



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

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TO: Behavioral Health Advisory Board (BHAB)

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

BEHAVIORAL HEALTH SERVICES (BHS) DIRECTOR'S REPORT – MARCH 2024

EXPLORING A PILOT PROGRAM TO EXPAND RECOVERY RESIDENCE UTILIZATION IN NORTH SAN DIEGO COUNTY AND COUNTYWIDE

The County of San Diego (County) is transforming behavioral healthcare by building an array of mental health and substance use services that is distributed across the San Diego County region, enabling people to access and remain connected to care within their own communities. To advance this transformation, BHS continues to enhance mental health and substance use services, workforce, and infrastructure to support individuals in connecting to needed care, including housing that is most conducive to recovery.

With a longstanding commitment to addressing behavioral health and housing needs in the county, on [November 7, 2023 \(28\)](#), the San Diego County Board of Supervisors (Board) took action directing staff to explore a pilot program to expand recovery residence access to support approximately 100 homeless individuals in North San Diego County who are in County-funded outpatient substance use treatment through enhanced investments and report back to the Board in 90 days. In addition, the Board directed staff to identify funding for the recovery residence expansion pilot program and include findings in the report back. The Board also directed staff to explore a plan to expand the pilot program countywide and report back in 180 days.

Subsequently, on [December 5, 2023 \(24\)](#), the Board approved a revision to the American Rescue Plan Act (ARPA) Framework to reallocate \$8.0 million of Evergreen Funds to expand recovery residences in support of housing individuals experiencing homelessness who are currently receiving outpatient substance use treatment or recovery services funded by the County. In addition, the Board directed staff to utilize a lost revenue strategy under the final ARPA guidance based on previously allocated General Purpose Revenue in the HHS General Relief Program and transfer revenue of \$8.0 million from Finance Other, Intergovernmental Revenue to HHS.

The information below offers further information on recovery residences and provides an update on efforts to support increased utilization.

Background

Recovery residences are privately-owned homes or living situations that provide housing to adults with substance use or co-occurring conditions who are experiencing homelessness or living in unsafe environments that are not conducive to their recovery. They are essential to the behavioral health continuum of care as a housing option for individuals currently receiving substance use outpatient treatment or recovery services and otherwise do not have access to housing. While recovery residences are considered transitional housing, there is no maximum length of stay for individuals, however, there are ongoing efforts to connect individuals to more permanent housing options.

Recovery residence operators do not directly contract with the County for services but rather have agreements with local community-based substance use outpatient and opioid treatment program (OTP) providers to secure the housing component. Substance use outpatient and OTP providers are responsible for establishing and maintaining an agreement with recovery residence providers and to monitor compliance of each facility to ensure locations are secure, safe, and free of alcohol and other substances.

Recovery residences support individuals in maintaining sobriety and a healthy lifestyle, however, they do not provide treatment services to individuals. Despite being an option for many, recovery residences are not a viable option for all individuals due to the requirement to maintain sobriety as a condition for utilizing this program.

Recovery Residence Association

The Recovery Residence Association (RRA) provides oversight, support, and tools for local recovery residence operators and their proprietors, owners, and residents to ensure living environments meet quality standards. The RRA implements best practices for recovery residences, along with a training curriculum and support for members and the community. Recovery residences that serve County clients are not currently required to be members of RRA; however, they are actively encouraged to join.

RRA was established as a County-funded program in Fiscal Year (FY) 2018-19 and conducts ongoing outreach and engagement to bring on additional members to ensure facilities providing care to behavioral health clients. Since program implementation, the RRA has consistently increased membership from 12 members and 127 recovery residence beds in FY 2018-19 to 45 members and 515 beds in FY 2022-23. As of October 2023, the RRA had 55 members countywide offering approximately 607 beds. Efforts are also underway to establish a more coordinated and centralized oversight of recovery residences and to enhance data collection practices to ensure clients are connected to housing that meets their needs.

