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SANTA CLARA VALLEY HEALTH & HOSPITAL SYSTEM

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STATUS REPORT - STARLIGHT ADOLESCENT CENTER, INC.
COMMUNITY TREATMENT FACILITY (CTF)
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The following report provides an update on the status of the new intensive residential treatment program for adolescents, **Starlight Adolescent Center, Inc.**, and planning for additional program components at the new county facility located at 455 Silicon Valley Blvd. The Community Treatment Facility (CTF) is the first of several behavioral health programs to be implemented at the new facility. This regional program provides sub-acute planned residential placements for adolescents experiencing serious emotional mental health problems and accepts referrals from the Department of Family and Children Services (DFCS), the Juvenile Probation Department (JPD) and Mental Health.

The report covers three general areas: 1) Starlight CTF program status, 2) budget and funding issues, and 3) planning for additional programs at the new facility.

STARLIGHT CTF PROGRAM STATUS

The program began admissions in October 2000 and has admitted 26 adolescents as of April 5, 2001. Admissions have been slower than planned (32 budgeted vs. 26 actual), however the department anticipates reaching a total census of twenty-seven admissions in the next several weeks and should be at budgeted capacity by the start of FY 02. Three youth have been discharged. The census includes the following:

Santa Clara County Youth		**Other County Youth**	
Probation	5	Alameda Co.	7
DFCS	7	Solano Co.	1
Mental Health	3		
Total	15		8

The department has been working with Probation and DFCS staff to ensure that all potential placements from Juvenile Hall and the Children's Shelter have been identified. There are currently four new assessments for admission approved and two pending referrals for assessment. Referring agencies continue to assess and refer new cases through the Resource and Intensive Services Committee (RISC) weekly inter-agency review process. The Committee has done an excellent job in making sure that only those referrals meeting state criteria for this level of intensive treatment are referred to Starlight for admission. To date Starlight has turned down only one referral, which was an out-of-county male on probation with a history of violent

gang behavior. Over 150 manuals outlining guidelines for referral and admission have been produced and distributed to partner agencies and counties.

DFCS Social Services Agency Involvement. The DFCS Placement Manager at the Social Services Agency has indicated that all the adolescents who are at the Children Shelter and awaiting placement have been reviewed for possible referral to Starlight. Many of them do not qualify for CTF level of treatment and are referred elsewhere such as the new Matrix Program at Eastfield Ming Quong. DFCS believes that all the children with severe psychiatric issues that were at the Shelter have been appropriately placed. The Children Shelter staff will continue to assess new admits to determine appropriateness for Starlight's level of care and referral to RISC.

Juvenile Probation Involvement. The Probation Department Manager responsible for placements has expressed satisfaction with the level of service and availability of the program as a positive alternative for minors with serious mental health problems. At this time, there are no referrals for other JPD minors to be referred to Starlight. Their representative on the RISC committee agrees that RISC is doing an excellent job reviewing and referring appropriate cases to Starlight.

Other County Contracts– The department has completed negotiations with Alameda County regarding its use of regional beds and the contract language is being reviewed by respective County Counsels. Solano County is paying for one bed on a fee-for-service basis. Several other counties have indicated an interest in purchasing beds as well. It is interesting to note that to date only Los Angeles County has been able to make any progress towards opening its CTF, which will also be operated by the same provider as Santa Clara County. No other counties have been able to move their projects forward, citing costs and regulatory constraints as the reasons. In addition, the only Northern California provider has withdrawn their request to be a provider leaving only one other potential provider in San Francisco and Solano counties. Consequently, Santa Clara County has received many inquiries from other counties regarding possible contracts for CTF beds. Currently Alameda County has requested ten (10) beds for FY02, leaving another two (2) available for other bay area counties.

Contract negotiations with the Santa Clara County provider for FY 02 occurred in early April 2001 and included a review of current Santa Clara County need and management of all out-of-county bed requests. The contract, which for this year is a fixed-cost contract, will revert to a standard net negotiated rate or state Medi-Cal allowed rate contract for FY 02.

BUDGET AND FUNDING ISSUES

FY01 Budget Projections. FY01 year-to-date budget estimates were prepared by SCVHHS Finance Staff and forwarded to OBA detailing the service utilization, revenues and expense projections through 12/31/00. Largely because of the loss of anticipated state revenue (see below), **$1.2 million currently reserved for further facility and program development at this site is needed on a one-time basis in FY 01 to cover start-up and operating expenses for Starlight Adolescent Center.** SCVHHS Finance and OBA staff have reviewed Starlight Adolescent Center's FY 01 year-to-date and projected actual expenses, earned revenues and required county general fund contribution to verify the need for the $1.2 million reserve funds.

