

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
TUESDAY, OCTOBER 11, 2022**

MINUTE ORDER NO. 14

SUBJECT: AUTHORIZE APPROPRIATIONS FOR THE TRI-CITY PSYCHIATRIC HEALTH AND THE EAST REGION COMMUNITY-BASED CARE FACILITIES; ACCEPT GRANT FUNDING FOR THE EDMOOR ACUTE INPATIENT UNIT; SHIFT FUTURE SERVICES AT THE SAN DIEGO COUNTY PSYCHIATRIC HOSPITAL FACILITY AND THE VACANT COUNTY-OWNED PROPERTY AT 4307 THIRD AVENUE; AND ISSUE COMPETITIVE SOLICITATIONS FOR PROFESSIONAL SERVICES, PRECONSTRUCTION SERVICES, AND THE DEVELOPMENT OF THE CENTRAL REGION AND EAST REGION COMMUNITY-BASED CARE FACILITIES (DISTRICTS: ALL)

OVERVIEW

Under the leadership of the San Diego County Board of Supervisors (Board), behavioral health care in San Diego County is in the midst of a profound transformation. The County of San Diego (County) is taking action and making strategic investments to move the local behavioral health care delivery system from a model of care driven by crises to one centered on continuous, coordinated care and prevention. These efforts, broadly referred to as the Behavioral Health Continuum of Care (Continuum of Care), are guided by data, focused on equity, and designed to engender collaborative work within and outside of government.

Today's recommended actions will continue to advance the County Health and Human Services Agency, Behavioral Health Services' (BHS) work across the Continuum of Care within three strategic domains, including *Crisis and Diversionary Services, Inpatient Hubs and Care Coordination, and Residential and Long-Term Care*, by establishing critical infrastructure and services dedicated to support people with behavioral health conditions who are Medi-Cal eligible.

Building on Continuum of Care efforts underway, BHS developed the Behavioral Health Continuum of Care Optimal Care Pathways (OCP) model, a data-informed algorithm that quantifies optimal utilization across service areas within the system. The OCP model proposes to recalibrate and expand services, along with the addition of new service types to remove barriers to care, reduce per capita cost, and connect individuals to the care they need, when they need it to ensure wellness over the long-term.

Today's recommended actions will advance the County toward the optimal state of the OCP model by establishing new capital infrastructure for subacute and community-based care services dedicated to supporting individuals with behavioral health conditions who are Medi-Cal eligible. Establishing additional capacity within these service categories will ensure proper care pathways are available to divert individuals from unnecessary utilization of expensive acute care.

These items support the County's vision of a just, sustainable, and resilient future for all, specifically those communities and populations in San Diego County that have been historically unserved and underserved, as well as the ongoing commitment to the regional *Live Well San Diego* vision of healthy, safe, and thriving communities. This will be accomplished by working across systems to support better care of individuals, better health for local populations, and more efficient health care resourcing.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Find that the proposed activities are exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(3), 15061(b)(3), and 15262 of the State CEQA Guidelines.
2. Establish appropriations of up to \$7.0 million in the County Health Complex Fund for Capital Project 1023557, Tri-City Healthcare District Psychiatric Health Facility, based on Realignment and Intergovernmental Transfer revenues. **(4 VOTES)**
3. Authorize the acceptance of \$4.4 million of one-time Behavioral Health Continuum Infrastructure Program Launch Ready Grant funding from the California Department of Health Care Services for Fiscal Year (FY) 2022-23 through FY 2026-27, for total awarded grant funding of \$16.8 million, for the construction of a new 12-bed Acute Psychiatric Unit within the existing Edgemoor Distinct Part Skilled Nursing Facility campus and authorize the Agency Director, Health and Human Services Agency, or designee to execute all required documents, upon receipt, including any annual extensions, amendments, or revisions that do not materially impact or alter the services or funding level.
4. Authorize the department to formally shift future services at the San Diego County Psychiatric Hospital facility from psychiatric acute inpatient care and emergency psychiatric unit services to a new optimal array of services to be informed through a Request for Information, which may include a small psychiatric acute inpatient unit and subacute care. The final service array will be informed by revenue modeling to determine availability of funding to sustain operations.
5. Establish appropriations of up to \$5.0 million in the County Health Complex Fund, Capital Project 1025925, San Diego County Psychiatric Hospital Facility for planning and design related to facility improvements to support future programming, based on Realignment and Intergovernmental Transfer revenues. **(4 VOTES)**
6. Authorize the Director, Purchasing and Contracting to advertise and award an architectural and engineering contract and to take any action authorized by Article XXIII, Section 401, et seq. of the Administrative Code, with respect to contracting for the design of the San Diego County Psychiatric Hospital Facility. Designate the Director, Department of General Services as the County of San Diego Officer responsible for administering the awarded architectural and engineering contract.
7. Authorize the Director, Department of Purchasing and Contracting to take any action authorized by Article XXIII, Section 401, et seq. of the Administrative Code and Public Contract Code Section 20146 to advertise and award a single Construction Manager at Risk contract for the San Diego County Psychiatric Hospital capital project, to authorize Phase 1 of the contract for preconstruction services, and to return to the Board for appropriations and authority to execute the option for Phase 2, construction.

