



# Board Agenda Item 30

DATE: September 6, 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

RECOMMENDED ACTION(S):

- 1. Retroactively approve and authorize the Chairman to execute the Biennial 2022-2024 Application / Agreement with the California Department of Health Care Services (DHCS) for Substance Abuse and Mental Health Services Administration (SAMHSA) Community Mental Health Services Block Grant (MHBG) funds for dual diagnosis mental health services in licensed residential board and care facilities, effective July 1, 2022 through June 30, 2024 (\$10,000,000); and,**
- 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. The recommended MHBG application / agreement will provide continued licensed residential board and care facility funding to support the transition of adults with serious mental illness (SMI) from locked and/or higher-level of care services to less restrictive facilities and more appropriate level of care.

It should be noted that the DHCS released the application on May 2, 2022. To meet the June 2, 2022 submission deadline, the Director of the Department of Behavioral Health submitted a placeholder application contingent on approval by the Board of Supervisors. On June 22, 2022, DHCS approved the application. Approval of the first recommended action will allow the Department to resubmit the application / agreement replacing the placeholder application. The second recommended action will allow the Director to sign grant documents, expenditure forms, and reports on behalf of the 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 in placement of adults with mental health and substance use disorder treatment needs into specialized supplemental board and care facilities. 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 Biennial FY 2022-2024 application / agreement is retroactive to July 1, 2022. DHCS released notice of the SAMHSA MHBG application via electronic mail to the Department on May 2,

2022, with a submission deadline of June 2, 2022 and an approval date of June 22, 2022. 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.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The recommended MHBG application / agreement will fund Specialized Supplemental Board and Care Homes in the amount of \$10,000,000 (\$5,000,000 allocated annually for FYs 2022-23 and 2023-24). The Department is eligible for FY 2022-23 and 2023-24 grant funds in the amount of \$2,381,212 (a base allocation of \$1,962,313 and dual diagnosis set-aside funds of \$418,899 for each fiscal year). This MHBG funding does not require a match and program expenses are 100% offset with these federal funds and Mental Health Realignment (\$2,381,212.00). The Department is allowed up to 10% for administrative costs (\$196,231). Sufficient appropriations and estimated revenues are included in the Department's Org 5630 FY 2022-23 Recommended Budget and will be included within subsequent budget requests.

DISCUSSION:

On September 10, 2019, the Board approved Agreement No. 19-438 with DHCS to receive MHBG funds to partially fund Transitional Residential Services Program (TRSP) and Specialized Transitional Residential Services Program (STRSP) services as operated by providers under existing Agreement No. 17-377 approved by the Board on July 11, 2017. The service name for this contract was amended on August 24, 2021 to rename services to Specialized Supplemental Board and Care Home Services. A renewed agreement for these services was brought before the Board on June 7, 2022, Master Agreement No. A-22-230 with eighteen (18) contracted providers.

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 specialized supplemental board and care services facilities. In FY 2021-22, 141 adults were placed in Specialized Supplemental Board and Care Home facilities. The grant will also fund the Department's staff time for administrative activities and periodic grant related expenditure reporting.

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 2, 2022 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 this agreement at the August 2022 meeting.

REFERENCE MATERIAL:

- BAI #48, June 7, 2022
- BAI #32, August 24, 2021
- BAI #34, September 10, 2019
- BAI #38, July 11, 2017

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - MHBG Approval Letter

On file with Clerk - Agreement with DHCS

CAO ANALYST:

Ronald Alexander