
Setting the Standard in Health Care Excellence

June 18, 2024

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

SUBJECT: Ratification and Authorization for the Ventura County Behavioral Health (VCBH) Director's Submission of an Application to the Behavioral Health Continuum Infrastructure Program (BHCIP) Round 4 Children and Youth Program Grant Program Administered by the California Department of Health Care Services (DHCS) for Funding to Establish the VCBH Youth and Family Community Resource Center (YFCRC), in an Amount Not to Exceed \$6,431,032; Approval of, and Authorization for the VCBH Director to Accept the Award and Sign, the Program Funding Agreement (PFA) with Advocates for Human Potential, Inc. (AHP) for BHCIP Round 4 Children and Youth Grant Program Funding to Establish the VCBH YFCRC, in the Amount of \$6,431,032, Effective No Later Than June 30, 2024 through June 30, 2027; Adoption of a Resolution Authorizing Acceptance of the Grant Funds, Recording of a Regulatory Agreement and Declaration of Restrictions on Property Owned by the County, and Execution of a Facility Access Agreement and Certification Providing DHCS Access to the Property, YFCRC, Related Books and Program Records for 30 Years; Authorization for the VCBH Director or Designee to Sign Future Amendments, Certifications and Other Documents Related to the BHCIP Grant Funding.

RECOMMENDATIONS:

1. Ratification of, and authorization for the Ventura County Behavioral Health's (VCBH) Director's submission of an application and application amendment to the Behavioral Health Continuum Infrastructure Program (BHCIP) Round 4 Children and Youth Program administered by the California Department of Health Care services (DHCS) for funding to establish the Ventura County Behavioral Health Youth and Family Community Resource Center, in the amount of \$6,431,032. (Exhibits 1 and 2)
2. Approval of, and authorization for the VCBH Director or designee to accept the award and sign, the Program Funding Agreement (PFA) with Advocates for Human Potential (AHP), to accept BHCIP Round 4 Children and Youth Grant funding to establish the Ventura County Behavioral Health Youth and Family Community

Resource Center, in the amount of \$6,431,032 with a matching funds requirement in the amount of \$563,421, for the service period effective no later than June 30, 2024 through June 30, 2027. (Exhibit 3)

3. Adoption of a resolution authorizing acceptance of the grant funds, recording of a regulatory agreement and declaration of restrictions on property owned by the County, and execution of a Facility Access Agreement and Certification providing DHCS access to the property, the VCBH Youth and Family Community Resource Center YFCRC, related books and program records for 30 years; (Exhibit 4)
4. Approval of, and authorization for the VCBH Director or designee to sign, future amendments and documents related to the PFA with AHP, provided any such amendments or documents: (1) are consistent with the original purpose of the PFA, (2) do not increase the amount of the PFA or result in increased costs to the County, and (3) are reviewed and approved as to form by County Counsel.

REASON FOR RATIFICATION:

Due to the short time frame provided by AHP to submit the grant application, VCBH did not have sufficient time to obtain approval from your board to apply for the funding before submission of the application was due. VCBH is presenting this item for your board's approval at the earliest opportunity after lengthy negotiations over the PFA and other requirements.

FISCAL/MANDATES IMPACT:

MHSA Division #3260

Mandatory: No [x] Yes [] Cite Authority:

Source of Funding: Behavioral Health Continuum Infrastructure Program (BHCIP) Round 4; Proposition 63 MHSA Funds.

Funding Match Required: Yes, Match Amount is \$563,421

Impact on Other Department(s): None

| | <u>FY 2023-24</u> | <u>FY 2024-25</u> |
|------------------------------------|-------------------|-------------------|
| Summary of Revenue and Total Costs | | |
| Revenue: | \$1,911,241 | \$2,259,896 |
| Costs: | | |
| Direct Cost | \$1,911,241 | \$2,259,896 |
| Indirect - Dept. | \$0 | \$0 |
| Total Costs | \$1,911,241 | \$2,259,896 |
| Net County Costs | \$0 | \$0 |

| FY 2023-24 Adjusted Budget for MHSA Division #3260 | | | | |
|--|-------------------|--------------------|---------------------|------------------------------------|
| | Adopted Budget | Adjusted Budget | Projected Actual | Estimated Savings/ (Deficit) |
| Appropriations | \$90,051,311 | \$116,059,238 | \$108,570,160 | \$7,489,072 |
| Revenue | \$86,774,914 | \$106,721,301 | \$107,152,030 | \$430,729 |
| Net Cost | \$3,276,397 | \$ 9,337,937 | \$1,418,136 | \$7,919,801 |

Note: Appropriations and revenue are included in the FY 2023-24 adjusted budget and FY24-25 preliminary budget for MHSA Division #3260

STRATEGIC PLAN PRIORITY:

The item presented in this Board letter ties to the Healthy, Safe, and Resilient Communities strategic priority of the County Strategic Plan as it is designed to meet the goal of providing equitable and timely access to quality mental health services.

