



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 23-626

Board Meeting Date: 7/25/2023

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise F. Rogers, Chief, San Mateo County Health  
Jei Africa, Director, Behavioral Health and Recovery Services

**Subject:** Agreement with Mental Health Association of San Mateo County for Housing and Housing-Related Mental Health Services, Rehabilitation Services, and Flexible Fund Administration

### **RECOMMENDATION:**

Adopt a resolution authorizing an agreement with the Mental Health Association of San Mateo County for housing and housing-related mental health services, rehabilitation services, and Flexible Fund administration, for the term of July 1, 2023 through June 30, 2026, in an amount not to exceed \$7,989,866.

### **BACKGROUND:**

For many years, the Mental Health Association of San Mateo County (MHA) has contracted with Behavioral Health and Recovery Services (BHRS) to provide shelter, supported housing, and other mental health rehabilitation services to County clients. These services focus primarily on providing community-based alternatives for BHRS clients who are: at risk of an acute, inpatient psychiatric admission; placed in a locked skilled nursing facility; or becoming homeless. In addition, MHA administers the Flexible Funds, which may be used to purchase unique services for BHRS clients, such as food, shelter, clothing, and other basic necessities. MHA's Flexible Funds help clients maintain independent living in the community, remain engaged in mental health services, and avoid hospitalization.

### **DISCUSSION:**

MHA will continue to provide rehabilitation services for seriously mentally ill adults with co-occurring disorders and emergency short-term housing at the Spring Street Emergency Shelter for homeless clients. MHA will also provide Shelter Plus Care Project coordination, operate the Friendship Center, and administer Flexible Funds for BHRS' Adult and Older Adult Services and its Pathways Program. MHA will provide on-site housing supportive services to nine seriously mentally ill adults who are either chronically homeless or at risk of chronic homelessness housed in the No Place Like Home

housing units in East Palo Alto. Additionally, funding will allow Transition Age Youth clients who had no ability to pay rent at the time of admission to enter the housing support program while working toward financial self-sufficiency.

Mental Health Resource Center (MHRC) facilities like MHA have established expertise in serving clients with complex behavioral health needs. California is currently confronting a shortage of MHRC facilities like MHA, which provides acute, psychiatric, and subacute beds within the State. This shortage results in high bed occupancy rates and long waitlists for placements, meaning that clients stay at the more costly acute levels of care until an MHRC placement is available. San Mateo County clients continue to suffer the detrimental effects of this MHRC bed shortage. To illustrate: BHRS currently has eight clients who have been waiting for over four months in acute facilities for placement at an MHRC.

The needs of the clients served by MHRC facilities and the uniqueness of the MHRC market inform the procurement approach that the County has adopted for this contract, in addition to the B-1 Administrative Memo exception for Housing Services and Related Supports.

The resolution contains the County's standard provisions allowing amendment of the County's fiscal obligations by a maximum of \$25,000 (in aggregate).

This agreement has been delayed due to prolonged contract negotiations with the provider.

The agreement and resolution have been reviewed and approved by the County Attorney as to form.

It is anticipated that 90% of clients in supportive housing will not be hospitalized.

**PERFORMANCE MEASURE:**

Measure	FY 2022-23 Actual	FY 2023-24 Projected
Percentage of clients in supportive housing that are not hospitalized	99% 196 clients	90%* 177 clients

\*Percentage for FY 2023-24 is lower as there is variability in the data BHRS receives for the number of hospitalizations.

**FISCAL IMPACT:**

The term of the agreement is July 1, 2023 through June 30, 2026. The amount of the agreement is not to exceed \$7,989,866 for the three-year term. Funds in the amount of \$2,661,922 are included in the FY 2023-24 Recommended Budget. Of the FY 2023-24, it is anticipated that that \$510,728 will be funded by the Mental Health Services Act, \$470,080 will be funded by Short Doyle Federal Financial Participation FFP, \$998,763 will be funded by 1991 Realignment and \$682,351 will be funded by Net County Cost. Similar arrangements will be made for the future years.