



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

NORA VARGAS
First District

JOEL ANDERSON
Second District

TERRA LAWSON-REMER
Third District

MONICA MONTGOMERY STEPPE
Fourth District

JIM DESMOND
Fifth District

DATE: March 12, 2024

DRAFT

XX

TO: Board of Supervisors

SUBJECT

UPDATE ON THE REGIONAL CAPACITY AND NEED FOR BOARD AND CARE AND SUBACUTE SERVICES TO SUPPORT MEDI-CAL ELIGIBLE ADULTS WITH BEHAVIORAL HEALTH CONDITIONS (DISTRICTS: ALL)

OVERVIEW

In California, counties are responsible for administering specialty mental health and substance use services to residents eligible for Medi-Cal. To optimize access to care and quality as a health plan, Health and Human Services Agency, Behavioral Health Services (BHS) is required to maintain a network of mental health and substance use services and providers that meet the needs of Medi-Cal beneficiaries locally. Recent work by BHS has sought to rebalance the entire care system using a more upstream approach that emphasizes prevention and connects people to care within the least restrictive settings that meets their unique needs over the long term.

On September 27, 2022 (23), the San Diego County Board of Supervisors (Board) received an update on the Behavioral Health Continuum of Care that outlined strategies to rebalance the system and address the historical lack of parity within long-term care through enhancements to community-based care and shifts within subacute services. These strategies were informed by the Behavioral Health Optimal Care Pathways (OCP) model, a data-informed algorithm that quantifies utilization across three key service areas: community crisis diversion, subacute care, and community-based care.

Further building on the OCP model, on September 12, 2023 (23), the Board approved a recommendation to assess the capacity of board and care and subacute beds that serve Medi-Cal eligible adults with behavioral health conditions in San Diego County by Supervisorial district, along with a report back with estimates on the capacity needed to adequately support individuals within the county and strategies to enhance capacity. Today's action provides an update on this direction.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Receive an update on the regional capacity of board and care and subacute beds for Medi-Cal eligible adults with serious behavioral health conditions and strategies to enhance board and care and subacute capacity in San Diego County.

SUBJECT: UPDATE ON THE REGIONAL CAPACITY AND NEED FOR BOARD AND CARE AND SUBACUTE SERVICES TO SUPPORT MEDICAL ELIGIBLE ADULTS WITH BEHAVIORAL HEALTH CONDITIONS (DISTRICTS: ALL)

2. Placeholder

EQUITY IMPACT STATEMENT

TBD

SUSTAINABILITY IMPACT STATEMENT

TBD

FISCAL IMPACT

There is no fiscal impact associated with today's recommendations. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

At their regular meeting on February 1, 2024, the Behavioral Health Advisory Board voted to this item.

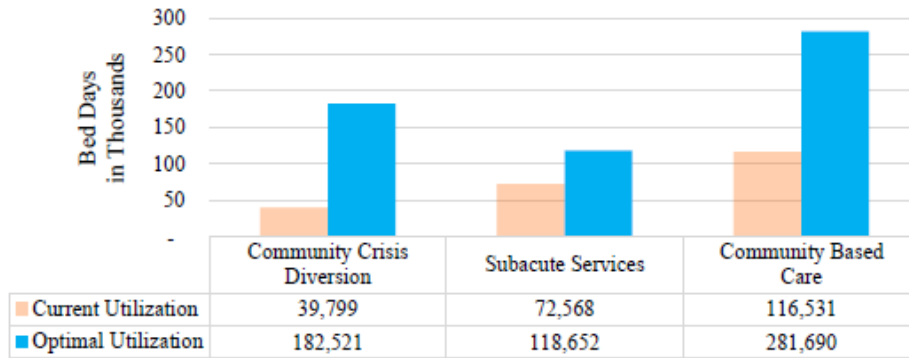
BACKGROUND

In California, counties are responsible for administering specialty mental health and substance use services to residents eligible for Medi-Cal. To optimize access to care and quality as a health plan, Health and Human Services Agency, Behavioral Health Services (BHS) is required to maintain a network of mental health and substance use services and providers that meet the needs of Medi-Cal beneficiaries locally. Recent work by BHS has sought to rebalance the entire care system using a more upstream approach that emphasizes prevention and connects people to care within the least restrictive settings that meets their unique needs over the long term.

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The OCP model focuses on care utilization assumptions reflective of appropriate lengths of stay and durations of connection to the right level of care focusing on prevention, community supports, and diversion from unnecessary higher levels of care. It outlined the need to recalibrate and enhance existing services, and more than double utilization across these three levels of care to optimize flow, minimize barriers to care, and open less expensive care pathways.