The mental health fixed-cost contract for FY 01 services includes general maintenance, janitorial and landscaping costs in its agreement with Starlight, considerably reducing the ongoing maintenance responsibilities of the facility for GSA-Building Operations. The Department also assisted GSA-Property Management in crafting a lease for approximately 52 % of the facility (26,516 square feet) which will return $ 411,585 in rental income in FY 01 and an estimated rental income of $ 510, 459 in FY 02. Further program development at the facility is estimated to generate a proportionate amount of additional fair market rent for the County from the remaining 24,113 sq. ft. left to be allocated.

State Funding Issues. In the State's FY 01 budget, the legislature had appropriated approximately $2500/month per CTF bed to help assist host counties in the development and deployment of this sub-acute resource for their regions. Unfortunately, citing the fact that no community treatment facilities were developed at the time the state budget was being approved, Governor Davis vetoed this funding. The fiscal impact to the Santa Clara County CTF project represented an approximate loss of expected state offsets totaling $704,250 in FY 01 and approximately $1,080,000 in annualized state revenue.

The Department continues to provide regular program updates to the state agencies providing licensing and certification of the CTF, and has subsequently sent annualized expense and revenue estimates to the State Department of Mental Health (DMH) to augment their request for additional CTF funding. Specific Health Care Financing Administration (HCFA) guidelines make the possibility of a new "CTF Rate" unlikely for the next few years. DMH is recommending that the Governor approve an interim rate adjustment for providers until then. Our FY02 budget planning with the provider does not include any assumptions of state funding at this time.

FY 02 CTF Budget. For FY 02, the required county general fund support for Starlight will decrease as the start-up phase of operations ends and the provider contract changes from a fixed cost to a fee-for-service basis. The current FY 02 projected budget requirements are as follows:

Expense and Revenues For Fiscal Year 2001-02: Starlight Adolescent Center	
Total Expense	$ 7,529,000
Total Other Revenue (AFDC, FFP,EPSDT)	$ 6,105,510
Net County Cost Required	$ 948,993
Current County Cost Budgeted	$ 885,614
Netted Additional from Reserve	$ 63,379
Remaining Reserve for New Programs	$ 1,136,621

The above budget assumes that $63,379 of the reserve funds will be needed for the CTF next year. However, it is possible that this amount could change since contract negotiations with other counties for use of the program continue. This leaves an estimated $1.1 million remaining from the reserve available in FY02 for the development and implementation of other programs.

ADDITIONAL PROGRAM IMPLEMENTATION & PLANNING

The following describes the status of additional program development at the facility. Some components have been implemented this fiscal year and others are being proposed for FY 02.

- **Implemented Program Components**

The Resource and Intensive Services Committee (RISC) - This committee has been located with additional staff at the facility and meets weekly to review all residential and wraparound referrals (estimated 250 youth capacity). The Mental Health Department requested and received DMH approval to use its System of Care allocation to fund a full-time position to participate in this interagency placement review. Co-location of staff serving the out-of-home youth population has improved coordination and linkages across the behavioral health continuum. Currently two (2) DFCS staffs are using administrative space at the facility, and plans are in place for an additional four (4) DFCS Staff.

Mental Health Hospital Liaison - The Department has stationed its children's Hospital Liaison at the facility to assist in coordination with the CTF and RISC. This role includes care management and aftercare linkage of children and adolescents in private hospitals and coordination with EPS.

- **Planned Programs for FY 02**

AB3632 Assessment & Case Management. The Mental Health Department plans to move its Intensive Case Management Team to the facility this fiscal year. These four case managers are responsible for Special Education youth and adolescents that are residing in out-of-home placements, including those placed in the CTF. Co-location at the facility will improve coordination and prepare for centralization of AB3632 assessments and case management functions. The department has seen a steady rise in the number of AB3632 (Special Education, Seriously Emotionally Disturbed) assessments received from 32 School districts across the county. In part, this increase can been seen as the successful result of outreach to the juvenile justice and foster care population to inform them of their educational rights under the law. As part of the FY 02 budget process, the Department is proposing to use State Mandated Cost reimbursements (SB90) to expand and centralize two important functions required by Chapter 26.5 (Section 7570 of Division 7 of Title 1 of the Government Code). This proposed expansion of services to children and families with mental health and special education needs will add additional staff (1.0 FTE Mental Health Program Specialist II , 4.0 FTE Psychiatric Social Workers and 1.0 FTE Advanced Clerk Typist) to expand intensive case management and assessment services. A total of ten (10) Mental Health Department staff will be located at the facility.

- **Proposed Options for Remaining Space**

The original Behavioral Health Center Concept Paper proposed two (2) additional youth residential programs, one for the treatment of dual diagnosed youth (mental health and substance abuse) and another for crisis residential. After discussion with DADS, Social Services and JPD, the greatest needs appear to be for short-term acute treatment.

Over the past three years there has been a dramatic reduction in the number of psychiatric inpatient hospital beds for children and adolescents. Three hospitals serving youth in the bay area (Belmont Hills, Charter, and Walnut Creek Hospitals) have closed resulting in the loss of over 200 beds, of which one-third were for children and adolescents. Consequently, Santa Clara County has no acute inpatient beds for youth under age eighteen within the County and those regional beds that are available are always in extremely high demand.

