



# County of San Diego

**ERIC C. MCDONALD, MD, MPH, FACEP**  
INTERIM AGENCY DIRECTOR

**HEALTH AND HUMAN SERVICES AGENCY**  
BEHAVIORAL HEALTH SERVICES  
3255 CAMINO DEL RIO SOUTH, MAIL STOP P-531  
SAN DIEGO, CA 92108-3806  
(619) 563-2700 • FAX (619) 563-2705

**LUKE BERGMANN, Ph.D.**  
DIRECTOR, BEHAVIORAL HEALTH SERVICES

May 30, 2024

TO: Behavioral Health Advisory Board (BHAB)

FROM: Luke Bergmann, Ph.D., Director, Behavioral Health Services

## **BEHAVIORAL HEALTH SERVICES (BHS) DIRECTOR'S REPORT – June 2024**

### **BEHAVIORAL HEALTH SERVICES FISCAL YEAR (FY) 2024 – 2025 RECOMMENDED BUDGET AND CAPITAL PROJECT UPDATES**

#### **Behavioral Health Services Overview and Vision**

As part of the Health and Human Services Agency (HHSA), Behavioral Health Services (BHS) continues to press forward to shift how residents access care for their behavioral health needs by transforming from a system driven by a crisis to one rooted in chronic and continuous care, and prevention through the regional distribution of services, and integration with primary healthcare to keep people connected, stable, and healthy. BHS continues to make service and infrastructure investments with the goal of building an integrated, seamless, and outcome-oriented behavioral health system that utilizes a population health approach and health equity lens to ensure critical services are available to those in need.

BHS provides essential mental health and substance use services to people of all ages in San Diego County, working across four distinct domains:

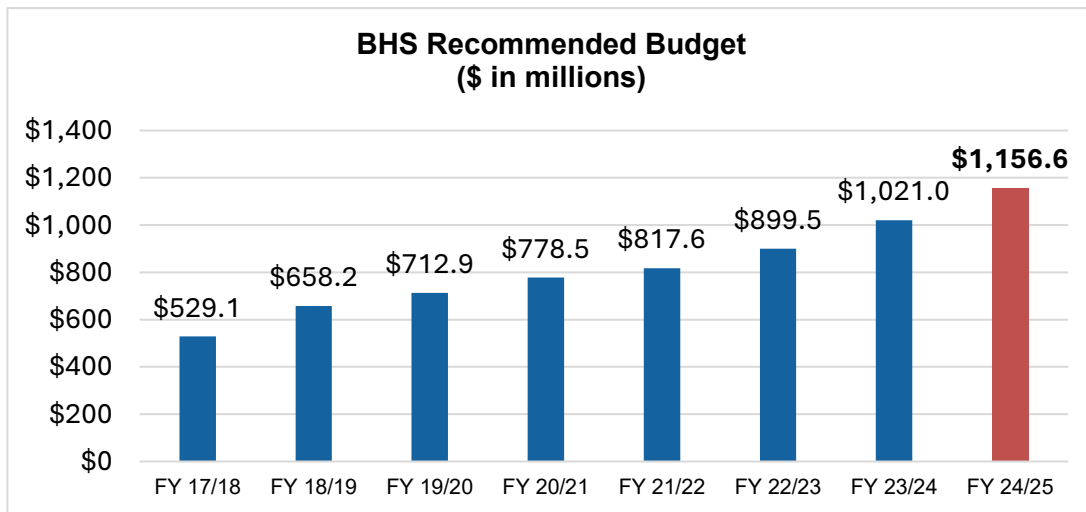
- By statute and federal waiver, we are the Specialty Plan or Managed Care Plan for Medi-Cal beneficiaries with serious mental illness and substance use disorders. A key characteristic of this population is that those within it are in states of relative crisis, or needing care that is particularly intensive.
- To support the behavioral healthcare of this population, we maintain a coordinated system of care through a network of 350 contracted programs and 300 fee-for-service providers.
- We also provide direct services at the San Diego County Psychiatric Hospital (SDCPH), Edgemoor Distinct Part Skilled Nursing Facility (DP-SNF), and through the County operated clinics and case management services across the region.
- Finally, we act as a public health entity, taking a population health approach to improving the behavioral health of everyone in San Diego County.

