



**BEHAVIORAL HEALTH AND RECOVERY SERVICES**  
A Mental Health and Substance Use Disorder Services Organization

**Rick DeGette, MA, MFT**  
Behavioral Health Director

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Phone: 209-525-6225 Fax: 209-558-4326

May 6, 2019

**California Department of Health Care Services**  
Program Outcomes, Evaluation & Reporting Section  
Attention: MHSA  
1500 Capitol Ave  
Sacramento, CA 95899

**Mental Health Services Oversight and Accountability Commission**  
Attention: Program Operations – Vicque Kimmel  
1325 J Street, Suite 1700  
Sacramento, CA 95814

**RE: MHSA Plan Update FY 18-19**

Dear Colleagues:

Per statute AB1467, Counties are required to submit Annual Updates and Plan Updates to the MHSOAC. Attached please find our Mental Health Services Act (MHSA) Plan Update FY 2018-2019 for Stanislaus County.

A new requirement was established by Assembly Bill (AB) 403 and Continuum of Care Reform (CCR) legislation on January 1 2017 that created a new Community Care Licensing Category for residential Treatment Programs called Short Term Residential Therapeutic Program (STRTP). This was an unfunded mandate.

Counties are responsible for administering their local mental health plans (MHP) funded through Federal Medicaid (Medi-Cal in CA). Stanislaus County is responsible for providing or arranging for, Specialty Mental Health Services (SMHS) for Medi-Cal beneficiaries that are residents of Stanislaus County. All Medi-Cal beneficiaries have access to SMHS if they meet medical necessity criteria. Youth who qualify for services in an STRTP also qualify for Medi-Cal funding for those services, however Medi-Cal only covers a portion of the cost of the mandated services in STRTP. Counties need to utilize other sources to fund the balance. After assessing various funding scenarios and reaching out to other counties, the Behavioral Health and Recovery Services Department leadership determined that utilizing Mental Health Services Act funding would be the best option.

Attached please find the MHSA Plan Update FY 18-19 for Short Term Residential Treatment Programs. On February 28<sup>th</sup>, 2019, features of the proposed plan was presented to the Behavioral Health Board for discussion. On March 11, 2019, the MHSA Stakeholder Steering Committee was convened to review the proposed Plan Update and engage in meaningful dialogue. The MHSA Plan Update was available for 30-day public review and comment from March 18<sup>th</sup> 2019 to April 17<sup>th</sup> 2019. The Stanislaus County Board of Supervisors approved the Plan Update on April 30<sup>th</sup> 2019.

We trust this fulfills the requirement for submission of an MHSA Plan Update and would appreciate an acknowledgement that you have received this document. If you have any questions regarding the Plan Update and our activities, please contact me at (209) 525-6225 or Leng Power, MHSA Planning Coordinator, at (209) 525-5324.

Sincerely,

Richard DeGette, M.F.T.  
Behavioral Health Director

cc: Leng Power  
Attachments

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
BOARD ACTION SUMMARY**

DEPT: Behavioral Health & Recovery Services

BOARD AGENDA: 5.B.7  
AGENDA DATE: April 30, 2019

**SUBJECT:**

Approval to Adopt the Mental Health Services Act Plan Update for Fiscal Year 2018- 2019 to allow expenditure of MHSA funds for Short-Term Residential Treatment Agreements

**BOARD ACTION AS FOLLOWS:**

**RESOLUTION NO. 2019-0250**

On motion of Supervisor Berryhill, Seconded by Supervisor Chiesa  
and approved by the following vote,

Ayes: Supervisors: Olsen, Chiesa, Berryhill, DeMartini, and Chairman Withrow

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1)  Approved as recommended


2)  Denied

3)  Approved as amended

4)  Other:

MOTION:

ATTEST:

  
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
AGENDA ITEM**

DEPT: Behavioral Health & Recovery Services

BOARD AGENDA:5.B.7  
AGENDA DATE: April 30, 2019

CONSENT:

CEO CONCURRENCE: YES

4/5 Vote Required: No

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**SUBJECT:**

Approval to Adopt the Mental Health Services Act Plan Update for Fiscal Year 2018-2019 to allow expenditure of MHSA funds for Short-Term Residential Treatment Agreements

**STAFF RECOMMENDATION:**

1. Adopt the Mental Health Services Act Plan Update for Fiscal Year 2018-2019 to allow expenditure of MHSA funds for Short-Term Residential Treatment agreements in the amount of \$550,000.