8. Authorize the formal shift of the approved capital development and subsequent provision of services slated for the vacant parcel of County-owned land located on Third Avenue, Capital Project 1023736, from acute inpatient, crisis stabilization, and intensive outpatient services to community-based care services, which may include an adult residential facility, residential care facility for the elderly, recuperative care services, and other services, as needed, to support the development of the Central Region Community-Based Care Facility on Third Avenue, and authorize the Director, Department of General Services, to issue, and to take any related actions necessary to issue a request or requests for proposals for development and operation of a Central Region Community-Based Care Facility and/or related services. The final service array will be informed by revenue modeling to determine availability of funding to sustain operations.
9. Establish appropriations of \$1.0 million in the County Health Complex Fund for Capital Project 1025926, East Region Community-Based Care Facility for planning and design to support construction, which may include an adult residential facility, residential care facility for the elderly, recuperative care services, and other services, as needed, based on Realignment and Intergovernmental Transfer Revenues, and authorize the Director, Department of General Services, to issue, and to take any related actions necessary to issue, a request or requests for proposals for development and operation of an East Region Community-Based Care Facility and/or related services. The final service array will be informed by revenue modeling to determine availability of funding to sustain operations. **(4 VOTES)**

EQUITY IMPACT STATEMENT

The County of San Diego (County) Health and Human Services Agency, Behavioral Health Services (BHS) serves as the specialty behavioral health plan for Medi-Cal eligible residents within San Diego County who are experiencing serious mental illness or serious emotional disturbance, and the service delivery system for Medi-Cal eligible residents with substance use disorder care needs. As a steward of public health for the region, BHS must ensure that the resources and services offered through County-operated and contracted programs promote equitable outcomes, advance wellness across the continuum of need, and are equitably distributed based on the needs of the region's diverse communities.

In support of these efforts, BHS utilizes a population health approach, incorporating evidence-based practices and robust data analysis, to identify need and design services that are impactful, equitable, and yield meaningful outcomes for clients. This includes facilitating ongoing engagement and input from stakeholders, consumers, family members, community-based providers, and healthcare organizations through formal and informal convenings, along with cross-collaboration with other County departments and community partners. Additionally, through the establishment of the Community Experience Partnership, in collaboration with the University of California San Diego, BHS is leading the development of the Behavioral Health Equity Index, a tool to help measure behavioral health equity that will inform program planning, siting of services, and allocation of resources in a way that supports the most pressing community needs.

If approved, today's actions will set a course for the region's behavioral health system by expanding crisis services and advancing the vision of the Optimal Care Pathways model to build dedicated subacute and community-based care capacity that connects individuals who are Medi-Cal eligible to care in the least restrictive setting to meet their unique needs long term. The model establishes new care pathways that divert people from unnecessary utilization of expensive acute care and thereby reduces per capita cost.

These actions will ultimately aim to reduce behavioral health inequities among the region, advancing services that will impact vulnerable populations including individuals experiencing homelessness and those with justice involvement.

SUSTAINABILITY IMPACT STATEMENT

Transforming the Behavioral Health Continuum of Care in San Diego County supports the County of San Diego's (County) Sustainability Goal #2 to provide just and equitable access through the regional distribution of services that allows chronically underserved communities and individuals with behavioral health conditions to receive care in close proximity to where they live. Today's actions will establish dedicated crisis services, subacute care, and community-based care in locations that are geographically dispersed throughout the region to support individuals who are Medi-Cal eligible.

The historic inequity and lack of parity within long-term care has resulted in individuals who remain stuck in higher levels of care, an endless cycle of visits to emergency services, chronic homelessness for people with behavioral health conditions, and individuals who are unable to get care, which has resulted in a higher risk of poor health outcomes. According to the State's Community Care Licensing Division, since 2017, 146 of the 781 licensed adult residential facilities in San Diego County, or 19%, have closed and 138 of the 719 unique residential care facilities for the elderly, or 19%, have closed leaving people unable to step down out of higher levels of care.