As a department, BHS remains committed to achieving a healthy, safe, and thriving region by providing accessible, culturally aware community-based services throughout the region to support the wellness of children, adults, and families.

**BHS 2024-25 Recommended Budget**

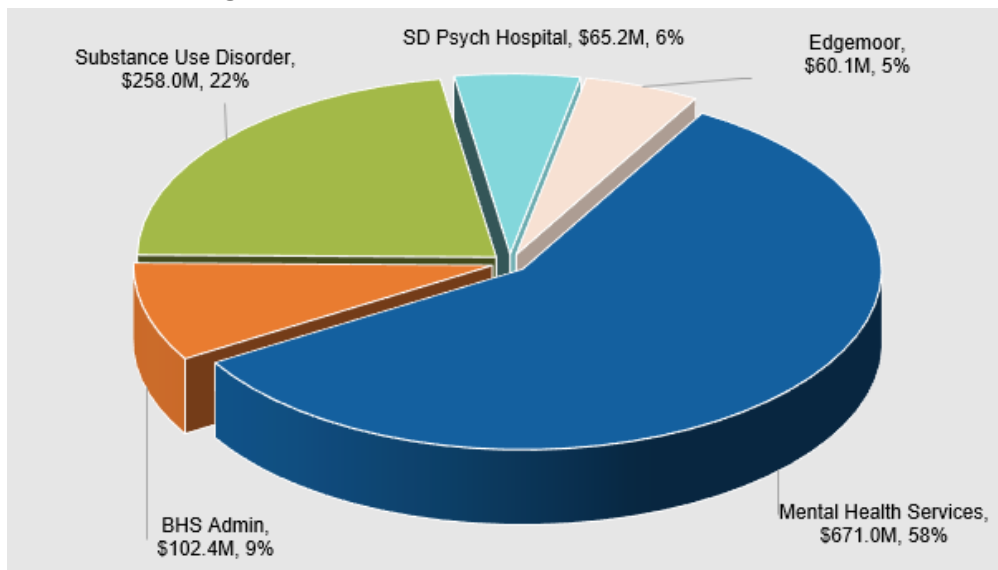
The BHS recommended budget for FY 2024-25 is **\$1,156.6 million**, representing an **increase of \$135.6 million** over last fiscal year.

- **Mental Health Services:** Includes County-operated case management and outpatient programs, adult and juvenile forensics, County care coordination, and contracted services at just over \$670 million.
- **Substance Use Disorder Services:** Includes primarily contracted services at nearly \$260 million.
- **Inpatient Services:** Includes Edgemoor DP-SNF and the SDCPH at just over \$125 million, and
- **Administrative Services:** Includes salaries and benefits, information technology, data infrastructure, and general administrative support at just over \$100 million.



Since FY 2017-18, investments in the BHS budget have increased by over \$627 million, more than doubling, and demonstrating the County’s continued commitment to support the behavioral health needs of the region. Drivers for these investments include the priorities of the Board of Supervisors (Board), new mandates, stakeholder and community priorities, and the growing need for services within communities.