**DISCUSSION:**

Assembly Bill (AB) 403 and Assembly Bill (AB) 1997, also know as the Continuum of Care Reform (CCR), are part of an effort to reform congregate care in California. Congregate care is a term for placement settings that includes supervision for children and youth in a varying degree of highly structured settings such as group homes, residential child care communities, childcare institutions, residential treatment facilities, or maternity homes. The unfunded CCR mandate also established, as of January 1, 2017, a new community care licensure category for residential treatment programs called Short-Term Residential Therapeutic Program (STRTP).

STRTPs are residential facilities operated by a public agency or a private organization and must be licensed by the California Department of Social Services (CDSS) pursuant to the California Health and Safety Code Section 1562.01. Statute requires integrated program of specialized and intensive care, services and supports, treatment, and short-term 24-hour care and supervision be provided to Children and Youth who are Wards and Dependents of the Court and/or Non-Minor Dependents (NMDs) with the aim of moving the youth to a less restrictive environment within six months. The care and supervision provided by an STRTP are nonmedical, except as otherwise permitted by law. Private STRTPs are organized and operated on a nonprofit basis. STRTPs are designed primarily for youth in the age range of 12 to 20 years. Only State-licensed, County-contracted agencies may provide STRTP services.

The key to STRTPs is the provision of short-term, specialized and intensive behavioral health treatment to Wards and Dependents of the Court and NMDs whose needs cannot be safely met initially in a family setting. These core behavioral health services for STRTP includes, at a minimum, medication support services, case management,

crisis intervention, and mental health services (e.g., assessment, individual and group therapy), collectively known as Specialty Mental Health Services (SMHS).

Counties are responsible for administering their local mental health plans (MHP) funded through Federal Medicaid Program (known as Medi-Cal in California). Stanislaus County Behavioral Health and Recovery Services (BHRS) is responsible for providing or arranging for SMHS for Medi-Cal beneficiaries who are residents of Stanislaus County. All Medi-Cal beneficiaries have access to SMHS if they meet medical necessity criteria.

Children and youth who qualify for services in an STRTP also qualify for Medi-Cal funding for those services, however, Medi-Cal only covers approximately 45% of the cost of the services mandated in STRTPs. Counties must fund the balance of 55% with other funds; primarily 2011 Realignment or Mental Health Services Act funds. It is mandated, by the CCR, that youth living in an STRTP be considered residents of the County within which they are placed - this is referred to as "presumptive transfer" - and the County is responsible for providing and funding the services needed.

In response to the CCR mandate, Stanislaus County Board of Supervisors authorized BHRS on October 30, 2018, to enter into agreements in the total amount of \$1 million with two local community-based organizations who were newly licensed to provide Specialty Mental Health Services in the Short-Term Residential Therapeutic Program setting in Stanislaus County.

BHRS subsequently executed a \$500,000 agreement with Aspiranet and a separate \$500,000 agreement with Creative Alternatives, Inc., for the service period of November 1, 2018 through June 30, 2019. It is anticipated that a third STRTP provider will begin providing services in Fiscal Year 2019-2020 after completing the State certification process and executing an agreement with Stanislaus County. The addition of a third provider would add additional beds in STRTP level of care.

Originally, BHRS planned to fund the agreements with a combination of 2011 Realignment and Medi-Cal revenues. Realignment funds are State funds generated through sales tax revenues. BHRS uses these funds for mandated services, such as Drug Medi-Cal and Managed Care. Medi-Cal revenue is partial reimbursement for services provided to Medi-Cal beneficiaries from the federal Medicaid program commonly referred to as "FFP" (Federal Financial Participation).

In January 2019, however, during department budget planning process it became evident to BHRS leadership that the demand for other mandated services funded with 2011 Realignment was higher than the amount of funds available. It was determined that funding of STRTP services using 2011 Realignment (\$550,000) was not feasible in the current fiscal year and likely unfeasible in future fiscal years.

