



## SUMMARY REPORT

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**Agenda Date:** 12/14/2021

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**To:** County of Sonoma Board of Supervisors  
**Department or Agency Name(s):** Department of Health Services  
**Staff Name and Phone Number:** Bill Carter, 565-5157  
**Vote Requirement:** 4/5th  
**Supervisory District(s):** Countywide

**Title:**

Behavioral Health Services Agreements - Additional Delegated Authority for Fiscal Year 2021-2022

**Recommended Action:**

- A) Authorize an increase of \$5,769,594 to the Director of Health Services', or designee's, fiscal year 2021-2022 delegated authority to execute multi-year contracts and amendments for Behavioral Health Services as described in Attachment 2.
- B) Authorize the Director of Health Services, or designee, to execute an extension of current agreements through June 30, 2022 for Substance Use Disorder Services.
- C) Authorize the Director of Health Services, or designee, to execute an agreement with Aldea Children & Family Services for early psychosis and mood disorder intervention program services for the period December 14, 2021 to June 30, 2025 in an amount not-to-exceed \$1,996,144.
- D) Authorize the Director of Health Services, or designee, to execute an agreement with Sonoma County Office of Education for mental health services for children and youth for the period December 14, 2021 to July 31, 2025 in an amount not-to-exceed \$3,053,921.
- E) Receive a staff report on planned competitive procurement of Adult Case Management Services and Youth and Family Therapy and Case Management.
- F) Adopt a budget resolution adjusting the fiscal year 2021-2022 revised budget to increase expenditures by \$9,032,131 financed with use of \$4,018,210 in available Inter-governmental Transfer and Mental Health Services Act fund balances to finance augmented behavioral health services; and \$995,711 of new available state grant funds. \$4,018,210 of expense appropriations are included for the transfer of fund balance to the operational fund and section. (4/5th vote required)

**Executive Summary:**

As of December 7, 2021, the Board has approved a total of \$59,035,702 of delegated contracting authority and a total of \$56,174,700 in expenditure authority for behavioral health services in fiscal year 2021-2022. Authorized services include: Peer Support/Recovery and Training Services, Residential Care Facilities, Long-Term Care Facilities, Inpatient Hospitals, and Independent Contractors, Support Services, NetSmart Technologies, First Episode Psychosis, Mental Health Services for Youth, Specialty Mental Health Services for Youth in Foster Care, Administrative Hearing Officers, Mental Health Services Act (MHSA) Prevention and Early Intervention, MHSA Innovation Projects, Substance Use Disorder Services, Mental Health and Substance Use Disorder Services, Funding Agreements to assist local jurisdictions in developing their MST program, Funding Contribution CalMHSA for an electronic health record RFP, Sonoma County Junior College for prevention, early

intervention, and case management services, and Crestwood Behavioral Health, Inc.

Given current and anticipated behavioral services community needs, staff has identified additional required delegated authority of **\$10,819,659** for multi-year contracts with Aldea Children & Family Services, the Sonoma County Office of Education, Residential Care Facilities, Long-Term Care Facilities, Inpatient Hospitals, independent contractors, mental health services for children and youth, behavioral support services, and mental health and substance use disorder services.

Of the \$10.8 million in additional required delegated authority, \$5.1 million is attributable to two multi-year contracts with Aldea and the Sonoma County Office of Education (SCOE) that will be funded with two separate MHSSA grants that were awarded to DHS in fall 2021. The remaining \$5.7 million in requested delegated authority is primarily attributable to an increase in psychiatric hospitalizations, an increase in contracted psychiatric services cost and an increase in service utilization and level of care for the clients in residential care facilities (RCFs). The continued need to contract for psychiatric services due to recruitment challenges in the current tight labor market environment along with higher psychiatric hospital and RCFs service utilizations than previously anticipated during the FY 21-22 budget development are resulting in the need to request additional delegated authority in this item.