SUBJECT: UPDATE ON THE REGIONAL CAPACITY AND NEED FOR BOARD AND CARE AND SUBACUTE SERVICES TO SUPPORT MEDICAL ELIGIBLE ADULTS WITH BEHAVIORAL HEALTH CONDITIONS (DISTRICTS: ALL)



Once fully realized, it is anticipated that individuals will be able to access the care they need to ensure wellness over the long-term. Additionally, it is anticipated that there will be an overall reduction in the average cost per bed day by nearly 40% across the services above, from an estimated \$519 per bed day to about \$330 per day, along with a reduction in utilization of acute inpatient services by approximately 40% and alleviated pressure of administrative days.

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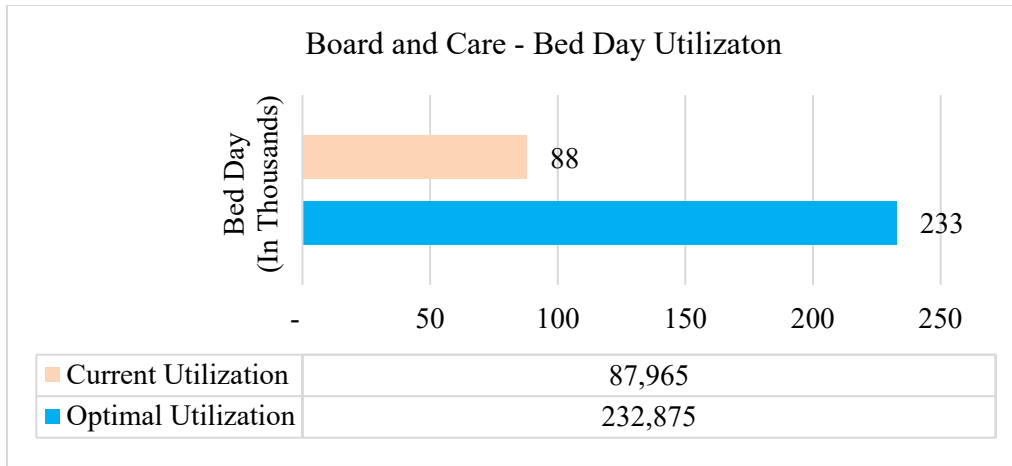
I. Assessment of Board and Care and Subacute Bed Capacity for Medi-Cal Eligible Adults with Behavioral Health Conditions

It is important to note that OCP capacity recommendations were developed based on the needs of people who are Medi-Cal eligible and are served within the public behavioral health system. Recently, State policymaking has emphasized initiatives that hold county mental health plans (MHP’s) accountable for broader sets of payers. The Community Assistance, Recovery and Empowerment (CARE) Act program and changes to involuntary detainment and treatment policy through SB 43, for example, have service targets that include not only individuals who are Medi-Cal eligible but also represent other payor categories. This may impact the OCP’s estimates.

Board and Care Capacity

Board and care facilities (board and cares), inclusive of adult residential facilities (ARFs) and residential care facilities for the elderly (RCFEs), are an essential service within community-based care providing licensed, 24-hour staffed residences that support individuals in need of care and supervision who are unable to live independently within other types of housing. ARFs and RCFEs are licensed by the State’s Community Care Licensing Division. As outlined in the OCP model, there is an urgent need to grow utilization of board and cares by over 140,000 bed days.

SUBJECT: UPDATE ON THE REGIONAL CAPACITY AND NEED FOR BOARD AND CARE AND SUBACUTE SERVICES TO SUPPORT MEDICAL ELIGIBLE ADULTS WITH BEHAVIORAL HEALTH CONDITIONS (DISTRICTS: ALL)



Board and Care Capacity by HHS Region

Consistent with other California counties, San Diego County has continued to experience significant loss of licensed board and care facilities, due to low reimbursement rates and the escalating cost of real estate, which continues to negatively impact access for people with behavioral health conditions who are Medi-Cal eligible. Due to the low federal Supplemental Security Income (SSI) reimbursement rate of \$1,200, many board and care operators in San Diego County are unable to sustain operations and therefore opt instead to serve private pay clients at rates that may exceed \$9,000 per month, or more than 7½ times the SSI reimbursement rate. To ensure access to care for clients with behavioral health conditions, BHS contracts with board and cares that accept the federal SSI rate by augmenting the SSI rates.