BHRS leadership began to consider other funding options and in doing so reached out to other counties to see if they were experiencing similar trends, and if so, what

solutions they planned to deploy. For most Counties, the other key funding source is Mental Health Services Act (MHSA). Several other counties reported that they planned to use MHSA funds to pay for the SMHS at the STRTPs. Additionally, this is an allowable cost as STRTPs serve children and youth who are diagnosed with Serious Emotional Disturbance (SED) or Serious Mental Illness (SMI) and are included in MHSA Target Populations. MHSA Community Services and Supports (CSS) component can be used to fund STRTP services.

### **Local Stakeholder Process**

On February 28, 2019, Stanislaus County Behavioral Health Board received a presentation regarding the STRTP funding and recommendations described in the plan update, which is attached to this agenda item. Discussion involved providing context for how Short-Term Therapeutic Programs is one feature of the State of California's Continuum of Care Reform efforts pertaining to children in out of home placements. The point was made that the state mandate is unfunded which led BHRS to identify other sustainable funding such as MHSA funds that can be used in combination with FFP revenue. It was also noted that as part of the local review process, the next steps would include engaging with stakeholders and submitting the plan update to the Stanislaus County Board of Supervisors for approval to expend MHSA funds.

On March 11, 2019, the MHSA Representative Stakeholder Steering Committee was convened to discuss the funding issue as described in this plan update. The Committee supported the Plan Update proposing the use of MHSA funds instead of 2011 Realignment funds for the STRTP services. The Plan Update was posted for 30-day public review and comment from March 18, 2019 to April 17, 2019.

### **POLICY ISSUE:**

The update to the Fiscal Year 2018-2019 MHSA plan meets all requirements for expenditure of MHSA funds. MHSA Plans and Updates must be adopted by the County Board of Supervisors and submitted to the State Mental Health Services and Oversight and Accountability Commission (MHSOAC) within 30 days after Board of Supervisor adoption.

### **FISCAL IMPACT:**

The contract cost for the provision of specialty mental health services in STRTPs for Fiscal Year 2018-2019 is estimated at \$1 million, which will be funded by Medi-Cal FFP revenue in the amount of \$450,000 and MHSA revenue in the amount of \$550,000. Appropriations and estimated revenue to support the provision of services was included in the BHRS's Fiscal Year 2018-2019 Adopted Final Budget. Appropriations and estimate revenue for subsequent fiscal years will be included in future budget cycles. There is no impact to County General Fund.



**Stanislaus County**  
**Behavioral Health and Recovery Services**  
**Mental Health Services Act**  
**Plan Update FY18-19**  
**Short Term Residential Therapeutic Programs**



WELLNESS • RECOVERY • RESILIENCE

**May 2019**

# FY 2018-2019 MHSA Plan Update

## Short Term Residential Therapeutic Programs (STRTPs)

### Overview:

A new requirement was established by Assembly Bill (AB) 403 and Continuum of Care Reform (CCR) legislation January 1, 2017. This was an unfunded mandate that created a new community care licensure category for residential treatment programs called Short-Term Residential Therapeutic Program (STRTP).

STRTPs are residential facilities operated by a public agency or a private organization and must be licensed by the California Department of Social Services (CDSS) pursuant to the California Health and Safety Code Section 1562.01. Statute requires that an integrated program of specialized and intensive care and supervision, services and supports, treatment, and short-term 24-hour care and supervision be provided to Children and Youth who are Wards and Dependents of the Court and/or Non-Minor Dependents (NMDs) with the aim of moving the youth to a less restrictive environment within six months. The care and supervision provided by an STRTP are nonmedical, except as otherwise permitted by law. Private STRTPs are organized and operated on a nonprofit basis. STRTPs are designed primarily for youth ages 12-20. Only State-licensed, County-contracted agencies may provide STRTP services.

Counties are responsible for administering their local mental health plans (MHP) funded through Federal Medicaid (known as Medi-Cal in California). Stanislaus County Behavioral Health and Recovery Services (BHRS) is responsible for providing, or arranging for, Specialty Mental Health Services (SMHS) for Medi-Cal beneficiaries that are residents of Stanislaus County. All Medi-Cal beneficiaries have access to SMHS if they meet medical necessity criteria.

Children and youth who qualify for services in an STRTP also qualify for Medi-Cal funding for those services, however, Medi-Cal only covers 45% of the cost of the services mandated in STRTPs. Counties must fund the balance of 55% with other funds; primarily 2011 Realignment or Mental Health Services Act funds. It is mandated, by the CCR, that youth living in an STRTP be considered residents of the County within which they are placed - this is referred to as "presumptive transfer" and the County is responsible for providing and funding the services needed.