The additional requested delegated authority will result in a revised contracting authority of \$69,855,361. A breakdown of the requested Delegated Contracting Authority is on Attachment 2 of this Board Item. Revised contracting authority amounts by category for fiscal year 2021-2022 are presented in the following table:

<b>Category</b>	<b>Revised Contracting Authority</b>
Peer Support/Recovery and Training Services	\$1,342,606
Residential Care Facilities, Long-Term Care Facilities, Inpatient Hospitals, and Independent Contractors	\$20,954,519
Support Services	\$791,320
NetSmart Technologies	\$1,032,034
First Episode Psychosis	\$238,000
Mental Health Services for Youth	\$3,685,000
Specialty Mental Health Services for Youth in Foster Care	\$4,389,000
Administrative Hearing Officers	\$100,000
MHSA Prevention and Early Intervention	\$1,132,246
MHSA Innovation Projects	\$1,216,356
Substance Use Disorder Services	\$7,707,988
Mental Health and Substance Use Disorder Services	\$15,259,340
Funding Agreements to assist local jurisdictions in developing their MST program	\$941,887
Funding Contribution CalMHSA for an electronic health record RFP	\$100,000
Sonoma County Junior College for prevention, early intervention, and case management services	\$805,000 (1)

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Crestwood Behavioral Health, Inc. for the operation of the Los Guilicos Psychiatric Health Facility	\$5,110,000 (2)
Early Psychosis and Mood Disorder Intervention	\$1,996,144 (3)
Mental Health Services for Children and Youth	\$3,053,921 (4)
<b>Total:</b>	<b>\$69,855,361*</b>

Contracts are overlapping multiple fiscal years.

- (1) Total contract amount for 12 months is \$805,000 of which \$520,000 is estimated to be spent in fiscal year 2021-2022.
- (2) Total contract amount for 12 months is \$5,110,000 of which \$2,534,000 is estimated to be spent in fiscal year 2021-2022.
- (3) Total contract amount for the period December 14, 2021 to June 30, 2025 is \$1,996,144 of which \$387,637 is estimated to be spent in fiscal year 2021-2022.
- (4) Total contract amount for the period December 14, 2021 to July 31, 2025 is \$3,053,921 of which \$587,612 is estimated to be spent in fiscal year 2021-2022.

\*Of the total \$69,855,361 in contracting authority, the Department anticipates \$62,919,545 will be expended during fiscal year 2021-2022. Another \$1,190,089 will be expensed for various other contracts under \$100,000 execute with the existing Director's signature authority such as for Substance Use Disorder Prevention contracts and the Probation Memorandum of Understanding bringing the total expenses in fiscal year 2021-2022 to \$64,109,634 as identified on Attachment 2 of this Board Item.

The requests for increases reflect increased community need for services, extension of existing contracts to support transition to new contracts from a competitive procurement process, and grant monies that will support new community service programs.

The Department is requesting authorization to adjust the fiscal year 2021-2022 final budget by approximately \$9 million in expenditures and \$5 million in revenues and reimbursements financed with \$5 million of Federal Financial Participation and Grants and \$4 million of available Intergovernmental Revenue fund balance, Mental Health Services Act fund balance, and other adjustments. \$9 million of budgetary adjustments is requested as some of the expenses will be offset by previous appropriations reallocated and some contracts services will be expensed in future fiscal years.

**Discussion:**

Each fiscal year the Department of Health Services requests delegated authority to execute services agreements for mental health and substance use disorder services and behavioral health support services agreements. As of June 8, 2021, the Board approved \$52,078,815 of contracted delegated authority for behavioral health services in fiscal year 2021-2022, which includes \$1,342,606 for Peer Support/Recovery and Training Services; \$18,501,549 for Residential Care Facilities, Long-Term Care Facilities, Inpatient Hospitals, and Independent Contractors; \$691,848 for support services agreements; \$1,032,034 for NetSmart Technologies; \$238,000 for First Episode Psychosis; \$3,685,000 for mental services for youth; \$4,227,410 for specialty mental health services for youth in foster care; \$100,000 for Administrative Hearing Officers; \$1,132,246 for Mental Health Services Act (MHSA) Prevention and Early Intervention; \$1,216,356 for Mental Health Services Act (MHSA) Innovation Projects; \$7,707,988 for Substance Use Disorder Services; and \$12,303,778 for mental health and substance use disorder services. On October 26, 2021, the Board approved \$941,887 for funding

agreements to assist Cotati/Rohnert Park, Petaluma, and Santa Rosa in developing their Mobile Support Team (MST) programs. On December 7, 2021, the Department plans to request Board approval of a \$100,000 funding contribution to California Mental Health Services Authority to participate in a program to develop and manage a request for proposals process to select a vendor to deliver a California-centric enterprise solution for electronic health records; \$805,000 for an agreement with Sonoma County Junior College for prevention, early intervention, and case management services; and \$5,110,000 for an agreement with Crestwood Behavioral Health, Inc. for the operation of the Los Guilicos Psychiatric Health Facility.

