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Dedicated to the Health
of the Whole Community



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June 15, 2000

TO: Board of Supervisors

FROM: Robert Sillen, Executive Director, Santa Clara Valley Health & Hospital System

SUBJECT: MENTAL HEALTH -- DELEGATION OF AUTHORITY TO COUNTY
DIRECTOR OF MENTAL HEALTH TO NEGOTIATE AND EXECUTE A
CONTRACT WITH STARLIGHT ADOLESCENT CENTER, INC. FOR A
COMMUNITY TREATMENT FACILITY (CTF) PROGRAM AND INTER-
COUNTY AGREEMENTS.

RECOMMENDED ACTION

1. Authorize the County's Director of Mental Health to negotiate and execute a one-year fixed cost contract between the County of Santa Clara and STARLIGHT Adolescent Center, Inc., not to exceed \$4,062,548 for implementation of a Mental Health CTF Program, subject to review as to form and legality by the Office of the County Counsel.
2. Authorize the County's Director of Mental Health to negotiate inter-county agreements for a dedicated portion of the above contract in accordance with the State Request for Proposal regional requirements.

FISCAL IMPLICATIONS

This action will have no impact on the County General Fund. The contract will be negotiated as a fixed price contract and will not be dependent on units of service to reimburse contractor costs in the first year only. Funding for this program is already budgeted within the Mental Health Department and the Office of Budget & Analysis budgets for development of the Community Treatment Facility and other programs at the newly purchased Charter facility. The total

contract amount will not exceed \$ 4,062,548. Funding for the program will come from multiple sources that are outlined below:

CTF FUNDING SOURCE	FY00/01	FY01/02
State CTF Funding (Aroner) ¹	\$ 702,250	\$ 1,080,000
Medi-Cal (Federal Portion)	1,012,379	1,569,290
EPSDT State General Fund	946,937	1,467,849
Alameda County (General Fund) ²	408,620	149,812
Santa Clara County (General Fund) ^{2,3}	992,362	312,466
MAXIMUM TOTAL CONTRACT	\$ 4,062,548	\$ 4,579,417

¹ Adds \$ 2500/month to RCL 14 rate at no additional costs to local counties. Included in FY01 Governor's Budget and pending Assembly approval.

² Includes start-up share for first year

³ Currently available in Mental Health and OBA Approved FY00/01 budgets

CONTRACT HISTORY

There are no previous contracts between STARLIGHT Adolescent Center, Inc. and the County. This provider is a new non-profit group home, license pending. The Mental Health Department currently has a professional service contract with the parent corporation, Mary Jane Gross & Associate, the company selected by the State Department of Mental Health (SDMH) to develop the STARLIGHT Adolescent Center, Inc. The current contractual agreement provides for limited program development currently underway with county departments and will terminate June 30, 2000.

The new contract with STARLIGHT Adolescent Center, Inc. is expected to be effective on or about July 1, 2000, and will cover the mental health program service FY00/01. The group home AFDC-FC payments to the provider are paid directly through the Social Services Agency; and the education portion of the program is funded through the provider's Non-Public School. The mental health program contract addresses only the mental health program, and is similar to other contracts the department has with residential providers.

REASONS FOR RECOMMENDATION

1. Approval of the requested action to authorize the Mental Health Director to negotiate and execute the CTF contract will allow the Department to proceed with implementation of the new residential treatment program for seriously emotionally disturbed youth to be located at the recently purchased Charter facility. Due to the critical need for this program to relieve the demand for appropriate placement settings for very disturbed youth, the Board of Supervisor's has directed that implementation of the new Community Treatment Facility Program be accomplished by mid-August 2000. Approval of the requested action will allow the Department to meet the expected timeline for implementation of the program and to commence the contract effective July 2000, with admissions of youth to begin by early August 2000.
2. Approval of authority to negotiate inter-county agreements will permit the County to sell beds to regional county partners. County Counsel review and approval will be obtained for each agreement.