In the past year, those youth needing psychiatric hospitalization have gone to Fremont Hospital in Fremont, Mills Peninsula Hospital in Burlingame, Mt. Diablo Hospital in Concord, California Specialty Hospital in Vallejo, Sutter and Sierra Vista Hospitals in Sacramento and to Fresno when all beds are filled. This creates a less than ideal situation for patient care as families are often unable to travel these long distances to visit with their children and to participate in treatment and discharge planning.

The need for hospital beds for youth continues despite the implementation of new programs for seriously disturbed youth, as short term acute care is necessary in certain situations (e.g, suicide attempts and other psychiatric emergencies) as opposed to the need for long term treatment programs. The average length of stay for child and adolescent inpatient care is currently nine (9) days.

The bed capacity need for short-term acute inpatient care for private and public funded child and adolescents patients for Santa Clara County is estimated to be 15-20 beds. It is important to note that the County Emergency Psychiatric Service (EPS) as the designated evaluation site for the county, often facilitates hospital admission of privately insured child and adolescent patients to private hospitals. Thus, while the hospital care of these youth is not the financial responsibility of the county, the facilitation of timely admission to private hospitals is our responsibility.

A recent telephone survey of bay area mental health directors and Kaiser indicates there is a general shortage of psychiatric inpatient beds, and many counties indicate they often have to call virtually every psychiatric hospital in the state looking for hospital beds for their youth. In the past two months, the Santa Clara County public funded youth inpatient census has peaked to as high as ten (10). The average census as of the end of March 2001 was seven. With the increased hospitalizations of youth has also come a delay in finding hospital beds as the Department competes with other bay area counties and with Kaiser. When beds are not immediately available, youth must wait in EPS with adults who are being evaluated for treatment. If the youth are not hospitalized within the 24-hour timeframe, they have been temporarily moved to the Pediatric Unit of the hospital to wait for a psychiatric placement. This is not an acceptable situation and more appropriate solutions need to be put into place immediately.

There is an estimated acute hospital need of 7-8 beds for public Santa Clara County youth. The County Executive has requested that the Department provide cost estimates for implementation of a child and adolescent inpatient program. Several program options are currently being reviewed that include contracting two models of acute care or developing a county-run program at the new facility. Preliminary estimates are that several options are possible and could be funded through existing funding, utilizing the Behavioral Health Center reserve funds and funds budgeted for contracted youth inpatient services in FY02.

Mental Health Department and VMC administrations are recommending that further analysis is made of the various options, and that short- and long-term solutions to the children's acute inpatient problem be implemented:

- **The short-term solution** is to establish a contract immediately for 7-8 inpatient beds with Fremont Hospital through the end of FY02, utilizing current inpatient contract funds for the remainder of FT01; and Behavioral Health Center reserve and approximately $600,000 in FY02 existing children's hospital budget for FY02.

- **The long-term solution** is to initiate planning over the course of next year (FY02) for a child and adolescent inpatient program which could be implemented in FY03.

This plan will address the immediate need while allowing time for the Mental Health Department and Valley Medical Center to adequately plan a new program. It is estimated that the new program would utilize the Behavioral Health Center reserve and inpatient contract budget in FY03.

As the county continues to grow in its population, the need for acute psychiatric services will also continue to grow. With an estimated 400,000 –500,000 children in this county, having an in-county provider will allow for more effective, culturally proficient and better coordinated services involving the Children's System of Care providers.

SUMMARY AND RECOMMENDED NEXT STEPS

- The CTF Starlight Program has been implemented and county departmental staffs are pleased that the program is meeting the original intent. This program is occupying two 20-bed residential wings, and administrative space for the private school and the day treatment program.

- Administrative and case management staffs with responsibilities in the area of placement and resource coordination from Mental Health, SSA, and Probation have been co-located at the facility. These staff work together to insure appropriate oversight of intensive out-of-home service coordination among departments.

- There are currently two 20-bed wings available for new programs. It is recommended that one of the wings be considered for a 16-20 bed acute care residential program for children and adolescents.

- It is recommended that rather than attempting to put a third residential program in place in the near future, that the remaining wing be utilized for an outpatient interagency assessment and crisis intervention service. This would be put in place through redirection of county staff (Mental Health, DADS, JPD, SSA, and Health) and with space available for the EMQ Mobile Crisis Service. The outpatient service would be utilized for youth and families in crisis and will provide an alternative to EPS for those youth that do not need the locked EPS setting. Many child and adolescent crises could be diverted from acute hospitalization by providing intensive family counseling and crisis intervention services. These types of service

are the key function of the EMQ Mobile Crisis Service. With space at the new site, EMQ would have the opportunity to offer neutral clinic space for evaluations and follow-up treatment in collaboration with county staff. In addition, the new interagency assessment team could provide comprehensive assessments and placement recommendations for youth considered at-risk by the Court or other county child-serving agencies.