**A. *Additional Delegated Authority Requested \$5,769,594 (fiscal year 2021-2022)***

Additional delegated authority of \$5,769,594 is required for fiscal year 2021-2022, consisting of \$2,452,970 for Residential Care Facilities, Long-Term Care Facilities, Inpatient Hospitals, and independent contractors; \$99,472 for behavioral support services; \$161,590 for mental health services for children and youth; and \$3,055,562 for mental health and substance use disorder services. The breakdown of the additional delegated authority by category, contract, and amount is detailed on Attachment 2.

Much of the hospital inpatient increases appear to be COVID-related. These costs are currently projected through June 2022 but may extend longer based upon pandemic progression. COVID impact will be reduced when COVID demand goes away, monitoring hospital levels and rate of spending. Future fiscal and programmatic strategies, while looking for funding, are to increase system capacity to lower caseloads and provide more intensive outpatient care that will reduce hospitalizations, other institutional care placements, and use of crisis services. Provision of more intensive case management and other therapeutic community-based services will support clients to remain in community-based housing.

**1. Residential Care Facilities, Long-Term Care Facilities, Inpatient Hospitals, and Independent Contractors (additional \$2,452,970)**

Residential Care Facilities (RCFs) provide permanent supportive housing for Sonoma County Mental Health Plan adult clients with serious and persistent mental illness. This level of care and supervision is for people unable to live independently due to mental illness, but who do not need 24-hour nursing care. RCFs are licensed by the California Department of Social Services, Community Care Licensing Division. They are considered supportive housing programs not medical facilities and are not required to have medical personnel (e.g., nurses, certified nursing assistants, or doctors). Beyond the provision of housing, Residential Care Facilities provide multiple care level options from basic provision of meals, housekeeping, supervision, storage and distribution of medication, up to personal care assistance with basic activities like hygiene, dressing, eating, bathing, and transferring.

Individuals are served in RCFs to enable them to live in the community, at the lowest level of care necessary and allow clients to transition out of higher levels of psychiatric care, such as hospitals or Institutions for Mental Disease (IMDs) (long-term residential psychiatric treatment facilities that serve conserved clients), the criminal justice system, or homelessness.

Sonoma County has been experiencing increasing need for institutional services in RCFs and Long Term Care facilities (LTCs) to serve individuals with high levels of psychiatric care. In particular, there has been a significant increase in the number of Department of Health Services (DHS) clients who are placed on conservatorship, and require services that provide high levels of supervision and psychiatric care. The Transitional Recovery Team, which serves clients who are conserved, has seen an increase from 150 to 200 such clients over the last 2 years, which is likely a contributing factor to the higher utilizations of services the behavioral health system of care is currently experiencing. The increase is likely due to the impact of COVID-19

on service systems, inadequate levels of outpatient care that allow individuals to be served in lower levels of care and the natural increase of population need.

DHS is entering into, or increasing, contracts with the following facilities because they have unique abilities to serve the individuals in our care.

Additional RCFs and LTC costs in fiscal year 2021-2022 necessitate the additional delegated authority and budget appropriations. Although the contracts may vary based on service utilization by facility evolving during the course of the fiscal year, DHS will remain within its overall approved delegated authority for the Residential Care Facilities, Long-Term Care Facilities, Inpatient Hospitals, and Independent Contractors category.

- **AAHS San Pablo, LLC dba A & A Health Services San Pablo:** For fiscal year 2021-2022, the Department anticipates an increase in bed/day utilization from 20 to 25 beds starting on January 1, 2022, and from 25 to 30 beds starting on April 1, 2022, resulting in a not-to-exceed amount of \$1,667,440. Actual contract amount may vary based on utilization.

This is an enhanced board and care facility for clients who need a high level of psychiatric care, including supporting clients to transition from conservatorship. If a similar increase is needed for future fiscal years, additional funding will need to be identified.