The decreasing number of licensed facilities and the even fewer that serve individuals who are Medi-Cal eligible continues to be a barrier to care and often leaving people with behavioral health conditions homeless, institutionalized, and/or on extended stays in acute care settings. According to the State’s Community Care Licensing Division data for San Diego County as of January 2024:

- A total of 1,208 licensed board and care providers provide 30,630 beds across San Diego County.
- Since 2019, 156 of the 833 licensed ARFs, or 19%, closed their doors decreasing the number of beds by over 2,300. Additionally, 131 of the 712 unique RCFEs, or 18%, closed their doors reducing the number of beds by over 900.
- Across the existing board and cares in San Diego County, 116 (less than 10%) serve individuals with Medi-Cal for a total of only 1,994 beds (or less than 7%).
- Of board and cares that serve individuals with Medi-Cal, eight of those facilities provide 255 total beds (about 13%) for individuals with serious mental illness, which is provided through a daily rate that augments the SSI reimbursement rate.

Below is a table of current licensed board and care facilities and beds, by HHS region:

SUBJECT: UPDATE ON THE REGIONAL CAPACITY AND NEED FOR BOARD AND CARE AND SUBACUTE SERVICES TO SUPPORT MEDICAL ELIGIBLE ADULTS WITH BEHAVIORAL HEALTH CONDITIONS (DISTRICTS: ALL)

Licensed Board and Care Facilities and Beds						
	Overall		Serving Medi-Cal Eligible Individuals		Serving BHS Clients	
<i>HHS Region</i>	<i># ARFs/RCFEs</i>	<i># Beds</i>	<i># ARFs/RCFEs</i>	<i># Beds</i>	<i># ARFs/RCFEs</i>	<i># Beds</i>
North Coastal	181	6,675	26	210		
North Inland	290	8,006	26	894	1	21
North Central	160	4,353	9	151		
East	255	5,707	7	128	6	185
Central	160	2,300	20	328	1	49
South	162	3,589	28	283		
Totals	1,208	30,630	116	1,994	8	255

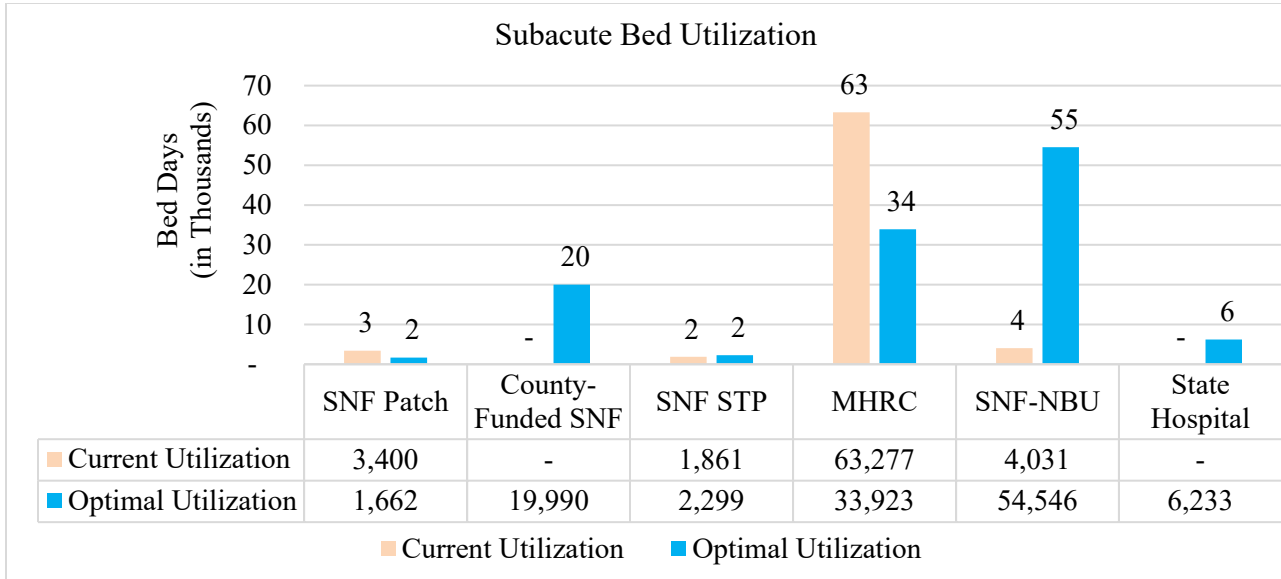
To reach optimal utilization, we anticipate needing around 380 additional board and care beds, excluding the additional capacity needed for individuals participating in the CARE Act program. Below is a table that outlines licensed board and cares by HHS Region. BHS anticipates bringing online an additional 100-150 board and care beds for people with behavioral health conditions in Fiscal Year (FY) 2024-25, funded through the Behavioral Health Bridge Housing (BHBH) grant, which will bring the system closer to the optimal capacity.

