

California Behavioral Health Planning Council Housing and Homelessness Committee Agenda

Thursday, January 20, 2022
8:30 am to 12:00 am

Zoom Meeting Link:

<https://us02web.zoom.us/j/89961966112?pwd=bzBibHdMSFNHUEpzeFJTdmZjUnVCdz09>

Join by Phone: (669) 900-6833

Meeting ID: 899 6196 6112

Password: 875817

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|----------|---|-------|
| 8:30 am | Welcome and Introductions
<i>Vera Calloway, Chairperson</i> | |
| 8:35 am | Nomination of Chair-Elect/ Changing of Officers
<i>Vera Calloway, Chairperson</i> | Tab 1 |
| 8:45 am | Approve October 2021 Meeting Minutes
<i>Monica Caffey, Chairperson and All Committee Members</i> | Tab 2 |
| 8:50 am | CBHPC ARF Advocacy Efforts Update
<i>Vera Calloway, Past Chairperson and Monica Caffey Chairperson</i> | Tab 3 |
| 9:15 am | Public Comment | |
| 9:20 am | BH Continuum Infrastructure Program Update
<i>Marlies Perez, Chief, Community Services Division, DHCS</i> | Tab 4 |
| 9:50 am | Break | |
| 10:05 am | Community Care Expansion Update
<i>Nija Fountano, Manager, Housing and Homelessness Branch, DSS</i> | Tab 5 |
| 10:35 am | Public Comment | |
| 10:40 am | Discussions of Committee's Next Steps
<i>Monica Caffey, Chairperson and All Committee Members</i> | Tab 6 |
| 11:55 am | Public Comment | |
| 10:00 am | Adjourn | |

The scheduled times on the agenda are estimates and subject to change.

Officers: Monica Caffey, Chairperson

Committee Members: Barbara Mitchell, Lorraine Flores, John Black, Arden Tucker, Darlene Prettyman, Deborah Starkey, Vera Calloway, Tim Lawless, Angelina Woodberry

If reasonable accommodations are needed, please contact the CBHPC at (916) 701-8211 no less than 5 working days prior to the meeting date.

**California Behavioral Health Planning Council
Housing and Homelessness Committee (HHC) Meeting**

Thursday, January 20, 2022

Agenda Item: Nomination of 2022 Committee Chair-Elect

Enclosures: None

How This Agenda Item Relates to Council Mission

To review, evaluate and advocate for an accessible and effective behavioral health system.

The Chairperson and Chair-Elect lead their committee with a focus on supporting the Council's mission through their work.

Background/Description:

Each standing committee shall have a Chairperson and Chair-Elect. Monica Caffey is the Chairperson as of this meeting for the Housing and Homelessness Committee. The committee members shall nominate a Chair-Elect to be submitted to the Officer Team for appointment.

The role of the Chair-Elect is outlined below:

- Facilitate the Housing and Homelessness Committee meetings as needed, in the absence of the Chairperson
- Assist the Chairperson and staff with setting the committee meeting agenda and committee planning
- Participate in the Executive Committee Meetings
- Participate in the Mentorship Forums when the Council resumes meeting in person.

Motion: Nomination of a committee member as the Chair-Elect.

**California Behavioral Health Planning Council
Housing and Homelessness Committee (HHC) Meeting
Wednesday, January 19, 2022**

Agenda Item: Approve October 2021 Meeting Minutes

Enclosures: Draft Minutes for October 2021 HHC Meeting

Background/Description:

The Committee members are to discuss any necessary edits and vote on the acceptance of the draft minutes presented for the October 2021 meeting.

Motion: Accept and approve the October 2021 Housing and Homelessness Committee Minutes.

CBHPC

HOUSING AND HOMELESSNESS COMMITTEE

October 21, 2021 Meeting Summary

Members Present:

Vera Calloway, Chairperson
Monica Caffey, Chair-Elect
Barbara Mitchell
Lorraine Flores

Deborah Starkey
Steve Leoni
Angelina Woodberry
Darlene Prettyman

CBHPC Staff Present:

Jane Adcock, Executive Officer, Naomi Ramirez

Welcome and Introductions:

Roll call and introductions were completed. Vera Calloway, Chairperson facilitated the meeting.

Approve June 2021 Meeting Minutes:

A motion to approve the June 2021 minutes with no amendments or edits was made by Darlene Prettyman, and seconded by Monica Caffey. The motion passed with no abstentions.