**Total BHS Recommended Budget \$1,156.6 Million**



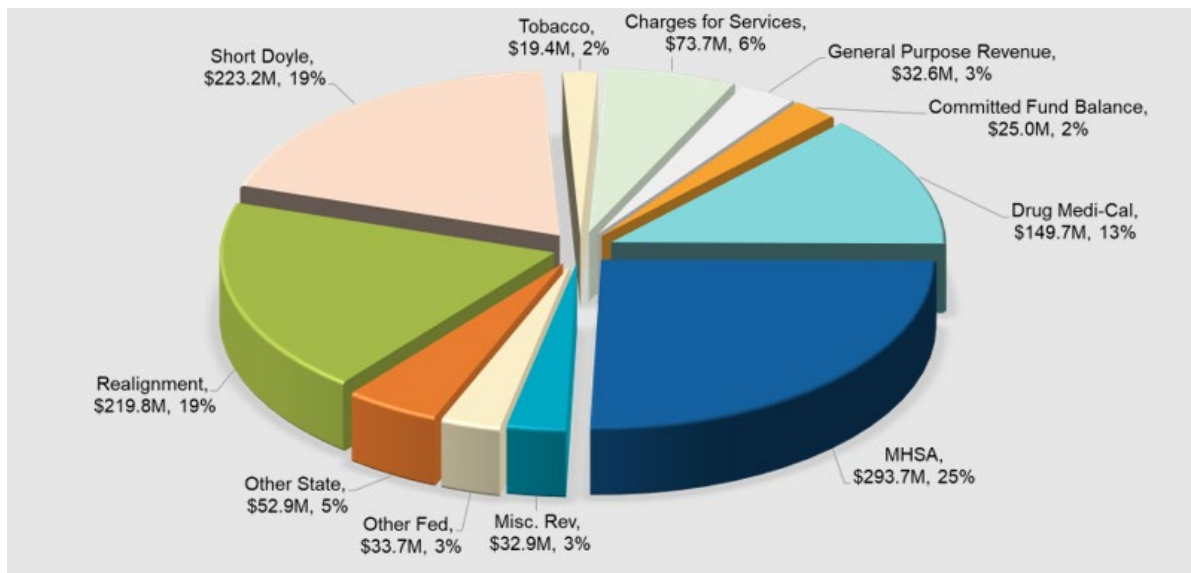
### BHS Funding Revenue Sources

BHS utilizes many different revenue sources to fund services and administrative functions and many of the funding streams have restrictions outlining how to utilize the funds. As a department we support flexibility across our revenues to support the integration of services rather than siloing services due to revenue restrictions.

Key federal and state funding sources include:

- **Short-Doyle Medi-Cal (SD/MC): Federal funding** for Medi-Cal eligible individuals for specialty mental health services delivered in acute care hospitals, individual, group or family therapy, and provided in outpatient or clinic settings, as well as various partial day or day treatment programs.
- **Drug Medi-Cal (DMC): Federal funding** for substance use disorder treatment services for Medi-Cal eligible individuals for outpatient, residential, or narcotic treatment services.
- **Mental Health Services Act (MHSA): State revenue** that is a 1% income tax on personal income in excess of a million dollars in the State of California. MHSA is the largest source of revenue for BHS and is comprised of five separate components. More information on MHSA, including the five components, can be found in the MHSA Three-Year Plan and subsequent Annual Updates:  
[https://www.sandiegocounty.gov/content/sdc/hhsa/programs/bhs/mental\\_health\\_services\\_act/mhsa\\_cosd\\_docs.html](https://www.sandiegocounty.gov/content/sdc/hhsa/programs/bhs/mental_health_services_act/mhsa_cosd_docs.html)
- **Realignment: State revenue** from sales tax and vehicle license fees. Realignment is our most flexible type of state funding.
- **General Purpose Revenue (GPR): Local revenue** from property taxes and Intergovernmental Transfer (IGT). GPR is flexible and can be utilized for any purpose that is a legal expenditure of County funds.
- **Charges for Services:** Revenue for services provided at Edgemoor DP-SNF (primarily Medi-Cal).

**Other Federal and State Revenues:** Includes Substance Abuse Prevention and Treatment Block Grant (SABG); Mental Health Block Grant (MHBG); Project for Assistance in Transition from Homelessness (PATH); Mental Health Student Services Act (MHSSA) grant; American Rescue Plan Act (ARPA); DMC State General Fund; and various other miscellaneous funding sources.



Realignment and MHSA funding are used as a required match for federal SD/MC and DMC revenue. BHS strives to optimize drawdown of federal revenue to ensure the impact of the more flexible revenue sources, including MHSA, Realignment and General Purpose Revenue, can be maximized.

### **Additional Funding Opportunities**

**New state and federal grants** are becoming available and typically awarded via competitive applications. BHS will continue to apply for grant funding, when applicable, to further build out behavioral health services and infrastructure to bolster the region.

