

County of Santa Clara
Behavioral Health Services Department



23-1736

DATE: January 23, 2024 (Item No. {{item.number}})
TO: Board of Supervisors
FROM: Sherri Terao, Director, Behavioral Health Services
SUBJECT: Amendment to Delegation of Authority for CCE Preservation Grant

RECOMMENDED ACTION

Consider recommendations relating to the delegation of authority for the Community Care Expansion (CCE) Preservation Grant Program. (LA-1)

Possible action:

- a. Approve amended delegation of authority to the County Executive, or designee, to negotiate, execute, amend, or terminate revenue agreements with the California Department of Social Services' approved program administrator, relating to receiving grant funding from the CCE Preservation Grant Program in an amount not to exceed \$10,000,000 or the grant award from the State, whichever is lower, and a contract term that starts upon execution of the agreement and ends no later than March 31, 2029, following approval by County Counsel as to form and legality, and approval by the Office of the County Executive. Delegation of authority shall expire on March 31, 2029.
- b. Approve amended delegation of authority to the County Executive, or designee, to negotiate, execute, amend, or terminate expense agreements with operators of existing licensed adult and senior residential care facilities relating to provision of funding from the CCE Preservation Grant Program in an amount not to exceed \$10,000,000 or the grant award from the State, whichever is lower, and with the contract terms that start upon execution of the agreements and end no later than March 31, 2029, following approval by County Counsel as to form and legality, and approval by the Office of the County Executive. Delegation of authority shall expire on March 31, 2029.

FISCAL IMPLICATIONS

The recommended action would have no net impact to the County General Fund. These funds would be used for operating subsidy payments (OSP) or for capital projects (CP) to preserve existing adult and senior residential care facilities (RCF) in Santa Clara County. The OSP component covers current and/or projected operating cash flow deficits to preserve capacity and increase access for Supplemental Security Income/State Supplementary Payment

(SSI/SSP) or Cash Assistance Program for Immigrants (CAPI) recipients or applicants (“qualified residents”). The CP component covers facility repairs, renovations, or improvements to prevent or reduce the risks of facility closure.

REASONS FOR RECOMMENDATION AND BACKGROUND

The recommended action would amend the Community Care Expansion (CCE) Preservation DOA to allow BHSD to negotiate, execute, amend, or terminate contracts with the California Department of Social Services’ (CDSS) approved program administrator to receive funding to support the preservation of local RCFs. The previous delegation of authority (DOA) listed Advocates for Human Potential, Inc. (AHP) as the CDSS approved program administrator. However, on July 11, 2023, BHSD was notified that AHP would no longer be the program administrator for the CCE Preservation Grant Program. The DOA is amended to enable Administration to contract with any CDSS-approved program administrator for the CCE Preservation Grant Program in case CDSS changes the program administrator again.

The State also notified BHSD that it has extended the expenditure date of funds through March 31, 2029. The term of the DOA has also been extended to align with the extended March 31, 2029, date the State has given counties to expend funds.

Although DOAs are discouraged except under certain circumstances, this DOA is necessary to expeditiously receive funding from the State and to support local RCFs. This DOA would approve contracting with the CDSS approved CCE Program fund administrator, which is necessary because CDSS may periodically increase funding to the County. The County’s original allocation was approximately \$6 million, and CDSS increased the County’s allocation twice between August 2022 and April 2023. The DOA enables Administration to expeditiously accept additional funding upon availability. Consequently, the maximum amount associated with the requested DOA (\$10 million) is higher than the County’s current funding allocation of about \$8 million. The grant agreement is not based on a procurement process, but rather functions as an instrument to receive future grant dollars should they be awarded by CDSS. The DOA will also allow Administration to enter into funding agreements with RCFs to expeditiously increase support to RCF operators if the State increases the County’s CCE Preservation Program funding.

In 2021, CDSS and Department of Health Care Services (DHCS) launched the \$805 million CCE Program. The CCE Program includes two components: CCE Expansion Program and CCE Preservation Program. The CCE Expansion Program aims to increase licensed adult and senior RCFs as permanent housing for qualified residents with behavioral health conditions including those at risk of or experiencing homelessness. The CCE Preservation Program aims to preserve existing licensed adult and senior RCFs serving qualified residents. CCE Preservation Program funds were conditionally awarded to counties through a direct-to-county allocation process in August 2022. Counties receiving CCE Preservation funds are

required to design and implement the programs locally and are responsible for disbursing funds to local existing licensed RCFs serving qualified residents and the local target population.

Local Implementation of the CCE Preservation Grant Program

In fall 2022, Administration hosted three outreach and community engagement sessions to meet with stakeholders from local licensed RCFs currently working with the County Behavioral Health Services Department, to receive input about the grant program design and solicitation process. On November 28, 2022, Administration released a Request for Information to notify the broader RCF provider community of the grant program and to receive additional input. On January 9, 2023, the Request for Grant Application (RFGA) was released. Twelve applications were received from organizations operating 23 RCFs located in Morgan Hill, Mountain View, San José, Santa Clara, Sunnyvale, and San Martin.

At the May 16, 2023 (Item No. 44) Board meeting, the Board approved the CCE Preservation DOA

CHILD IMPACT

The recommended actions will have no/neutral impact on children and youth.

SENIOR IMPACT

The recommended actions will have no/neutral impact on seniors.

SUSTAINABILITY IMPLICATIONS

The recommended actions balance public policy and program interests and enhance the Board of Supervisors' sustainability goals of social equity and safety by accepting funds to support the delivery of behavioral health services for residents of Santa Clara County.

CONSEQUENCES OF NEGATIVE ACTION

Failure to approve the recommended actions would prevent BHSD from receiving grant funding to support local RCFs with timely preservation.

STEPS FOLLOWING APPROVAL

Priority approval is requested for this resolution to support the timely execution of the grant agreement and subsequent agreements. Upon approval, the Clerk of the Board is requested to send an e-mail notification to Angeleah Macatiag (Angeleah.Macatiag@hhs.sccgov.org), Valerie Flores (Valerie.Flors@hhs.sccgov.org), Evonne Lai (Evonne.Lai@hhs.sccgov.org), and Earl Ong (Earl.Ong@hhs.sccgov.org).

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