022 (\$5,000,000);**
 - b. **Agreement with the California Department of Health Care Services for:**
 - i. **Community Mental Health Services Block Grant Coronavirus Response and Relief Supplemental Appropriations Act Supplemental Funding Allocation for crisis stabilization and early intervention mental health services, effective July 1, 2021 through December 31, 2022 (\$640,622); and,**
 - ii. **American Rescue Plan Act Supplemental Funding Allocation for crisis residential treatment and assisted outpatient treatment mental health services, effective September 1, 2021 through June 30, 2025 (\$1,623,559).**
2. **Approve and authorize the Director of the Department of Behavioral Health, or designee, as signatory on behalf of the Board of Supervisors on associated grant agreement documents, expenditure forms and reports, with no change to the compensation amount or term.**

There is no increase in Net County Cost associated with the recommended actions.

On June 17, 2021, the Department of Behavioral Health submitted a placeholder application, signed by the Director due to the short turnaround period, for the California Department of Health Care Services (DHCS) annual Federal Substance Abuse and Mental Health Services Administration (SAMHSA) Community Mental Health Services Block Grant (MHBG). Approval of recommended actions will allow the Department to resubmit the application / agreement replacing the placeholder for licensed residential board and care facility placement funds for adults with serious mental illness (SMI).

On December 9, 2021, the Department was notified that DHCS approved a supplemental County Application for the Community Mental Health Services Block Grant Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and American Rescue Plan Act (ARPA). Approval of

recommended actions will allow the Department to allocate these funds for crisis stabilization, assisted outpatient treatment and early intervention.

Approval of the recommended actions will allow the Director to sign grant documents, expenditure forms, and reports on behalf of your Board, without changing the maximum or term. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended actions are not approved, the Department will not receive grant funds to assist with placement of adults with mental health and substance use disorder treatment needs into transitional residential board and care facilities, crisis stabilization, assisted outpatient treatment and early intervention services. Additionally, the Department will have to return to your Board for signature on all necessary grant reports and forms for submittal to DHCS.

RETROACTIVE AGREEMENT:

The recommended MHBG application / agreement is retroactive to July 1, 2021. DHCS released notice of the FY 2021-22 SAMHSA MHBG application via electronic mail to the Department on May 17, 2021, with a submission deadline of June 18, 2021. The Department was not able to present the recommended application / agreement to your Board on an earlier date due to DHCS taking longer than anticipated to review the application, provide feedback to the Department, and then finally to provide formal approval after the Department provided clarification and additional information.

The recommended CRRSAA and ARPA Supplemental Funding Allocation agreements are retroactive to July 1, 2021, and September 1, 2021, respectively. The Department received approval for this supplemental funding on December 9, 2021. The funding Budget Change Request period became available March 1, 2022, for both supplemental funds.

FISCAL IMPACT:

There is no increase in Net County Cost associated with recommended actions.

The recommended MHBG application / agreement will fund transitional residential board and care services in the amount of \$5,000,000. The Department is eligible for FY 2021-22 grant funds in the amount of \$2,381,212; which consists of a base allocation of \$2,381,212. In FY 2021-22 no funds were allocated for the Dual Diagnosis Set-Aside. The base allocation increased by \$131,405 (or 6%) from the FY 2020-21 allocation. The Department is allowed up to 10% for administrative costs (\$216,474).

The recommended CRRSAA agreement will fund crisis receiving and stabilization facilities and case management, referral serves, training and outreach for early intervention services provided by the Fresno County Superintendent of Schools in the amount of \$640,622. The Department is eligible for this Supplemental Funding Allocation for the period of July 1, 2021 - December 31, 2022. Funding for Crisis Stabilization is \$325,082 and Early Intervention is \$315,540.

The recommended ARPA agreement will fund Crisis Residential Treatment and Assisted Outpatient Treatment in the amount of \$1,623,559. The Department is eligible for the Supplemental Funding Allocation for the period of September 1, 2021 - June 30, 2025. Of the allocation, \$1,319,653 is Discretionary/Base Allocation, and \$303,906 is General Crisis Stabilization.

The MHBG funding does not require a match and program expenses are 100% offset with these federal funds and Mental Health Realignment (\$2,618,788.00).

Sufficient appropriations and estimated revenues were included in the Department's Org 5630 FY 2021-22 Adopted Budget and will be included in future budget requests.

DISCUSSION:

The SAMHSA MHBG funds are allocated to county mental health departments to be used for community mental health services for adults with SMI and/or children and adolescents with serious emotional disturbance (SED). Since 1993, the Department has received the funds to provide mental health services to dual diagnosed adults and juveniles in detention facilities. On December 12, 2018, DHCS confirmed direction from SAMHSA that funding services to detained individuals did not meet the requirement for a community health setting.

The recommended MHBG application / agreement will enable the Department to continue supporting the transition of adults with SMI from locked and/or higher-level of care services to less restrictive facilities and more appropriate level of care. The facilities include transitional board and care, specialized level of care services, and/or other certified/licensed facilities. In FY 2020-21, 168 adults were placed in Transitional Residential Service Program and Specialized Transitional Residential Service Program facilities with an average length of stay of 357 days. In FY 2021-22, the Department has already placed 156 adults in TRSP and STRSP facilities with an average length of stay of 459 days. The grant will also fund the Department's staff time for administrative activities and periodic grant related expenditure reporting.

On September 21, 2021, the Department submitted a County's Behavioral Health Response and Rescue Project (BHRRP) Supplemental County Application for the Community Mental Health Services Block Grant. This funding is supported through CRRSAA and ARPA. On December 9, 2021, the Department was notified that DHCS had approved the application. Attachment A is the approval letter and workbook which serve as the agreement for the BHRRP funding. The recommended agreement will enable the Department to continue supporting Crisis Residential Treatment (short-term residential crisis stabilization beds), Crisis Stabilization Units, Fresno County Superintendent of Schools All 4 Youth behavioral health services, transitional board and care, specialized level of care services, and/or other certified/licensed facilities, and will be used to support a new program for Assisted Outpatient Programs.

The DHCS approval process is contingent upon allocated federal funding. The recommended application / agreement will act as the final agreement; the placeholder was submitted to meet the June 18, 2021 deadline. The recommended application / agreement contains language that allows the Director, or designee, to sign grant documents, expenditure forms, and reports on behalf of your Board over the term.

OTHER REVIEWING AGENCIES:

The Behavioral Health Board was notified of these agreements at the June 2021 meeting.

REFERENCE MATERIAL:

BAI #43, June 22, 2021

ATTACHMENTS INCLUDED AND/OR ON FILE:

Attachment A MHBG Approval Letter
On file with Clerk - Agreement with DHCS (MHBG)
On file with Clerk - Agreement with DHCS (MHBG - CRRSAA & ARPA)

CAO ANALYST:

Sonia M. De La Rosa