- The state **Community Care Expansion (CCE) Preservation Program Grant** provides \$805 million statewide for acquisition, construction, and rehabilitation to preserve and expand adult and senior care facilities that serve Supplemental Security Income/State Supplementary Payment (SSI/SSP) and Cash Assistance Program for Immigrants (CAPI) applicants and recipients, including those who are experiencing or at risk of homelessness and people with behavioral health conditions. BHS has been **awarded \$16.6 million** in CCE Preservation grant funds.
- Through the **Behavioral Health Bridge Housing (BHBH) Program**, the California Department of Health Care Services (DHCS) will provide a total of \$1.5 billion in funding to county behavioral health agencies and tribal entities to operate bridge housing settings to address the immediate and sustainable housing needs of people experiencing homelessness who have serious behavioral health conditions, including a serious mental illness (SMI) and/or substance use disorder. BHS was **awarded \$44.3 million** in BHBH grant funding last June, and in April 2024 BHS applied for Round 3 BHBH grant funding in the amount of **\$12.4 million**.
- The **Substance Abuse and Mental Health Services Administration (SAMHSA)** awarded the County **\$4.5 million** in grant funds to enhance mobile crisis response teams (MCRTs). These one-time funding, available for one year starting in September 2023, will expand the MCRT program designed to help people who are experiencing a mental health or substance use crisis by dispatching behavioral health experts to emergency calls.
- The **California Department of Public Health Injury and Violence Prevention Branch (CDPH-IVPB)** awarded the County \$4.1 million of one-time funding to participate in its Youth Suicide Reporting and Crisis Response Pilot Program, this allocation will support planning, coordination, and/or implementation of rapid reporting, crisis response, and/or data surveillance activities related to the prevention of suicides and suicide attempts among youth 25 years of age and under.

### **BHS FY 2024-25 Recommended Increases/Enhancements**

Most of the services outlined in the BHS FY 2024-25 recommended budget includes investments in programs and services that are a carryover from the previous fiscal year to ensure continuity of services. New investments are prioritized to support enhancements and/or the expansion of services to the most vulnerable populations across the behavioral health continuum of care. BHS is proposing **new investments totaling \$135.6 million** for a total budget of nearly \$1.16 billion to ensure people of all ages have better access to the services they need.

The most significant budget increases are listed below:

#### **Prevention Programs \$6.8 Million**

- ACEs Prevention Parenting Program
- Native American Prevention and Early Intervention
- Youth Suicide Prevention Program

#### **Substance Use Disorder Outpatient, Residential, and Opioid Treatment \$29.4 million**

- Residential and outpatient services, including opioid treatment programs.

#### **Intergovernmental Transfer Agreement with Revive Pathway \$35.8 million**

- Partnership with the Viejas Band of Kumeyaay Indians for a new Opioid treatment program in the East Region

#### **Long-Term Care \$6.0 Million**

- Expand capacity of subacute care and board and care beds

### **Mental Health Inpatient Services \$10.6 Million**

- Tri-City Medical Center Psychiatric Health Facility
- Increased rates for acute inpatient care

### **Mental Health Outpatient Treatment and Support Services \$1.7 Million**

- Homekey Housing Sites
- Children and Youth Outpatient Services

### **Workforce \$25.0 Million**

- Behavioral Health Workforce Development and Retention Innovation Program
- Expansion of small, community-based organizations able to provide Medi-Cal funded services within diverse communities.

### **SB 43 Involuntary Behavioral Health Treatment \$15.0 Million**

- Change in State conservatorship law that broadens definition to add severe substance use disorder.
- Initial funding to expand services, infrastructure, and training in hospital and community-based settings.

### **Looking Ahead**

New State mandates are anticipated to significantly impact our system of care:

- For the **CARE Act program**, we will continue to evaluate needs to ensure adequate service and housing capacity are available.
- For **Senate Bill (SB) 43**, we are anticipating significant additional legislative and regulatory changes so we can access Medi-Cal reimbursement. Currently, no new state funding is available for this program and the regulations do not support the clinical work that is mandated.
- Our department is implementing **Behavioral Health Payment Reform** and we are optimistic about new opportunities to drawdown additional federal revenue in support of the workforce and care incentives.
- We are partnering with the Public Safety Group to address increased referrals for evaluations for **Incompetent to Stand Trial**.
- And finally, with the passage of **Proposition 1** we anticipate significant impacts and opportunities for our system under the **Behavioral Health Services Act**. It also presents us with potential new funding for critical capital projects through the \$6.3 billion Behavioral Health Infrastructure Bond.