- **California Psychiatric Transitions (CPT):** For fiscal year 2021-2022, the Department anticipates the need to enter into a new Long Term Care contract in the amount of \$320,370 for 2 beds, for clients experiencing high levels of acuity. This facility will serve individuals whose serious mental illness contributes to violent behavior. State hospital facilities have traditionally served this population; however, the Department of State Hospitals does not have adequate resources to meet the need. DHS must secure additional services at facilities such as CPT to have resources available for this high need population.
- **Crestwood Behavioral Health, Inc. - Lompoc** - This program specializes in serving clients with medical needs along with serious mental illness. DHS must secure services of facilities that can serve clients with medical and psychiatric co-morbidities. This facility will fill key gaps in our service system, moving individuals out of local hospital emergency rooms and providing a resource for clients, who develop medical needs as they age and must transition from IMDs. The Department anticipates using one bed at this facility and to reduce utilization in other lower level of care facilities in the Crestwood contract. The increased amount for this facility with the Crestwood Behavioral Health contract is \$95,930, resulting to a not-to-exceed amount of \$1,611,009 for FY 21-22.
- **Santa Rosa Behavioral Health Hospital (SRBHH) [Formerly Aurora]** - For fiscal year 2021-2022, the Department anticipates an increase in bed/day utilization, resulting in an increase of \$476,250, and will begin using services the psychiatric intensive care unit, resulting in an increase of \$134,932, for a total contract amount of \$1,626,892.

SRBHH has created a psychiatric intensive care unit for treatment of individuals who have assaultive and other dangerous behaviors due to their mental illness. This is a new and local resource that fills an important gap in our health and behavioral health service systems. Without this resource, individuals with serious mental illness, accompanied by violent behavior can be arrested and held in jail, spend extended periods of time in the DHS Crisis Stabilization Unit (CSU) or board for long periods of time in local hospital emergency rooms.

- **Hillcrest, dba (SST Senior Care):** The current contract amount is \$201,932. For fiscal year 2021-2022,

the Department anticipates an increase in bed/day utilization from three to five beds/day, resulting in an increase of \$108,300 to a not-to-exceed amount of \$310,232. Hillcrest, a sister facility to AAHS, is unique in that they accept clients who have cognitive impairments, such as dementia, in addition to serious mental illness. Very few facilities serve individuals with these comorbid conditions.

- **Managed Care MCAL (funded with 1991 Mental Health realignment offset)**

The current estimated cost is \$1,100,515. For fiscal year 2021-2022, the Department anticipates an increase in bed/day utilization, resulting in an increase of \$526,545, for a total estimated cost of \$1,627,060.

Difficulty with staffing due to COVID has created a shortage in CSU beds which has increased psychiatric hospitalizations directly from local emergency rooms. The CSU must maintain a certain level of staffing both due to regulations and for client and staff safety; when there are not enough staff we must reduce the number of available beds for individuals in crisis.

- **Non-Medi-Cal Short Doyle (funded with 1991 Mental Health realignment offset)**

The current estimated cost is \$655,750. For fiscal year 2021-2022, the Department anticipates an increase in bed/day utilization, resulting in an increase of \$392,250, for a total estimated cost of \$1,048,000.

In addition to the staffing challenges previously described, there are not enough “Medi-Cal beds” in California hospitals to absorb all of the individuals who need inpatient psychiatric care, therefore the county is obliged to use non-Medi-Cal hospitals when hospitalization is warranted. This is done through “Short Doyle” funds which pay the full bed day rate (rather than Medi-Cal paying half and realignment paying the other half). Once the Psychiatric Care Facility (PHF) is open, the Department anticipates a reduction in the use of Short Doyle hospitalizations.

- Net increase of \$381,497 in other various contracts within this category due to higher bed and service utilization within the category of Residential Care Facilities, Long-Term Care Facilities, Inpatient Hospitals, and Independent Contractors. Part of this increase is due to hospitals increasingly unbundling MD costs (Adult and Youth Professional Fees) from their inpatient bed rates increasing the cost of inpatient services.

## **2. Behavioral Health Support Services (additional \$99,472)**

- FEI Systems (FEI.com)

For fiscal year 2021-2022, the Department anticipates the need to increase the contract by \$99,472 to a new fiscal year 2021-2022 contract amount of \$179,972.

The FEI contract needs to be amended to include the following services:

Update to DSM-5: Diagnostic and Statistical Manual of Mental Disorders (DSM) is the diagnostic system for mental health and substance use disorders. DHS is currently utilizing a version of SWITS that has only the outdated DSM-4 diagnostic system. As a result, DHS is unable to directly enter DSM-5 diagnostic information, and must implement a workaround utilizing the DSM-4 diagnostic system. This workaround requires additional staff time to carry out tasks that could be managed by the platform, and introduces compliance risks associated with the translation of the outdated DSM-4 system. Estimated costs are \$45,000, which includes DSM-5 licensing, as well as programming costs for updating SWITS with DSM-5.

