CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

Investment in Mental Health Wellness Act of 2013

Information Item

October 7, 2013

Staff plans to seek authorization from the Authority to submit emergency regulations for the Investment in Mental Health Wellness Act of 2013 (Act) to the Office of Administrative Law (OAL) for public comment, review and approval.

In advance of a request for authorization to proceed to OAL, staff summarizes the proposed essential features of the grant program to allow an opportunity for the Authority and public to raise questions and offer comments for consideration and discussion.

Title of the Program: Mental Health Crisis Capacity Grant Program

Available Funding: $142,500,000 for crisis stabilization, residential treatment and mobile crisis support capacity; $6,800,000 for mobile crisis support teams.

Duration of Program: The Authority has a three-year appropriation authority for the overall program, but reporting obligations imposed on grantees may extend beyond three years.

Eligible Applicants: Counties, counties acting jointly, or counties with their designated private non-profit corporations or public agencies.

Eligible Projects: Projects that increase capacity for assistance and services for crisis intervention, crisis stabilization, crisis residential treatment, rehabilitative mental health services and mobile crisis support teams (including personnel and vehicles). Each of these types of services (except for mobile crisis support teams) is defined in previously existing statutes, and reference to those statutes will be included in the proposed regulations.

Grant Maximums: Please see Exhibit 1.

Scoring Criteria: Please see Exhibit 2.

Eligible Costs: Applicants may utilize grant funds to: (1) purchase real estate; (2) construct, expand, remodel or renovate real property, including costs of project planning or project management, appraisals, inspections, and pre-construction costs such as permit fees, surveying, architectural and engineering fees; (3) purchase furnishings or equipment; (4) purchase supplies for cleaning, offices, kitchens, bathrooms, and patient care; (5) fund information technology hardware and software licensing and development; (6) fund up to three months of program startup or expansion costs limited to lease payments, personnel costs (including hiring new staff), and moving expenses; (7) pay for costs of repairs or maintenance of facilities, furnishings, or equipment; and (8) fund salaries and benefits for mobile crisis support teams. Reimbursement for the above costs is

permitted if the costs were incurred within 60 days prior to the Final Allocation date. Costs must be related and essential to the Project. Art, plants, cut flowers and other decorative items and related services such as landscaping, are not considered related and essential costs.

Review Process: Staff will review applications and make recommendations (Initial Allocation) to the Authority for final approval. (Final Allocation)

Anticipated Timeline: Seek Authority approval of emergency regulations (October 2013).

Provide notice of proposed emergency regulations to interested parties and on CHFFA's website the same week emergency regulations are approved by Authority.

Submit emergency regulations to OAL for approval one week later.

OAL approval ten calendar days later.

First application period begins following OAL approval.

Hold application technical assistance webinars and/or workshops.

Allow minimum number of days (not yet determined) for application submission.

Allow minimum number of days (not yet determined) for staff review and recommendations to Authority.

Present recommendations to Authority for grant awards as soon as practicable.

Subject to availability of funds, second application period begins following Authority awarding of grants.

And the continued timeline beyond this point follows a similar flow as that set forth above.

Grant Agreements: As with all other Authority operated grant programs, all grantees will be required to execute grant agreements that will address the grant amount, the project, appropriate uses of funds, the project period, disbursement procedures, unused funds, investment earnings on unused funds, indemnification requirements, prohibitions against discrimination, auditing, site visits, remedies for default, etc.

Release of Funds: Grantees will be required to produce specified documentation before funds are released, and part of the regulatory package will be a disbursement request form that grantees will complete to draw down grant funds.

Reporting: Grantees will be required to report on a regular basis regarding the progress of their projects and, once programs are in operation, outcomes they are measuring. Applicants will also be required to document project completion at the end of the grant period.

Open Issues: There are a number of issues staff continues to work on to complete the proposed regulatory package. These issues include:

(1) Whether to keep the funding formula intact for the duration of the grant program;

(2) Whether to keep the maximum grant amounts at the same levels for the duration of the grant program;

(3) The timing and frequency of application submission and staffing review;

(4) The weighting of the scoring criteria;

(5) Whether to require applicants to achieve a minimum level of points before the applicant may be considered for funding.

(6) The requirements for grantee reporting.

EXHIBIT 1

PROPOSED FUNDING FORMULA AND MAXIMUM GRANTS

Funding Formula: The one-time general fund allocation of $142,500,000 will be divided among grantees in the five regions of the state as indicated here.

Bay Area Region[1]: $26,000,000

Central Region: $25,000,000

Los Angeles Region[2]: $40,000,000

Southern Region: $45,000,000

Superior Region: ..... $ 6,500,000

An additional $6,800,000 for mobile crisis support team personnel costs will be available in similar proportions for the regions specified above.

Maximum Grants: The following maximum grant amounts may be applied for by an eligible applicant(s)[3] based on the most recent population estimates from the Department of Finance at the time an application is submitted.[4]

County Population	**Maximum**
100,000 or less	$500,000
100,001 to 400,000	$1,000,000
400,001 to 600,000	$2,000,000
600,001 to 1,100,000	$4,000,000
1,100,001 to 2,500,000	$7,000,000
2,500,001 to 9,000,000	$11,000,000

1 Alameda County includes City of Berkeley
2 Includes Tri-Cities
3 Counties may pool their maximums together.
4 County maximums do not apply to the County of Los Angeles, which is treated as a region.