### Local Impact

To begin to respond to the new requirement given by the CCR, Behavioral Health and Recovery Services (BHRS) received approval from the Stanislaus County Board of Supervisors, October 30, 2018 to execute agreements with two local community-based organizations who were newly licensed to provide Specialty Mental Health Services (SMHS) in the Short-Term Residential Therapeutic Program (STRTP) setting.

BHRS subsequently executed a \$500,000 agreement with Aspiranet and a separate \$500,000 agreement with Creative Alternatives, Inc. for the period November 1, 2018 through June 30, 2019.

Originally, BHRS planned to fund the agreements with a combination of 2011 Realignment (approximately 55% of the cost) and Medi-Cal Federal Financial Participation (approximately 45% of the cost). 2011 Realignment funds are State funds generated through sales tax revenues. BHRS uses these funds for mandated services, such as Drug Medi-Cal and Managed Care. Medi-Cal Federal Financial Participation is partial reimbursement for services provided to Medi-Cal beneficiaries from the federal Medicaid program commonly referred to as "FFP" (Federal Financial Participation).

Mid fiscal year (FY) is the time when Counties begin to assess costs vs. revenues in the current FY as well as plan for budgets in the coming FY. In January 2018, it became evident to the BHRS Leadership Team that the demand for services funded with 2011 Realignment was higher than the amount of funds available. It was determined that funding of STRTP services with 2011 Realignment was not feasible in the current FY and likely unfeasible in future fiscal years.

BHRS Leadership began to consider other funding options and in doing so reached out to other counties to see if they were experiencing similar trends, and if so, what solutions they plan to deploy. For most Counties, the other key funding

## FY 2018-2019 MHSA Plan Update Short Term Residential Therapeutic Programs (STRTPs)

source is Mental Health Services Act (MHSA). Several other counties reported that they planned to use Mental Health Services Act funds to pay for the SMHS at the STRTPs. Additionally, that this is an allowable cost as STRTPs serve children and youth who are diagnosed with Serious Emotional Disturbance (SED) or Serious Mental Illness (SMI) and are included in MHSA Target Populations. MHSA Community Services and Supports (CSS) could be used to fund this new category of short term residential programs known as STRTP.

### Recommendations

- 1) BHRS is recommending the unfunded mandate of STRTP, given by the CCR, be funded with Mental Health Services Act Community Services and Supports funds through the creation of a new General System Development program within Community Services and Supports (CSS) using Mental Health Services Act (MHSA) revenue in the current Fiscal Year (2018-2019) and future fiscal years.
- 2) This funding decision be revisited with attention to the continued feasibility of use of MHSA funds.

### **New program description:**

- GSD – 09 Short-Term Residential Therapeutic Program
- Population to be served: Children and Youth with SED/SMI including Wards and Dependents of the Court and/or Non-Minor Dependents (NMDs)
- Strategy: Provide for delivery of short-term, specialized and intensive behavioral health treatment to youth whose needs cannot be safely met initially in a more family-like setting. Youth are to be served in short-term residential therapeutic services with the aim of moving the youth to a less restrictive environment within six months.
- Services: Core behavioral health services will be provided by STRTP community-based agency partners through an agreement with Behavioral Health and Recovery Services (BHRS). Behavioral health services will include, at a minimum, medication support services, case management, crisis intervention, and mental health services (e.g., assessment, individual, family and group therapy).
- Numbers to be served: Capacity of up to 110 youth at one time with expected turnover during the year.
- Performance Measures: youth’s functionality will improve in the following settings; home, school, and community. Youth and families will be satisfied with services and improved functioning. Youth will build resiliency and coping skills. Youth will meet treatment goals and transition to a lower level of care. Youth will have fewer hospitalizations.
- Measurement Tools: Will include but is not limited to;
  - Reports from youth, caregiver, school records, and therapist evaluation
  - Child and Adolescent Needs and Strengths (CANS)
  - Consumer Perception Survey