Documentation Storage: SUD service providers currently maintain paper documents necessary to retain appropriate medical records. DHS will purchase the SWITS documentation storage functionality that will allow

providers to scan paper documents into charts and digitally create information that is currently created on paper. The estimated cost of this functionality is \$25,000.

Training - DHS has not invested in widespread staff and contractor training in the SWITS system in over 3 years. Training is necessary to ensure effective implementation of SWITS. The estimated cost of this training is \$10,500.

**3. Specialty Mental Health Services for Youth in Foster Care (additional \$161,590)**

The current contract amount for Victor Treatment Center is \$793,050. For fiscal year 2021-2022, the Department anticipates an increase of services for youth residing at the Victor Treatment Center will exceed its current contract by \$236,950 to a total of \$1,030,000.

Youth in foster care from within and outside of Sonoma County are placed in Short Term Residential Therapeutic Programs (STRTPs) located within the county. When these youth are Medi-Cal beneficiaries, DHS can acquire the responsibility to provide for their Early Periodic Screening Diagnosis Treatment (EPSDT) benefit, which is an entitlement.

The increased cost of \$236,950 will be offset by an anticipated reduction of \$75,000 in the cost of service for other contracts within his category, resulting in a net increase of \$161,950.

**4. Substance Use Disorder Services (SUD) (contracts extensions through June 30, 2022)**

The Department is requesting an extension of existing contracts to June 30, 2022, and to begin Request for Proposal (RFP) awards for newly selected contracted SUD providers on July 1, 2022. The current fiscal year 2021-2022 RFP process has experienced significant delays, resulting in the delay of the final selection process. These extensions will allow for the planning of transition services for clients, as well as contract negotiations with the providers. Additionally, time is needed to provide technical assistance and training to existing and potentially new providers. At this time, the Department does not anticipate a cost increase resulting from the contract extension.

**5. Mental Health and Substance Use Disorder Services (additional \$3,055,562)**

- **Contracted Psychiatric Services**

The current estimate for the contracted temporary agencies for Psychiatric Services is \$1,616,500. For fiscal year 2021-2022, the Department anticipates an increase of \$3,168,331, resulting in a total estimated cost of \$4,784,831.

The extreme local, state and national shortage of psychiatrists has been exacerbated by the impact of the pandemic on the labor market. As a result, the Department has been increasingly reliant upon locum tenens agencies (specific staffing agencies for physicians/psychiatrists) to hire MDs, and these agencies are increasing their rates.

The Department anticipates a decrease of \$112,769 in aggregate within this category that will offset the increase of \$3,168,331 in contracted temporary agencies for Psychiatric Services.

Additional expenditures in this category of \$3,055,562 will be partially funded through vacancies that are expected to result in salaries savings of approximately \$1,665,815 during fiscal year 2021-2022. The additional appropriations needed amount of \$1,389,747 will be funded with Intergovernmental Revenue budgetary fund balance and other adjustments, and MHSA fund balance.

***B. Additional Delegated Authority Requested \$5,050,065 (multi-year contracts supported by State***

***grants)***

The Department has identified additional required delegated authority of \$5,050,065 for two multi-year contracts, consisting of \$1,996,144 for early psychosis and mood disorder intervention and \$3,053,921 for mental health services for children and youth. The total Delegated Authority from these two contracts (\$5,050,065) plus the Additional Delegated Authority in Section A (\$5,769,594) combine for the total requested amount in this Board Item of \$10,819,659. The estimated revenues expenditures requiring appropriations for these contracts for the current fiscal year 2021-2022 are \$975,249.

The Mental Health Services Oversight and Accountability Commission released two requests for funding proposals over the last two years. DHS was solely qualified to apply for the grants and collaborated with two partner agencies to submit applications to support these agencies to implement programs expanding mental health services to youth and young adults in Sonoma County. Utilizing grant revenues, DHS seeks authority to contract with these entities.

