

May 18, 2021

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

SUBJECT: Approval of, and Authorization for the Ventura County Behavioral Health (VCBH) Director or designee to Sign, the Agreement for Augmented Board and Care Services with Turning Point Foundation, at Oak Place, for a Total Agreement Amount of \$669,675 Effective June 1, 2021 through June 30, 2022; Authorization for the VCBH Director or Designee to Approve Limited Modifications to the Agreement; Authorization for the VCBH Director or Designee to Approve Two Extensions to the Term of the Agreement.

RECOMMENDATIONS:

1. Approval of, and authorization for the Ventura County Behavioral Health (VCBH) Director or designee to sign, the agreement for augmented board and care services with Turning Point Foundation, at Oak Place, with a total agreement amount not to exceed \$669,675 effective June 1, 2021 through June 30, 2022.
2. Authorization for the VCBH Director or designee to approve modifications to decrease the amount of the agreement with Turning Point Foundation, or to approve modifications, corrections, clarifications, and technical changes to the agreement, provided any such modification, correction, clarification, or change is consistent with the original purpose of the agreement; does not modify the original amount of the agreement (\$669,675), as may be amended by the Board; does not result in additional costs to the County; and is reviewed and approved by the County Counsel.
3. Authorization for the VCBH Director or designee to extend the term of the agreement with Turning Point Foundation up to two (2) additional periods of no more than one (1) year each time, on the same or more favorable terms and conditions, provided any change in the scope of work due to any extension is consistent with the original purpose of the agreement and is reviewed and approved by the County Counsel. All extensions are subject to all necessary prior appropriations and other budgetary approvals by your Board.

FISCAL/MANDATES IMPACT:

MHL Budget Unit #3200-3203 (Adult Services)

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

Source of Funding: Tobacco Settlement and 1991 Realignment (Trust N510-717C)

Funding Match Required: No

Impact on Other Department(s): None

	<u>2020-2021</u>	<u>2021-2022</u>
Summary of Revenue and Total Costs		
Revenue:	\$43,200	\$425,573
Costs:		
Direct Cost	\$43,200	\$425,573
Indirect - Dept.	\$0	\$0
Total Costs	\$43,200	\$425,573
Net County Costs	\$0	\$0

FY 2020-21 Adjusted Budget for MHL Adult Services BU #3200-3203				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/(Deficit)
Appropriations	\$20,383,848	\$24,538,599	\$23,414,579	\$1,124,020
Revenue	\$19,080,840	\$22,480,840	\$22,120,868	(\$359,972)
Net Cost	\$1,303,008	\$2,057,759	\$1,293,711	\$764,048

Note: Sufficient appropriations are included in the FY 2020-21 adjusted budget for MHL Adult Services BU #3200-3203.

MHSA Budget Unit #3260-3273 (CSS Adult Services)

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

Source of Funding: Proposition 63 Mental Health Services Act (MHSA) funds.

Funding Match Required: No

Impact on Other Department(s): None

	<u>2020-2021</u>	<u>2021-2022</u>
Summary of Revenue and Total Costs		
Revenue:	\$18,514	\$182,388
Costs:		
Direct Cost	\$18,514	\$182,388
Indirect - Dept.	\$0	\$0
Total Costs	\$18,514	\$182,388
Net County Costs	\$0	\$0

FY 2020-21 Adjusted Budget Projection for MHSA Unit #3273				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$50,215,128	\$51,158,149	\$44,122,362	\$7,035,787
Revenue	\$38,008,457	\$38,008,457	\$47,756,982	\$9,748,525
Net Cost	\$12,206,671	\$13,149,692	(\$3,634,620)	\$16,784,312

Note: Sufficient appropriations are included in the FY 2020-21 adjusted budget for MHS CSS Adult Services BU #3260-3273

DISCUSSION:

Background:

Ventura County Behavioral Health (VCBH) contracts with various Adult Residential Facilities (ARFs) throughout the county, including certain facilities specifically for clients over the age of 59. All ARFs are licensed by the State to provide 24-hour care for disabled adults. Client residents at ARFs cannot live independently in the community but are not so ill as to require skilled nursing. VCBH clients placed at ARFs agree to assign their federal Social Security and Disability benefits to the ARF operator in exchange for augmented board and care services, including but not limited to room and board, 24-hour care, medication management, all meals and transportation as well as social, wellness, recovery, and recreational opportunities. VCBH also pays a monthly per client rate to ARF operators in order to augment clients' contributions. In addition, VCBH case managers provide supportive services to clients placed at ARFs.