Today's actions support Sustainability Goal #4 to protect the health and wellbeing of individuals with behavioral health conditions who are Medi-Cal eligible by establishing dedicated long-term care infrastructure, inclusive of community-based care and subacute care, that supports them in the least restrictive setting thereby removing historical barriers to care.

County Health and Human Services Agency, Behavioral Health Services will continue to explore thoughtful and sustainable building design for the Capital projects and facility improvements outlined in today's actions.

FISCAL IMPACT

Recommendation #1: Exemption from CEQA

There is no fiscal impact associated with this recommendation.

Recommendation #2: Tri-City Psychiatric Health Facility

Funds for this request are partially included in the Fiscal Year (FY) 2022-24 Operational Plan in the County Health Complex Fund for Capital Project 1023557, Tri-City Healthcare District Psychiatric Health Facility. If approved, this will result in estimated costs and revenues of up to \$7.0 million for the Tri-City Healthcare District Psychiatric Health Facility. The funding source is Realignment and Intergovernmental Transfer revenues. Current project appropriations are \$20.6 million General Fund fund balance (\$17.4 million) and Realignment and Intergovernmental Transfer revenues (\$3.2 million). The new total project cost is estimated at \$27.6 million, inclusive of current approved appropriations (\$20.6 million) and new appropriations (\$7.0 million).

Recommendation #3: Accept Additional Behavioral Health Continuum Infrastructure Program Launch Ready Grant Funding

Funds for this request are partially included in the FY 2022-24 Operational Plan in HHSA. If approved, this request will result in estimated costs and revenues of \$8.8 million in FY 2022-23 through FY 2026-27 for the Edgemoor Psychiatric Unit Capital project appropriated in the County Health Complex Fund. The estimated revenue of \$8.8 million is inclusive of \$4.4 million associated with the Behavioral Health Continuum Infrastructure Program Launch Ready Grant allocation funded by State Fiscal Recovery Funds established by the American Rescue Plan Act to cover 50% of the estimated overage cost for the project (\$8.8 million), and a \$4.4 million County match funded by Realignment. The total grant funding conditionally awarded for this capital project is \$16.8 million. The total estimated cost for this project is still being finalized and staff will return to the Board to establish appropriations for this project and with other recommended actions in the future.

Recommendations #4 - #7: Facility Improvements for Future Services at the San Diego County Psychiatric Hospital Facility

Funds for this request are not included in the FY 2022-24 Operational Plan for the County Health Complex Fund. If approved, this request will result in estimated costs and revenues of \$5.0 million in Capital Project 1025925, San Diego County Psychiatric Hospital project for costs related to planning, design, project management, consultant, and other costs. The funding source is Realignment and Intergovernmental Transfer revenues. The total estimated cost is under development and will include substantial infrastructural improvements, maintenance, and major systems upgrades. The department will return to the Board to establish appropriations for this project and with other recommended actions in the future.

Recommendation #8: Central Region Community-Based Care Facility

Funds for this request are included in the FY 2022-24 Operational Plan for the County Health Complex Fund. Capital Project 1023736, Central Region Community-Based Care Facility current project appropriations are \$32.0 million. Funding sources are Intergovernmental Transfer revenues (\$12.0 million) and Behavioral Health Realignment (\$20.0 million). The department will return to the Board to establish additional appropriations and with other recommended actions in the future. The County will continue to pursue any new federal and State funding, grants, or other funding sources, including the use of securitized Tobacco Settlement Funds.

Recommendation #9: East Region Community-Based Care Facility

Funds for this request are not included in the FY 2022-24 Operational Plan for the County Health Complex Fund. If approved, this request will result in estimated costs and revenues of \$1.0 million in Capital Project 1025926, East Region Community-Based Care Facility for costs related to planning and design. The funding source is Realignment and Intergovernmental Transfer revenues. The estimated total facility development and construction costs are being developed, and the department will return to the Board to establish appropriations for this project and with other recommended actions in the future. The County will continue to pursue any new federal and State funding, grants, or other funding sources, including the use of securitized Tobacco Settlement Funds.

There will be no change in net General Fund cost and no additional staff years resulting from any of today's recommendations.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Fletcher, seconded by Supervisor Anderson, the Board of Supervisors took action as recommended.

AYES: Vargas, Anderson, Lawson-Remer, Fletcher, Desmond

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