**1. Mental Health Student Services Act (MHSSA) Grant Program - Agreement with Sonoma County Office of Education**

The Mental Health Student Services Act of 2019 (MHSSA) is a competitive grant program established to fund partnerships between county behavioral health departments and local education entities for the purpose of increasing access to mental health services in locations that are easily accessible to students and their families. MHSSA grant funding is provided to county behavioral health departments to fund partnerships between educational and county mental health agencies. The grants awarded are to be used to provide support services that include, at a minimum, services provided on school campuses, suicide prevention services, drop-out prevention services, placement assistance and service plans for students in need of ongoing services, and outreach to high-risk youth, including foster youth, youth who identify as LGBTQ, and youth who have been expelled or suspended from school.

In June 2020 the Department submitted a grant application for MHSSA funds to the Mental Health Services Oversight and Accountability Commission (MHSOAC) as the Lead County with the Sonoma County Office of Education (SCOE) as the Lead Agency. A grant agreement with MHSOAC, in the amount of \$4,000,000 through July 31, 2025, was executed in August 2021 per the Department's delegated authority for state and federal funding agreements approved by the Board on June 8, 2021.

The Department is requesting approval to enter into an agreement for \$3,053,921 with SCOE to expand access to mental health services for children and youth, including campus-based mental health services, and to facilitate linkage and access to ongoing and sustained services. As part of this agreement, the Behavioral Health Division will partner with SCOE to administer the grant and will provide services including crisis response and linkage to community mental health resources and treatment services. The term of the agreement is December 14, 2021 - July 31, 2025.

**2. Early Psychosis Intervention Plus (EPI Plus) Program Grant - Agreement with Aldea**

On October 2, 2017, Governor Brown signed Assembly Bill 1315 (AB 1315), establishing the Early Psychosis Intervention Plus (EPI Plus) Program, creating the Early Psychosis and Mood Disorder Detection and Intervention Fund (Fund) within the State Treasury and directing the Mental Health Services Oversight and Accountability Commission (MHSOAC) to implement the program.

The EPI Plus Program establishes a framework and strategy to support collaborative efforts to shift emphasis in California's mental health system to early detection and intervention. Through programs that harness a



coordinated specialty treatment approach, evidence-based therapies, family support, medication management, and recovery-oriented practices to address psychotic symptoms and promote resilience, the EPI Plus Program is intended to improve the lives of Californians with mental health needs before those needs escalate and become severe or disabling.

Aldea Children & Family Services, through its Supportive Outreach & Access to Resources (SOAR) program, has operated successful early psychosis programs in Napa and Solano counties for almost ten years. In cooperation with the University of California Davis (UCD) Early Diagnosis & Preventative Treatment Clinic, which developed and researched the Coordinated Specialty Care (CSC) model, Aldea is bringing this evidence-based early intervention program to Sonoma County.

The Department is requesting approval to enter into an agreement for \$1,996,144 with Aldea to establish an early psychosis and mood disorder intervention program using the Coordinated Specialty Care (CSC) model. Aldea will establish a program which offers early psychosis and mood disorder detection and intervention services to individuals with a team treatment approach and provide all component of the CSC model. This agreement will utilize grant revenues from the MHSOAC EPI Plus program, to support the contract with Aldea Children & Family Services. The term of the agreement will be December 14, 2021 - July 31, 2025.

**C. *Contracts under \$100,000 Executed with Director Signature Authority (decrease of \$65,107)***

Current aggregate estimate for contracts that are individually under \$100,000 is \$1,255,196. This amount includes \$110,000 for Substance Disorder Prevention contracts. The Department anticipates a decrease of \$65,107 due to the need to transfer the FEI Systems (FEI.com) to the behavioral support services contracting authority category and other adjustments for a contract for auditing services, resulting in an aggregate revised estimate of \$1,190,089 for FY 20-21.

**D. *Staff Report for Adult and Youth Request for Proposals (RFP) with Use of One-time Fund Balance***

The Department seeks to issue, in early calendar year 2022, two requests for proposals (RFPs) for outpatient services, one for youth and family services and one for adult services. The Department anticipates awarding contracts with an effective of date of July 1, 2022, with annual renewals for a total of three years. Funding for these contracts will be from one-time use of fund balance to be funded with the Mental Health Services Act (MHSA), Intergovernmental Transfer (IGT), Behavioral Fund Stabilization (BFS), and Federal Financial Participation for Specialty Mental Health eligible services. The estimated available fund balances as of June 30, 2022, for MHSA and IGT are \$14.9 million and \$15.2 million, respectively.