Statewide, licensed ARFs that serve extremely low-income people living with mental illness are closing at an alarming rate that has been exacerbated by the COVID19 pandemic. Eighty percent (80%) of ARFs in California are family run businesses that operate without significant profit as evidenced by these types of business disappearing. In 2010, VCBH had contracts with 16 different ARFs, but it now has only six such contracts. Moreover, of these six facilities, only two are dedicated for clients over the age of 59. The preservation of this type of facility with an advanced level of care specific for

clients of this age group is essential to meeting the needs of an extremely vulnerable segment of the population and to curbing the cycle of homelessness.

Recommendation #1

In January 2021, the long-time owner and operator of the Hickory House, an ARF for clients over 59 years of age located at in Camarillo (Property), sold the Property and business to Channel Islands Holding Company, LLC (Channel Islands). Fortunately, Channel Islands agreed to continue to allow the Property to be used and operated as an ARF, but Channel Islands does not provide board and care services. However, the former owner agreed to continue providing services at the Property until VCBH could identify and select a new contractor. This arrangement allowed VCBH client residents to remain at the Property, rather than be relocated, until VCBH identified a new operator and contracted for the provision of board and care services at the Property.

Since the sale of the Property, VCBH has selected Turning Point Foundation (Turning Point) to operate the Property (to be known now as Oak Place) as an ARF and provide augmented board and care services. Under the new arrangement, the County, through the Public Works Agency (PWA), will lease Oak Place from Channel Islands, and in turn license Oak Place to Turning Point for its operation of the facility as an ARF for adults over the age of 59.

For your Board's consideration today are two items to implement the arrangement described above. The PWA item and board letter involve the execution of the lease of Oak Place between the County and Channel Islands. This VCBH item and board letter seeks your Board's approval of the agreement between VCBH and Turning Point for the operation of Oak Park as an ARF and the provision of board and care services at Oak Park for client residents aged 59 or older. The proposed agreement between VCBH and Turning Point includes a startup budget that will allow Turning Point to furnish Oak Place, purchase communication equipment, and purchase needed materials and supplies.

In light of the above, VCBH recommends approval of, and authorization for the VCBH Director or designee to sign, the agreement for the provision of augmented board and care services at Oak Place with Turning Point Foundation, with a startup maximum amount of \$58,935, and an operation budget maximum amount of \$610,740, effective June 1, 2021 through June 30, 2022.

Recommendation #2:

VCBH is also requesting authorization for the VCBH Director or designee to approve modifications to decrease the amount of the agreement with Turning Point Foundation, or to approve modifications, corrections, clarifications, and technical changes to the agreement (including but not limited to modifications to payment and budget provisions of the agreement), when the changes are consistent with the original purpose of the

agreement; do not modify the original amount of the agreement (\$669,675), as may be amended by the Board; do not result in additional costs to the County; and are reviewed and approved by the County Counsel.

Recommendation #3:

VCBH is also requesting authorization for the VCBH Director or designee to extend the term of the agreement with Turning Point Foundation up to two times, for a period of no more than one year each time, on the same or more favorable terms and conditions, so long as any change in the scope of work due to any such extension with the original purpose of the agreement and is reviewed and approved by the County Counsel. All extensions are subject to all necessary prior appropriations and other budgetary approvals by your Board.

This Board letter has been reviewed by the County Executive Office, Auditor-Controller's Office, County Counsel and. If you have any questions regarding this item, please contact VCBH Director Sevet Johnson or HCA Assistant Chief Financial Officer Narcisa Egan at (805) 981-1881.



SEVET JOHNSON, PsyD
Behavioral Health Director



BARRY ZIMMERMAN
Health Care Agency Director

Attachment:

Exhibit 1 – Agreement for Oak Place with Turning Point Foundation