EXHIBIT 2

PROPOSED SCORING CRITERIA

An application form will be included in the regulatory package. Applications may be scored by staff on the following criteria with ___ points possible. Applicants may be scored on the extent to which their proposed project:

Criteria #1: **Expands access to and capacity for community based mental health crisis services that offer relevant alternatives to hospitalization and incarceration (Maximum __ points)**

a. Application provides a detailed description of the programs (stabilization, residential, mobile crisis) to be funded by the grant, including population to be served. (Maximum ___ points)

b. Application provides a comprehensive description of the community need, including how mental health crisis response currently operates, who does and does not receive services, the scale of unmet needs, the strengths and weakness of the current system (if any). (Maximum __ points)

c. Application quantifies how the project increases capacity for community based mental health crisis services. (Maximum __ points)

d. Application provides a detailed description of the how the project will expand and improve access to community based mental health crisis services. (Maximum __ points)

e. Application demonstrates how the planned project for crisis services will operate qualitatively different than crisis services delivered in an institutional setting and includes a description of the proposed staffing, the community setting in which the programs will be offered and the building or vehicles in which services will be provided. (Maximum ___ points)

Criteria #2: **Demonstrates a clear plan for a continuum of care before, during and after crisis mental health intervention and/or treatment and for collaboration and integration with other health systems and social services (Maximum ___ points)**

a. Application describes in detail how the project will improve the existing continuum of care for individuals utilizing mental health services. (Maximum ___ points)

b. The proposed project includes working relationships with "related supports" (a defined term of art that includes providers like hospitals, clinics, substance abuse providers, law enforcement, mental health peer support, social services, etc.) which enhance and expand community based linkage designed to maximize and expedite access to crisis services for the purpose of avoiding unnecessary hospitalizations and incarcerations and improving wellness for individuals with mental health disorders and their families. (Maximum ___ points)

c. Effort by applicant includes submission of an application to the Mental Health Oversight and Accountability Commission for triage personnel grant funding as part of applicant's overall continuum of mental health crisis care plan. (Maximum ___ points).

Criteria #3: Identifies Key Outcomes and a Plan for Measuring Them (Maximum ___ points)

a. Application provides a plan that includes methodology, timeline and assignment of responsibility to measure specific outcomes of the proposed project, including but not limited to the following (or variations thereof):

i. Reduced average disposition time for relevant visits to local hospital(s) emergency department(s). (Maximum ___ points)

ii. Reduced unnecessary hospitalizations and re-hospitalizations for mental health crises, and/or reduced hospital psychiatric inpatient days. (Maximum ___ points)

iii. Reduced law enforcement time spent on mental health crisis calls, contacts, transports for assessment and/or custodies. (Maximum ___ points)

iv. Percentage of individuals who have had a mental health crisis who are subsequently established or re-established with both a primary care and mental health outpatient providers, as evidenced by at least one visit to each within one month after an acute crisis. (Maximum ___ points)

v. Consumer and/or their family member (when appropriate) satisfaction with the crisis services they received. (Maximum ___ points)

b. Applicant proposes a plan for tracking county, law enforcement, and/or hospital savings associated with implementation of the project. (Maximum ___ points)

Criteria #4: Establishes Sustainability of the Proposed Project (Maximum ___ points) Applicant provides a description of the ongoing funding sources for the project to demonstrate sustainability beyond the resources provided through the Act. Application includes documentation demonstrating the project will generate sufficient revenues for new or expanded services and/or existing funding will be redirected to provide on-going support for new and expanded services.

Criteria # 5: Demonstrates a Detailed and Credible Plan for Completing the Project (Maximum ___ points) A project has a strong plan for completing the project, as determined by Authority staff based upon a review of the following to be submitted by the Applicant:

a. Application includes a detailed project timeline that includes key milestones in the future and completed to date including projected or actual project start date and end date; use permits, licensure and/or other approval processes completed; staffing milestones and personnel policies if funding for mobile crisis personnel is requested; and projected date services will be provided to consumers. (Maximum __ points)

b. Application includes a narrative description of process that will affect the timeline to start providing services and identifies potential challenges and how those challenges will be mitigated. (Maximum __ points)

c. Application includes a detailed discussion of any competitive or sole source process the applicant will utilize to identify and designate a provider or providers to provide program services and the results of that process, if completed. (Maximum __ points)

d. Sources of Funding – if funding sources other than the grant are required to complete the project, the applicant provides proof of the funding sources, including commitment letters or status of commitment consideration, and county approved capital campaign plans. (Maximum ___ points)

e. Uses of Funding – Applicant provides a budget for the start-up period that identifies all sources of funding for the project and details uses of the funds required to complete the proposed project. (Maximum ___ points)

f. Qualifications of Service Provider(s) – If a service provider that will operate the programs has already been identified, Applicant provides written plans and policies in place for the care that will be provided. If the service provider is an established service provider licensed by the California Department of Social Services, Application demonstrates evidence of substantial compliance of that service provider with existing laws and regulations related to licensure. If the service provider has not been identified at the time the Application is submitted, this documentation will be required in advance of release of funds. (Maximum ___ points)

g. Financial Capacity and/or Creditworthiness of Applicant(s) – Applicant provides the most recent local government credit rating assigned to the county or counties (and public agencies if one is a designate) and the most recent audited financials for the last three fiscal years for all counties, public agencies and private non-profit corporation designates. (Maximum ___ points)

h. Likelihood of Certification of Crisis Residential Treatment – Applicant certifies that it will provide or has provided required information during the Community Residential Treatment Services Program certification process and that structured day and evening services will be available seven days a week. (Maximum ___ points)