**1. *Adult Services RFP: Annual Not-to-exceed amount of \$1,250,000 Totaling \$3,750,000 over Three Years***

DHS does not currently have adequate capacity to serve eligible clients. DHS Adult service programs are primarily Full Service Partnerships (FSPs). Case managers within the FSP programs should have small caseloads that enable them to provide intensive levels of service. However, with too many Medi-Cal beneficiaries, who need intensive as well as moderate levels of service, enrolled in care, case managers are assigned too many clients and cannot provide services at the level of intensity required. As a result, DHS clients over-utilize crisis services and costly institutional care.

This RFP is designed to add outpatient service capacity that will enable DHS to provide more intensive case management services that will better serve our clients. Contracting for additional case management services will allow us to reduce FSP caseloads, and provide more intensive services that support clients to live in the community. Using three year contracts, we will attempt to rebalance the system, do a cost/benefit analysis

and determine how to move forward with resources at hand.

**2. Youth RFP: Annual Not-to-exceed amount of \$250,000 Totaling \$750,000 over Three Years**

DHS does not have enough service capacity in Youth and Family Services (YFS) to meet the needs of children and youth who have serious emotional disturbances. These services are required for DHS to meet its mandatory responsibilities to the EPSDT entitlement. YFS is structured to provide these services through the county operated The Family Advocacy, Stabilization, and Support Team (FASST) Full Service Partnership (FSP) program, and services provided by three community-based organizations (CBOs). The three CBOs have not fully utilized their contracts and have not increased service capacity enough to meet DHS needs. DHS is redirecting some funds from existing contracts, and adding new funds, to release an RFP to identify additional providers that will enable DHS to meet its responsibilities. Additional services will enable DHS to provide services to youth and families more timely supporting youth to live at home with their families, attend school and have healthy interactions in the community.

**Strategic Plan:**

This item directly support the County's Five-year Strategic Plan and is aligned with the following pillar, goal, and objective.

**Pillar:** Healthy and Safe Communities

**Goal:** Goal 1: Expand integrated system of care to address gaps in services to the County's most vulnerable.

**Objective:** Objective 2: Identify gaps in the Safety Net system of services and identify areas where departments can address those gaps directly, and seek guidance from the Board when additional resources and/or policy direction is needed.

**Prior Board Actions:**

On December 7, 2021 the Board A) authorized the Director of Health Services, or designee, to execute an agreement with Sonoma County Junior College District dba Santa Rosa Junior College for prevention, early intervention, and case management services with a term beginning in fiscal year 2021-2022 and ending no later than 36 months after the beginning date, for a not-to-exceed amount of \$805,000 annually and B) authorized the Director of Health Services, or designee, to execute an agreement and amendments with Crestwood Behavioral Health, Inc. for the operation of the Los Guilicos Psychiatric Health Facility with a term beginning in fiscal year 2021-2022 and ending no later than 36 months after the beginning date, for a not-to-exceed amount of up to \$5,110,000 annually.

On December 7, 2021 the Board authorized the Director of Health Services, or designee, to execute a participation agreement with the California Mental Health Services Authority to facilitate the County's participation in the Electronic Health Record Program in the amount of \$100,000 through May 31, 2022.

On October 26, 2021 the Board A) allocated a one-time investment of \$428,000 to Cotati/Rohnert Park and Petaluma each and \$85,887 to Santa Rosa to assist those jurisdictions in developing their MST program for a total of \$941,887, and authorize the Interim Director of Health Services to enter into funding agreements with the jurisdictions.

On June 8, 2021 the Board authorized the Director of Health Services, or designee, to execute the following: A) agreements and amendments for Mental Health Services Act (MHSA) Prevention and Early Intervention programs, competitively procured during fiscal year 2020-2021, with a term beginning in fiscal year 2021-2022