BACKGROUND

The Board of Supervisors approved the development of a subacute residential treatment program for adolescents in the FY98/99 budget. The intent was to utilize a newly certified program model, the Community Treatment Facility (CTF), which has been in development at the state level for several years. This new program is licensed by the State Department of Social Services (SDSS) as a group home; and is certified by the State Department of Mental Health (SDMH) as a community treatment program.

The State Department of Mental Health issued a Request for Proposal (RFP) in May 1999 for the statewide selection of the new CTF programs. Because of our County's need for the new services, the Mental Health Department agreed to act as the host county for the new regional service. The State approved a total of 400 CTF beds statewide. Seventy-six (76) of those beds were allocated to the Greater Bay Area Region, with a request by Santa Clara County for twenty-six (26) of the beds and by Alameda County for ten (10) beds.

Regional committees were appointed by the State to review the RFP's and to make recommendations to the State Department of Mental Health on the proposals submitted. Only two providers submitted proposals. The State Department of Mental Health reviewed the recommendations and granted provisional mental health program certification to both providers on October 18, 1999. The provider selected for the Santa Clara County region was STARLIGHT Adolescent Center, Inc., a non-profit organization run by Mary Jane Gross & Associates.

Provisionally certified providers must also have their facilities licensed through California Department of Social Services (CDSS). CTF applicants lose their provisional certification if they fail to achieve licensure. STARLIGHT Adolescent Center, Inc. is currently in the process of becoming licensed, which is expected to be completed by the end of June 2000.

The new CTF program will provide intensive contained mental health treatment for adolescents with severe emotional disturbance who are referred through Social Services Department of Family and Children's Services, Probation, and Mental Health. All referrals to the program must be approved through the county interagency placement committee, Resources for Intensive Services Committee (RISC). **Those youth at the Children's Shelter, who are waiting for placement in an intensive contained mental health treatment program, will be first priority admissions to the new program.**

An inter-departmental **CTF Implementation Planning Committee** has been meeting weekly for the past two months with the selected provider to insure the overall program design and implementation will meet the specific needs of placing departments and other involved stakeholders. A **Legal Work Group**, which includes attorneys from the offices of County Counsel, the District Attorney, the Public Defender, Superior Court, Mental Health Advocates, and Department staff is reviewing and making recommendations regarding legal aspects of the program such as admission consents and review processes, medication and treatment consents, and protocols for various review hearings.

A second **Program Work Group**, consisting of staff from the Department of Family and Children Services, Probation, Mental Health, County Office of Education, Alameda County Mental Health, Regional State Community Care Licensing, have been meeting to formalize admission protocols and program design. A third **Facilities and Administrative Work Group** consisting of staff from GSA, the Fire Marshall, Mental Health Administration, and SCVHHS Information Systems, has been meeting to address all aspects of facility maintenance, contract development, fixed assets, and telephone and computer systems.

The Mental Health Department currently has been conducting the program development work with the parent company, Mary Jane Gross & Associates, under a service agreement that will terminate June 30, 2000. Approval of the delegation authorization will allow the department to initiate the FY00/01 program contract effective on or about July 1, 2000 with the new non-profit STARLIGHT Adolescent Center, Inc.

CONSEQUENCES OF NEGATIVE ACTION

Without authorization of the requested action the Department will be required to delay implementation of the contract with the selected provider until September 2000, and will impede the Department's ability to admit youth within the expected timeline. The provider will need to delay recruitment and hiring of key management staff necessary to complete start-up steps.

STEPS FOLLOWING APPROVAL

1. Clerk of the Board will forward copy of approved transmittal to SCVHHS, Mental Health, County Counsel, and Office of Budget and Analysis.
2. The Mental Health Director will direct Mental Health Department staff to complete contract negotiations with STARLIGHT Adolescent Center, Inc.

3. The Mental Health Department will submit the contract to County Counsel for review and approval as to form and legality.
4. The Mental Health Director will direct Department staff to complete inter-county agreements with regional counties for purchase of CTF contracted beds, to be reviewed as to form and legality by County Counsel.

C/ Kim Roberts, SCVHHS Chief Financial Officer
AMHCA
Mental Health Board