Los Angeles County ARF Update:

Maria Funk, Deputy Director at Los Angeles County Department of Mental Health presented to the committee on their county's residential care program, board and care initiatives and their efforts related to the pandemic. Los Angeles County Department of Mental Health (DMH) Enriched Residential Care Program (ERC) was created to provide funding for DMH clients diagnosed with serious mental illness (SMI) with higher acuity who would benefit from the higher level of care offered by board and care facilities. Maria shared that the county pays the board and care rate, personal and incidental, and the enhanced services rate. The program also provides ongoing mental health services, many through Full Service Partnerships (FSPs). The county's efforts through this program have contributed significantly to keeping many board and cares in operation.

The county's first initiative includes a bed tracking system called the Mental Health Resource Location Navigator (MHRLN) which provides a real-time bed tracking tool in collaboration with Department of Health Services (DHS). The second, a licensed residential facility member association which informs members of legislation, funding opportunities and resources, as well as hosting trainings and other educational events. Third, their capital improvements project that allocated \$11.2 million for maintenance and capital improvements needs in adult residential facilities (ARFs) and residential care facilities for the elderly (RCFEs). The capital improvements will help prepare the county for state funding for community care expansion. Maria also discussed how Los

Angeles County has been at the forefront of COVID-19 response for licensing facilities. She reported that DMH, Department of Public Health (DPH), Community Care Licensing Division (CCLD), Veterans Affairs (VA) and DHS collaborate for this effort by providing training, technical assistance, and telephonic response to outbreaks. Lastly, since January 2021 and the implementation of the data collection bill AB 1766, the county has begun receiving data reports from CCLD on their care facilities.

Hector Ramirez encouraged getting feedback from consumers of the board and care facilities in addition to providers.

Steve Leoni inquired if there are services offered within the board and cares that help prepare persons to live long term in permanent supportive housing. Steve also asked how Los Angeles County is managing extra funding for board and cares.

Response: Maria reported that the goal is to provide a range of housing options for clients. She emphasized that some people do require the support that board and care provide, especially for persons with additional medical issues. Maria reported that Los Angeles County is using one-time Mental Health Services Act (MHSA) money to invest in the capital improvements and membership association as well as funding the enhanced rate. They are also utilizing Substance Abuse Mental Health Services Administration (SAMHSA) funding to provide subsidies.

Barbara Mitchell asked when the survey was conducted if asked about serious substance use issues, citing its significant issue in board and cares.

Response: Maria reported that collecting substance use information was not included in final bill language of AB 1766 but acknowledged the issue. She did share that the enhanced care rate sometimes pay more for persons with substance use issues. Maria stated that they are engaging with DPH and Department of Substance Abuse Prevention and Control who have developed a pilot program for substance use services which will expand the work of board and care facilities.

Public Comment:

Diana, a member of the public, stated that one thousand (dollars) through the enhanced care rate is not sustainable and inquired about the potential for room and boards for helping homeless.

Response: Maria reported the importance of having available all types of housing to support people and providing rental subsidies.

ARF Budget Update:

Julie McQuitty, in place of Corrin Buchanan, from the Department of Social Services (DSS) Housing and Homelessness branch, spoke to the committee on the Community Care Expansion (CCE) Program which was established by AB 172 and appropriated \$805 million available over three years. Julie cited that the state budget supports seniors and adults with disabilities with \$3 billion in combined funding through

competitive grants to construct, acquire, and rehabilitate real estate assets. She shared that the funds are available through the CCE through the Department of Social Services (DSS) and the Behavioral Health Continuum Infrastructure Program through DHCS. The funding will expand support and services to persons at risk for homelessness or experiencing homelessness who also have behavioral health conditions. Julie emphasized that increasing the state housing and care continuum will ensure better treatment outcomes and reduce homelessness and unnecessary institutionalization. She reported that DSS and DHCS are closely collaborating on infrastructure programs and will hold combined stakeholder meetings.

Catherine Moore suggested adding information on initiatives to the HHC committee webpage to increase accessibility. She also inquired if there is a bed availability goal.

Response: Julie reported they are awaiting stakeholder feedback. She reported that they will ensure outcomes that are intended for increasing access to care.

Steve Leoni asked about the goal of the expansion programs as part of the housing continuum.

Response: Julie reported the goal of the programs is to place people in housing based on needs and welcomed stakeholder feedback. CCE is one component amid a large continuum. Julie highlighted that these programs will help seniors and adults have access to housing based on needs and recognize the importance of living in community.

Hector Ramirez expressed the importance of beneficiaries being a part of the stakeholder process.