Utilization and Demographic Data

BHS has continued to actively engage with RRA to improve access to recovery residence beds. Since FY 2019-20, utilization of recovery residences has increased dramatically from approximately 1,500 unique clients utilizing about 130,000 bed days countywide, to over 2,500 unique clients utilizing nearly 240,000 bed days in FY 2022-23. This is an increase of approximately 67% in unique client utilization and 85% in bed day utilization. With the addition of recovery residence funding to all OTP contracts, it is anticipated that the number of unique clients utilizing recovery residences and the number of bed days will continue to grow in FY 2023-24.

In FY 2022-23, for approximately 2,500 unique clients receiving substance use outpatient or OTP services, recovery residence funding was utilized with an average length of stay in the recovery residence of 66 days. Of the individuals who utilized recovery residences in FY 2022-23, more than 85% were aged 26-59. Data collected on the race/ethnicity of individuals who utilized these services noted that 49% reported being white, 32% Latino/Hispanic, 11% black, and the remaining 10% reported being Asian/Pacific Islander, Native American, or other. Additionally, of those utilizing recovery

residences, 49% had no justice involvement while 43% were on probation or post release, and the remaining 8% were awaiting trial, on parole, or admitted other diversion from Court.

In terms of utilization across the system:

- Of the 7,225 unique clients receiving substance use outpatient services in FY 2022-23, 1,940 self-reported experiencing homelessness at the time of admission. Of those, 53% (1,031) were connected to a recovery residence.
- Of the 4,676 unique clients receiving OTP services in FY 2022-23, 528 self-reported experiencing homelessness at the time of admission. Of those, 1% (7) were connected to a recovery residence. It is noteworthy that except for two programs, OTPs did not receive recovery residence funding until FY 2023-24.

Although data indicate that 47% (909) of individuals experiencing homelessness and receiving outpatient services and 99% (521) receiving services in OTP settings were not connected to recovery residences, there are various factors that may impact a successful connection of clients to recovery residences. Individuals may be unwilling to maintain sobriety as a condition of utilizing services, be reluctant to live in a congregate living situation and/or share a room with others, refuse to relocate due to the geographic location of the recovery residence, or for other reasons. While recovery residence services may be a viable treatment option for many individuals in need of housing while receiving treatment, many may choose not to do so.

Investments to Increase Utilization

Investments to support recovery residences have steadily grown over the past years. This is critical, as recovery residences are not eligible for Medi-Cal reimbursement and are 100% funded through County Realignment funds. In addition, one-time Substance Abuse Block Grant (SABG) from the American Rescue Plan Act (ARPA) Supplemental funds has been supporting continued operations of recovery residences, which will be available through June 30, 2025. Recovery residence budget was approximately \$2.6 million in FY 2019-20 and has grown to approximately \$9.3 million in FY 2023-24, representing an increase of 258%. Of the \$9.3 million budget, realignment funding totals \$8.0 million embedded within 31 contracted substance use outpatient programs, with an additional \$1.3 million in SABG ARPA Supplemental funding, which is embedded within contracts with 10 OTPs. Funding for recovery residences was added for all OTPs in FY 2023-24, with exception of two OTPs that received this funding during the prior fiscal year. Based on information collected during the first quarter of FY 2023-24, substance use outpatient programs and OTPs are projected to utilize approximately 75% of the total recovery residence budget. This is anticipated to increase as OTPs expand utilization for this newly added service.

On December 5, 2023 (24), the Board approved an additional investment of \$8.0 million allocated to support recovery residences through June 30, 2026. Beginning in Spring 2024, this supplemental funding will be allocated to existing substance use outpatient providers to increase countywide utilization of recovery residences and support individuals who are experiencing homelessness or living in unsafe environments that is not conducive to their recovery. The supplemental funding will also support increased rates to enhance and preserve recovery residence capacity, inclusive of specialty populations such as individuals with children who often experience challenges due to their unique needs. Finally, funding will also be utilized to develop a centralized information system for tracking, reporting, capacity management, and outreach and engagement to further increase utilization and oversight of recovery residence housing.

The supplemental funding for recovery residences will be allocated to existing substance use outpatient programs in FY 2025-26 at an amount proportional to the estimated unique number of homeless clients served by each program, as follows.