and ending no later than June 30, 2025, for a not to exceed amount of up to \$1,132,246 annually; B) agreements and amendments for Administrative Hearing Officers, competitively procured during fiscal year 2020-2021, with a term beginning in fiscal year 2021-2022 and ending no later than June 30, 2025, for a not to exceed amount of up to \$100,000 annually; C) agreements and amendments to fulfill First Episode Psychosis program requirements in the Mental Health Block Grant (MHBG), competitively procured during fiscal year 2020-2021, with a term beginning in fiscal year 2021-2022 and ending no later than June 30, 2025, for a not to exceed amount of up to \$238,000 annually; D) agreements and amendments for Substance Use Disorder Services, including the extension of current agreements through September 30, 2021 and those competitively procured during fiscal year 2020-2021, with terms beginning in fiscal year 2021-2022 and ending no later than June 30, 2024, for a not to exceed amount of up to \$7,707,988 annually; E) agreements and amendments for specialty mental health services for youth in foster care for which competitive procurement is not feasible with a term ending no later than June 30, 2024, for a not-to-exceed amount of up to \$4,227,410 annually; F) agreements and amendments for behavioral health services with a term ending no later than June 30, 2022, for a fiscal year 2021-2022 not to exceed amount of \$691,848; G) agreements and amendments for mental health and substance use disorder services, for which delegated authority is not otherwise requested, with a term ending no later than June 30, 2022, for a fiscal year 2021-2022 not-to-exceed amount of \$12,203,778; and H) agreements and amendments for Mental Health Services Act (MHSA) Innovation Projects, for which a community-based solicitation was performed, with a term ending no later than June 30, 2024, for a not-to-exceed amount of up to \$1,216,356 annually. In addition, the Board authorized an increase of \$1,143,188 to the Director of Health Services', or designee's, fiscal year 2020-2021 delegated authority, initially approved by the Board on August 4, 2020 in the amount of \$16,042,142, and increased by Board on April 6, 2021 to \$17,358,361 to execute agreements and amendments for Residential Care Facilities, Long-Term Care Facilities, Inpatient Hospitals, and Independent Contractors providing behavioral health services for which competitive procurement is not feasible with a term ending no later than June 30, 2023, resulting in a new not-to-exceed amount of \$18,501,549, to provide for increased service needs and costs.

On August 4, 2020 the Board authorized the Director of Health Services, or designee, to execute an agreement with NetSmart Technologies, Inc. for a software license and services agreement to provide an integrated information system with clinical decision support for behavioral health services for a term beginning July 1, 2020 and ending no later than June 30, 2023, for a not to exceed amount of up to \$1,032,034 annually.

On July 9, 2019 the Board authorized the Director of Health Services to execute agreements for mental health services for youth, competitively procured during fiscal year 2018-2019, with a term beginning July 1, 2019 and ending no later than June 30, 2023 for a not to exceed amount of \$4,438,489 annually.

**FISCAL SUMMARY**

<b>Expenditures</b>	<b>FY 21-22 Adopted</b>	<b>FY 22-23 Projected</b>	<b>FY 23-24 Projected</b>
Budgeted Expenses	\$57,429,898		
Additional Appropriation Requested	\$9,032,131		
<b>Total Expenditures</b>	<b>\$66,462,029</b>		
<b>Funding Sources</b>			
General Fund/WA GF	\$2,815,792		
State/Federal	\$50,708,134		

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**Agenda Date:** 12/14/2021

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Fees/Other	\$12,938,103		
Use of Fund Balance	\$4,018,210		
Contingencies			
<b>Total Sources</b>	<b>\$66,462,029</b>		

**Narrative Explanation of Fiscal Impacts:**

Inclusive of redirecting anticipated salary and contract savings in the amount of \$1,665,815 the expense appropriations needed in fiscal year 2021-22 to \$9,032,131. \$4,018,210 of expense appropriations are included for the transfer of fund balance to the operational fund and section. In addition, to new revenue from Federal Financial Participation (FFP) of \$20,463 and Mental Health Student Services Act (MHSSA) State grant funding of \$975,248, the recommended funding for increased expenditure authority is from available fund balance in Intergovernmental Transfer of \$2,840,724, and Mental Health Services Act (MHSA) of \$1,177,486. The estimated available fund balances as of June 30, 2022 adjusted for future fiscal years commitment, for MHSA and IGT are \$14.9 million and \$15.2 million, respectively.

<b>Staffing Impacts:</b>			
<b>Position Title (Payroll Classification)</b>	<b>Monthly Salary Range (A-I Step) (\$)</b>	<b>Additions (Number)</b>	<b>Deletions (Number)</b>
N/A			

**Narrative Explanation of Staffing Impacts (If Required):**

N/A

**Attachments:**

Attachment 1 - Behavioral Health Services Providers

Attachment 2 - Behavioral Health Services Providers - Total Amount By Service Category

Attachment 3 - Budget Resolution

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

None