Subacute Care Capacity

Subacute care is provided to individuals who are stepping down from acute psychiatric care or for individuals whose acuity may have intensified and need a higher level of care. Services are provided on a 24/7 basis in a secured setting to adults who are unable to live safely in the community, and include room and board, health monitoring, medication therapy, individual, group and/or family therapy, case management, and discharge planning. Services offered provide structured daily programming to assist clients in improving functioning so they can return to live in the community.

Subacute care includes skilled nursing facility (SNF) patches, County-funded SNFs, Department of State Hospital beds, SNF-specialized treatment program (STP) beds, County-funded SNFs, Mental Health Rehabilitation Centers (MHRCs), and SNF neuro-behavioral unit (NBU) beds. The bottlenecks across the continuum are often due to clients who present with unique and complex needs and do not have access to the right kind of subacute care. Within subacute care, challenges continue in identifying care options for individuals who are incompetent to stand trial, forensic patients, and those waiting for State Hospital placement. The OCP model focuses on establishing specialized subacute capacity that meets the needs of individuals with complex conditions. As outlined in the OCP model, there is a need to recalibrate the beds across specific subacute bed types to support individuals with more complex needs and increase overall utilization by over 46,000 bed days.

SUBJECT: UPDATE ON THE REGIONAL CAPACITY AND NEED FOR BOARD AND CARE AND SUBACUTE SERVICES TO SUPPORT MEDICAL ELIGIBLE ADULTS WITH BEHAVIORAL HEALTH CONDITIONS (DISTRICTS: ALL)



Subacute Care Capacity by HHS Region

As of January 2024, in San Diego County there were six licensed subacute care providers providing 397 beds serving individuals with Medi-Cal, with an additional 20 beds at an out of County facility, for a total of 417 subacute beds. Subacute beds are utilized based on patient needs and though we contract with multiple facilities for beds, the beds are not dedicated to the County.

Below is a table of current subacute facilities and beds, by HHS region:

Subacute Care Facilities and Beds		
HHS Region	Serving BHS Clients*	
	# Subacute Facilities	# Subacute Beds
North Coastal	-	-
North Inland	1	71
North Central	-	-
East	3	178
Central	1	108
South	1	40
County Total	6	397
Out of County	1	20
Total	7	417

To reach optimal utilization, we don't anticipate a large need for additional subacute beds overall but rather to secure specialized beds that meet the needs of individuals with complex conditions, including NBU beds and County-funded SNF beds.

SUBJECT: UPDATE ON THE REGIONAL CAPACITY AND NEED FOR BOARD AND CARE AND SUBACUTE SERVICES TO SUPPORT MEDICAL ELIGIBLE ADULTS WITH BEHAVIORAL HEALTH CONDITIONS (DISTRICTS: ALL)

II. Strategies to Enhance Community-Based Care and Subacute Service Capacity

Since bringing the OCP model to the Board in September 2022, BHS has taken a number of critical steps to implement strategies outlined, which includes planning for key capital infrastructure projects and service enhancements to increase capacity within community-crisis diversion, community-based care, inclusive of board and cares, recuperative care, and establish additional subacute care, including:

- Developing the Behavioral Health Strategic Facilities Plan (SFP),
- Establishing dedicated behavioral health capital infrastructure,
- Bolstering the behavioral health workforce,
- Optimizing revenue and pursuing new funding opportunities,
- Ongoing engagement with local organizations and stakeholders to determine need and develop capacity through innovative public-private partnerships, and
- Leaning into new opportunities resulting from large-scale policy changes, which are threaded throughout the strategies above.

Through these strategies we anticipate being able increase capacity of board and care beds and reconfigure the array of subacute beds over the next several years, pending the availability of funding, in alignment with utilization needs as outlined in the OCP Model.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed actions support the County of San Diego's 2024-2029 Strategic Plan initiatives of Equity (Health) and Community (Quality of Life) as well as the regional *Live Well San Diego* vision by reducing disparities and disproportionality of individuals with mental illness and substance use disorders and ensuring access to a comprehensive continuum of behavioral health services administered through accessible behavioral health programs.

Respectfully submitted,

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SARAH E. AGHASSI
Interim Chief Administrative Officer

ATTACHMENT(S)

N/A