### **Estimated fiscal impact in FY 2018-2019:**

Fiscal Year 2018-2019			
GSD-09 Short Term Residential Therapeutic Programs (STRTPs)	Contract for SMHS in STRTPs	Estimated 45% Medi-Cal Federal Financial Participation	Estimated Net Cost in MHSA CSS Funds
Aspiranet	\$ 500,000	\$ 225,000	\$ 275,000
Creative Alternatives, Inc.	\$ 500,000	\$ 225,000	\$ 275,000
<b>Total STRTPs</b>	<b>\$ 1,000,000</b>	<b>\$ 450,000</b>	<b>\$ 550,000</b>



## FY 2018-2019 MHSA Plan Update Short Term Residential Therapeutic Programs (STRTPs)

### Future Fiscal Years:

A third STRTP provider is estimated to begin providing services in FY 2019-2020 after completing the process of certification by the State and contracted with Stanislaus County. The addition of a third provider would add up to up 15 additional beds in STRTP level of care. The estimated fiscal impact to MHSA CSS revenue for FY 2019-2020 as follows for:

Fiscal Year 2019-2020			
GSD-09 Short Term Residential Therapeutic Programs (STRTPs)	Contract for SMHS in STRTPs	Estimated 45% Medi-Cal Federal Financial Participation	Estimated Net Cost in MHSA CSS Funds
Aspiranet	\$ 500,000	\$ 225,000	\$ 275,000
Creative Alternatives, Inc.	\$ 500,000	\$ 225,000	\$ 275,000
Potential 3rd STRTP	\$ 500,000	\$ 225,000	\$ 275,000
<b>Total STRTPs</b>	<b>\$ 1,500,000</b>	<b>\$ 675,000</b>	<b>\$ 825,000</b>

### Local Stakeholder Process:

On February 28, 2019 Stanislaus County Behavioral Health Board received a presentation regarding the funding issue, dilemma and recommendations described in this plan update. Discussion involved providing context for how Short Term Therapeutic Programs is one feature of the State of California’s Continuum of Care Reform efforts pertaining to children in out of home placements. The point was made that the state mandate is unfunded which is why the Behavioral Health and Recovery Services Department critically analyzed funding sources that would be sustainable which led us to identify Mental Health Services Act funds. It was also noted that as part of the local review process, the next steps would include engaging with stakeholders and submitting the plan update to the Stanislaus County Board of Supervisors for approval to expend funds. Clarification was provided regarding how contractors were selected and what a selection process would look like going forward.

On March 11, 2019 the MHSA Representative Stakeholder Steering Committee was convened to discuss the funding issue as described in this plan update. BHRS described the dilemma and recommendations described in this plan update. Thirty one (31) attendees were present which represented a diverse range of stakeholders including consumers, family members, community partners and BHRS department staff. Discussion began with a description of what a plan update is and the function it serves in addition to why we value and need stakeholder engagement. The conversation regarding the STRTP plan was robust with multiple participants asking questions to clarify matters related to contractor capacity, how MHSA values can be included, what services will funding cover and the program outcomes we will monitor. Over half of the participants completed a survey at the end of the meeting. The results indicate a high degree of comprehension on what a plan update is and what the next steps in this process include.

The MHSA Plan Update was available for 30-day public review and comment from March 18<sup>th</sup> 2019 to April 17<sup>th</sup> 2019. Notifications of the public review dates and access to copies of the document were made available through the following methods:

- An electronic copy was posted on the County’s MHSA website:
- Paper copies of the MHSA Plan Update were distributed to Stanislaus County Public Libraries through the county where the report was available at resource desks.
- Electronic notification was sent to all BHRS service sites with a link to announce the posting of this document

## **FY 2018-2019 MHSA Plan Update Short Term Residential Therapeutic Programs (STRTPs)**

- Representative Stakeholder Steering Committee, Behavioral Health Board members, as well as other community stakeholders were sent an email informing them of the start of the 30-day review, and how to obtain a copy of the MHSA Plan Update.
- Public Notices were posted in nine newspapers throughout Stanislaus County including a newspaper serving the Spanish speaking community. The Public Notice included access to the MHSA Plan Update, on-line at [www.stanislausmhsa.com](http://www.stanislausmhsa.com) and a phone number to request a copy of the document.
- A notice was published in the April issue of the BHRS Cultural Competency Newsletter.

### **Public Comment and Response:**

There were no comments received.