### **Additional Operational Plan Information**

In May and June 2024, several opportunities to learn about the operational plan, including opportunities for public input, will be available. BHS encourages all stakeholders to listen and/or participate in this process.

Key dates include:

- **May 2:** Chief Administrative Officer (CAO) Recommended Operational Plan was made available to the public.
- **May 14:** Budget presentations were made to the Board (Day 1).
- **May 16:** Budget presentations were made to the Board (Day 2)
- **May 23:** Community budget meeting (Daytime, In-Person).
- **May 29:** Community budget meeting (Evening, Virtual).
- **June 4 and 6:** Public hearing on recommended budget.
- **June 13:** Last day for written testimony to clerk of the board.
- **June 13:** Revised recommended budget available to the public.
- **June 25:** Budget deliberations and budget adoption by the Board of Supervisors.

For more information and key budget dates visit the San Diego County Open Budget website found here: <https://www.sandiegocounty.gov/content/sdc/openbudget/en/home.html>

## **CAPITAL PROJECTS UPDATE**

### **Tri-City Psychiatric Health Facility**

Scheduled for completion in early FY 2024-25, the Tri-City Psychiatric Health Facility is a joint venture between Tri-City Healthcare District and the County of San Diego, strategically located within the Tri-City Medical Center in Oceanside, California. This 13,560 square-foot, 16-bed facility is designed to alleviate local hospital pressures by providing short-term inpatient care for individuals whose mental health needs are too complex for outpatient services but do not require acute psychiatric hospitalization. With a total investment of \$27.6 million, this facility aims to fill a critical gap in regional mental health services, enhancing the continuum of care available to residents of North San Diego County.

### **Central Region Community-Based Care Facility**

Planning efforts continue around the development and construction of the Central Region Community-Based Care (CBC) facility, located on County-owned property at 4307 3rd Ave, San Diego, advancing through the pre-construction phase and targeting FY 2027-28 completion date. This facility is anticipated to feature board and care services, emphasizing a transition from acute care to community living and was identified as critically needed services within the Behavioral Health Optimal Care Pathways Model.

### **East Region Crisis Stabilization Unit**

Scheduled to be operational in 2025, the new East Region Crisis Stabilization Unit (CSU) will be developed at 200 S. Magnolia Avenue and West Douglas Avenue in El Cajon, to support the need for psychiatric crisis care in the East County. With a total estimated cost of \$23.3 million, this facility is designed to help deescalate a person's level of distress, prevent or treat a behavioral health crisis, and reduce acute symptoms of a mental health condition.

### **Edgemoor Acute Inpatient Unit**

Progress continues on the development of the new 12-bed acute inpatient unit within the existing footprint of the Edgemoor DP-SNF, which will establish new inpatient care capacity in East County. At a total investment of about \$28 million, construction is set to start in mid-2025 and the facility is expected to be operational by late 2026. This project will be primarily funded through \$16.8 million of state Behavioral Health Continuum Infrastructure Program (BHCIP) funds that were awarded to the County.

## **BHS SPECIAL EVENTS & ANNOUNCEMENTS**

### **Save the Date: National Recovery Month Celebration on August 24, 2024**

Save the Date for the annual National Recovery Month Celebration (NRMC), on Saturday, August 24, 2024.

The NRMC signifies the celebratory kickoff of September, National Recovery Month. The purpose of National Recovery Month is to bring San Diego County's recovery community together and raise awareness for treatment, support programs, and local resources. This national observance celebrates and supports individuals in recovery, those thinking about recovery, and the loved ones accompanying them on their journeys. Join us to commemorate National Recovery Month with valuable resources, fun activities for all, music, and shared stories of hope from those with lived experience.

Further event details for attendees and prospective exhibitors will be shared soon.

Director's Report – June 2024

Respectfully submitted,

A handwritten signature in blue ink, appearing to be 'L. Bergmann', with a stylized flourish at the end.

LUKE BERGMANN, Ph.D., Director  
Behavioral Health Services

c: Eric C. McDonald M.D., Interim Agency Director  
Aurora Kiviat Nudd, Assistant Director and Chief Operations Officer  
Cecily Thornton-Stearns, Assistant Director and Chief Program Officer  
Nadia Privara Brahms, Assistant Director, Chief Strategy and Finance Officer