

**COUNTY OF SAN DIEGO  
BOARD OF SUPERVISORS  
TUESDAY, SEPTEMBER 24, 2024**

**MINUTE ORDER NO. 13**

**SUBJECT: UPDATE ON AND AUTHORIZATION TO EXECUTE AGREEMENTS FOR THE PARTNERSHIP WITH THE UNIVERSITY OF CALIFORNIA, SAN DIEGO HEALTH FOR BEHAVIORAL HEALTH SERVICES WITHIN THE EAST CAMPUS MEDICAL CENTER (DISTRICTS: ALL)**

**OVERVIEW**

In California, counties are responsible for administering specialty mental health and substance use services for residents eligible for Medi-Cal. In this capacity, the County of San Diego (County) Health and Human Services Agency (HHSA), Behavioral Health Services (BHS) serves as the Specialty Mental Health Plan. To ensure access to quality care that meets the needs of Medi-Cal beneficiaries in San Diego County, BHS is required to maintain a local network of behavioral health services and providers. To optimize the local behavioral health system of care, the San Diego County Board of Supervisors (Board) has made key investments over the last several years to enhance community-based behavioral health services and develop critical behavioral health infrastructure that is regionally distributed in alignment with population health needs.

On May 21, 2024 (23), the Board advanced this vision by approving actions to enter into negotiations with University of California, San Diego Health (UCSD Health) to establish psychiatric acute inpatient services, a crisis stabilization unit (CSU), and an emergency psychiatric unit (EPU) at the East Campus Medical Center (ECMC) to provide care for Medi-Cal beneficiaries within the specialty care system. Today's item provides an update on this partnership to negotiate toward the establishment of a new inpatient behavioral health facility and CSU at the ECMC. Today's item also requests authorization to execute agreements with UCSD Health, including a letter of intent and an unsecured loan of up to \$32.0 million for necessary facility improvements at ECMC, and to establish appropriations of \$32.0 million to cover costs for the facility improvements.

Today's action supports the County vision of a just, sustainable, and resilient future for all, specifically those communities and populations in San Diego County that have been historically left behind, as well as our ongoing commitment to the regional *Live Well San Diego* vision of healthy, safe, and thriving communities. This will be accomplished through further strengthening the continuum of behavioral health services in San Diego County.

**RECOMMENDATION(S)**

**CHIEF ADMINISTRATIVE OFFICER**

1. Find that the proposed actions are exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines sections 15301 and 15302.
2. Receive the 120-day update on the partnership between the County of San Diego (County) and the University of California, San Diego Health (UCSD Health) for future behavioral health services within the East Campus Medical Center (ECMC) as directed by the San Diego County Board of Supervisors on May 21, 2024 (23).

3. Pursuant to Government Code section 26227, authorize the Chief Administrative Officer, or designee, upon successful negotiations, to execute an agreement or agreements with UCSD Health for a new inpatient behavioral health facility and crisis stabilization unit within the ECMC, to include the attached letter of intent and an unsecured loan agreement of up to \$32.0 million to UCSD Health for necessary facility improvements.
4. Establish appropriations of \$32,000,000 in the County and Human Services Agency, Services & Supplies, from the General Fund Reserve to cover costs for facility improvements related to psychiatric acute inpatient and crisis stabilization services within ECMC to promote the long-term fiscal health and stability of the County. **(4 VOTES)**

### **EQUITY IMPACT STATEMENT**

As the Specialty Mental Health Plan, County of San Diego (County) Behavioral Health Services provides mental health and substance use services for residents eligible for Medi-Cal, ensuring resources are allocated equitably and reaching communities most impacted by behavioral health disparities with high quality services.

The partnership between the County and University of California, San Diego Health through the establishment of the East Campus Medical Center will help address health disparities by improving access to behavioral health services, enhancing the quality of care, and providing more effective care coordination aligned with upstream prevention and continuous care. These services will not only reduce unnecessary hospitalizations and divert individuals from hospital emergency departments but also increase connection of individuals discharged from crisis stabilization units and emergency psychiatric units to resources and support systems, enhance care coordination, and increase Medi-Cal enrollment, further advancing the County vision for a just, sustainable, and resilient future for all.

### **SUSTAINABILITY IMPACT STATEMENT**

Today's action supports the County of San Diego (County) Sustainability Goal #2 to provide just and equitable access to County services by establishing an array of acute psychiatric and emergency psychiatric care at the East Campus Medical Center (ECMC) to serve all residents in need of critical behavioral health care, particularly those impacted in the East Region. Additionally, these actions align with Sustainability Goal #4 to protect the health and well-being of everyone in the San Diego County region. By enhancing the quality of care and providing more effective care coordination, the expansion of the ECMC behavioral health infrastructure aims to reduce unnecessary hospitalizations and divert individuals from hospital emergency departments. This not only alleviates the burden on local healthcare facilities but also ensures that residents receive timely and appropriate care. The focus on upstream prevention and continuous care will increase connections to resources and support systems for individuals discharged from these acute psychiatric and emergency settings which further contribute to the overall health and well-being of San Diego County residents.

### **FISCAL IMPACT**

Funds for these requests are not included in the Fiscal Year (FY) 2024-26 Operational Plan in the Health and Human Services Agency (HHSA). If approved, today's recommendations will result in one-time costs of \$32,000,000 in FY 2024-25 to cover facility improvements related to psychiatric acute inpatient services and crisis stabilization unit within the East Campus Medical Center. The funding source is the General Fund Reserve. In accordance with the San Diego County Code of Administrative Ordinances (Administrative Code) Section 113.1, related to General Fund Balances and

Reserves, all appropriations of the General Fund Reserve will require at least four votes of the San Diego County Board of Supervisors. Up to \$32,000,000 of funding would be provided to University of California, San Diego Health (UCSD Health) as an unsecured loan, which would be repaid by UCSD Health over an anticipated term of 30 years, including interest, through its rate structure that would be factored into the replenishment plan. UCSD Health will also pursue grant funding under the Proposition 1 Behavioral Health Continuum Infrastructure Grant program and, if awarded, the loan amount may be lower.

Today's recommended use of the General Fund Reserve will reduce the Reserve to below the minimum required balance, and restoration of the Reserve to the minimum balance will take place over the next one to three years, pursuant to the County of San Diego (County) Administrative Code. A plan and amounts to support the replenishment of the Reserve will be included in the FY 2025-26 Operational Plan, based on available funding sources, which may include anticipated FY 2024-25 budgetary operational results, General Purpose Revenue generated by growth in the County's assessed value, and loan payments made from UCSD Health. There will be no additional staff years.

#### **BUSINESS IMPACT STATEMENT**

N/A

#### **ACTION:**

ON MOTION of Supervisor Montgomery Steppe, seconded by Supervisor Lawson-Remer, the Board of Supervisors took action as recommended.

AYES: Anderson, Lawson-Remer, Montgomery Steppe, Desmond

ABSENT: Vargas

State of California)

County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER

Clerk of the Board of Supervisors



**Signed**

**by** Andrew Potter