Recovery Residence Supplemental Funding Budget	
Fiscal Year	Estimated Funding
2023-24	\$960,000
2024-25	\$3,520,000
2025-26	\$3,520,000
Total	\$8,000,000

Supplemental funding allocations may be adjusted based on utilization, need, and expenditures realized by programs.

Sustainability

Beginning July 1, 2026, recovery residences may become eligible for Behavioral Health Services Act (BHSA) funding through Proposition 1. If passed, this change would be implemented on July 1, 2026. Amongst other impactful changes, BHSA makes substantive shifts to prioritize care for individuals experiencing homelessness, along with adding flexibility to support programming for individuals with substance use disorders. Under this new guidance, recovery residences could be included in the statutorily required annual program and expenditure plan for approval by the Board.

BHS 2024 SPECIAL EVENTS & ACHIEVEMENTS

Critical Issues in Child and Adolescent Mental Health (CICAMH) Conference – April 26, 2024

Registration is now open for the hybrid 9th Annual Critical Issues in Child and Adolescent Mental Health (CICAMH) Conference - Breaking Barriers: Innovative Approaches to Youth and Family Mental Well-Being, to be held on Friday, April 26, 2024. Event details can be found at the following link: <https://cicamh.com>

Children and Youth Mental Health Well Being Celebration – May 11, 2024

BHS, through the National Alliance on Mental Illness (NAMI) San Diego Community Advocacy Program, is hosting the 10th annual Children and Youth Mental Health Well Being Celebration: “Lighting the Path to Social Justice!” on Saturday, May 11, 2024, from 2 p.m. to 6 p.m. at the Grossmont Center Main Courtyard. This event is free of charge, open to the public, and will include a resource fair. To host a resource table, submit an Interest Form at the following link: <https://bit.ly/ResourceFairInterestForm>.

Partial Hospitalization Program (PHP)

A Partial Hospitalization Program (PHP) will soon be available in San Diego. PHP is a non-24-hour, time limited (approximately 5 days for two weeks) treatment program that is hospital-based or community-based in a structured setting. The San Diego PHP will offer Day Intensive treatment services in a therapeutic environment with the goal of stabilization, skill building, and medication management. Services will include individual, family, and group therapy with an educational instruction component. The San Diego PHP will serve children/youth up to age 21 with the primary focus on youth between ages 13-18 with similar clinical needs (i.e., mental health and substance use). Referrals will be available through Emergency Screening Unit, Inpatient hospital, and Intensive Outpatient Program (IOP).

Mental Health Services Act (MHSA) 30-Day Public Review Period

The County of San Diego Behavioral Health Services (BHS) is seeking approval for a one-time transfer of Community Services and Supports (CSS) funds in the amount of \$10 million to the Capital Facilities and Technological Needs (CFTN) component for the development and construction of the East Region Crisis Stabilization Unit. The total cost for the project is estimated at about \$28 million. BHS will pursue and potentially leverage other funding sources for the remaining costs associated with this project,

which may include Opioid Settlement Funds, grant funds, and others, if available. If other funding is not received, a future request to shift additional MHSA funds to support this project may be requested. The amendment shifting \$10 million of funding from the CSS component to the CFTN component will be reflected in Fiscal Year (FY) 2023-24 budget within the MHSA Three-Year Program and Expenditure Plan for Fiscal Years 2023-24 through 2025-26.

The California Code of Regulations §3420.10 allows for the transfer of excess funds from CSS component to Prudent Reserve, CFTN, and Workforce Education and Training (WET) components. The proposed amendment will be posted for the public to access on the BHS website and the Clerk of the Board office for a 30-day public review and comment period, as required. The review period will begin March 5, 2024, and end on April 4, 2024, with a public hearing at the April 4, 2024, Behavioral Health Advisory Board (BHAB) general meeting. The MHSA Amendment is anticipated to be presented at the May 21, 2024, Board of Supervisors meeting for review and approval, as required by the Mental Health Services Oversight & Accountability Commission (MHSOAC).

Respectfully submitted,

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