DISCUSSION:

Recommendations #1 and #2:

The BHCIP was authorized through 2021 legislation (AB133) to establish BHCIP and award \$2.2 billion to construct, acquire, and expand properties and invest in infrastructure related to behavioral health. In partnership with AHP, DHCS has released these funds through five grant rounds to date targeting various gaps in the state's behavioral health facility infrastructure. The fourth round of funding is intended to support projects that will expand the behavioral health continuum of treatment and service resources in settings that serve Californians ages 25 and younger, including pregnant and postpartum women and their children, and transition-age youth, along with their families.

On August 31, 2022, VCBH submitted an application to DHCS, for BHCIP Round 4 Children and Youth Grant funding to establish the VCBH YFCRC in south Oxnard. Currently, there is no existing CRC in this region of the County. The need for a CRC was identified in order to engage with and understand the needs of this underserved region of the County. The CRC will consist of two primary functions: a resource center and an outpatient mental health clinic. Services will focus on the underserved residents that are predominantly Latino, in the communities of South Oxnard and Port Hueneme. These communities include a significant number of low-income, migrant workers and Spanish speakers. Services are community-based, culturally competent, client- and family-driven, and designed to overcome the stigma and access barriers to behavioral health services experienced in these communities. The resource center will be a location for residents to come together and learn about and connect to available mental health services. The

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outpatient mental health clinic will be an expansion of 125 slots of outpatient services provided by VCBH focused geographically in the underserved areas of south Oxnard and Port Hueneme.

On December 7, 2022, the DHCS released the Conditional Notice of Award (Exhibit 3) notifying VCBH that its grant application was conditionally awarded BHCIP funding in the amount of \$6,431,032 for the term of June 30, 2024 through June 30, 2027. VCBH will provide a match in the amount of \$563,421 in compliance with the grant requirements.

One grant requirement is that the County execute a Program Funding Agreement (PFA) (Exhibit 3) with AHP, a private corporation that DHCS selected and contracted with to administer the BHCIP grant application, award, and program processes. Changes in the needs of the VCBH patient population between 2022 and 2024 required submission of an amendment of the application in May 2024 (Exhibit 2) and revision of the PFA. VCBH only recently received a final version of the PFA with AHP and is presenting it to your Board at the first available Board date. The match amount will be funded by MHSA.

The PFA contains provisions that are contrary to the County's contracting standards. For example, it requires the County to indemnify and defend both DHCS and AHP against third party claims. There is no limitation in time or amount to this promise to indemnify and defend. If there is a dispute between the County and AHP or DHCS about the obligations of the Agreement, the County is required to agree that it will pay AHP and DHCS's attorneys fees if they are a prevailing party – but this obligation does not apply to DHCS if the County prevails. VCBH has tried, unsuccessfully, to reach agreement to remove these provisions.

In light of the foregoing, VCBH recommends: (1) ratification and authorization of the VCBH Director's submission of an application to the BHCIP Round 4 Children and Youth Grant program, in the amount of \$6,431,032, and (2) approval of, and authorization for the VCBH Director or designee to accept the award and sign, the PFA with AHP for BHCIP Round 4 Children and Youth Grant funding, in the amount of \$6,431,032 with a matching funds requirement in the amount of \$563,421, effective no later than June 30, 2024 through June 30, 2027.

Recommendation #3:

A significant requirement of the BCHIP grant funding is that the County agree to "Operate services in the financed facility for the intended purpose for a minimum of 30 years." (WIC 5960.15(d)) DHCCS and AHP seek to enforce this requirement through the execution of two documents: (1) a "Regulatory Agreement and Declaration of Restrictions" (Exhibit 4) that will be recorded on the property and require maintenance and use of the structures funded by the grant for "outpatient services" for thirty (30) years and impose on the County or any subsequent owner a series of duties and reports to DHCS during that time period; (2) a "Facility Access Agreement" (Exhibit 5). VCBH recommends adoption of the

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resolution attached as Exhibit 6, authorizing execution of these Agreements and recordation of the Regulatory Agreement and Declaration of Restrictions.

Recommendation #4:

VCBH recommends approval of, and authorization for the VCBH Director or designee to sign, future amendments and documents related to the PFA with AHP, including any required certifications to be submitted to AHP, provided any such amendments or documents: (1) are consistent with the original purpose of the PFA, (2) do not increase the amount of the PFA or result in increased costs to the County, and (3) are reviewed and approved as to form by County Counsel.

This Board letter has been reviewed by the County Executive Office, Auditor Controller's Office, and County Counsel. If you have any questions regarding this item, please contact VCBH Interim Behavioral Health Director Dr. Loretta L. Denering, DrPH, MS at (805) 981-2214 or HCA Assistant Chief Financial Officer Narcisa Egan at (805) 973-5357.


DR. LORETTA L. DENERING, DRPH, MS
Interim Behavioral Health Director
BARRY L. ZIMMERMAN
Health Care Agency Director

Attachments:

Exhibit 1 – BHCIP Round 4 Grant Application
Exhibit 2 – AHP Program Funding Agreement
Exhibit 3 – DHCS Conditional Award Notice
Exhibit 4 – Regulatory Agreement and Declaration of Restrictions
Exhibit 5 – Facility Access Agreement
Exhibit 6 – Resolution