A member of the public inquired about the Council's 2018 ARF white paper and if calculations are up to date.

Response: Jane Adcock reported that the calculations are out of date, and will need to be updated.

Barbara Mitchell suggested doing a survey of residential care homes based on her experience in her county. In her county of Monterey, the survey showed that there were less than 5% that wanted to stay in their current placement. She suggested creating specialized housing programs with additional supportive services and conduct a sampling of people to find out what would improve their lives.

Public Comment:

Desiree Alvarado, a member of the public who is an owner of a residential facility for persons with SMI who are supported by Supplemental Security Income (SSI) shared her concerns. She reported many challenges to remain open and for the past two years

almost closed the facility because of the minimum wage increase. Desiree emphasized the need for education for providers and consumers. Cited the struggle to remain operative with \$1000 a month. Desiree expressed that she is hopeful for reform so she can keep her facility open and care for the needs of her vulnerable clients.

Discussion of Next Steps:

Will be discussed at future meeting.

CBHPC ARF Advocacy Efforts:

Chairperson, Vera Calloway provided brief update on ARF advocacy efforts. She reported they held a listening session in July 2021 and will allow for more people next time. Vera also reported she met with the governor's chief of staff to present ARF concerns as well as DSS. This agenda item will be further discussed at a future meeting for next steps.

Nomination of Chair-Elect:

Committee meeting did not permit enough time to complete this agenda item.

Meeting Adjourned at 10:08am

**California Behavioral Health Planning Council
Housing and Homelessness Committee (HHC) Meeting**

Thursday, January 20, 2022

Agenda Item: CBHPC ARF Advocacy Efforts

Enclosures: 2021 ARF Governor Briefing Overview

2021 ARF Budget

How This Agenda Item Relates to Council Mission

To review, evaluate and advocate for an accessible and effective behavioral health system.

This agenda item provides the committee a summary of the advocacy activities the HHC has engaged in to help address the current Adult Residential Facilities (ARFs) crisis to date.

Background/Information:

Vera Calloway, HHC Past Chairperson and Monica Caffey, HHC Chairperson, will provide an update on the Council's ARF advocacy efforts that have taken place from June 2021 to date. This update will include the key takeaways from the ARF Operators Listening Session the committee hosted on July 29, 2021, the subsequent meeting with the Governor's office to discuss next steps, and meetings with the California Association of Social Rehabilitation Agencies (CASRA) and the Community Care Licensing Division within the Department of Social Services.



What is an ARF?

Adult Residential Facilities (ARFs), licensed to serve persons with mental illness, were written into the law in the 1970s when the state hospitals were closing to provide an alternative housing model in a family home-like setting for former residents of the hospitals. ARFs are non-medical facilities, licensed by the Department of Social Services, that provide room, meals, housekeeping, supervision, storage and distribution of medication, and personal care assistance with basic activities like hygiene, dressing, eating, bathing and transferring. ARFs serve individuals aged 18-59 and Residential Care Facilities for the Elderly (RCFEs) serve persons 60 years of age and older.

Presently, the three most common populations served in ARFs are persons with developmental/intellectual disabilities, persons with serious persistent mental illness and the elderly. Our focus is on the needs of adults with serious, chronic and persistent mental illness who are not able to live successfully in independent housing, even with onsite supports.

Why are they important?

Many individuals with chronic persistent mental illness are not able to obtain sustainable community housing with the appropriate level of care following stays in acute in-patient treatment programs, hospitals, Short-Term Crisis Residential or Transitional Residential Treatment Programs and/or correctional institutions. This results in a “revolving door scenario” where people are discharged or released from one of the above and then are unable to find appropriate residential care or housing. Thus, another mental health crisis ensues, resulting in a return to high-level crisis programs, facilities, hospitals, jails/prisons or homelessness. Expensive both in terms of cost and human toll.

Not everyone living with serious mental illness, nor all persons who are homeless, will thrive in an independent living situation even with supportive services. Adults with debilitating mental illness, who are unable to care for themselves, deserve and need community-based home-like housing that provides the necessary care and supervision. The ARF is an essential element on the housing continuum and without a sufficient number of them, the revolving door scenario will continue and we will continue to spend billions on homelessness.

What is the problem?

Residents in ARFs have chronic mental disabilities that require 24 hour care and supervision. Yet despite this level of care needed, the daily “rate” paid to an ARF operator for a resident whose sole source of income is SSI/SSP is just \$36. (\$1217 per month for non-medical out of home care minus \$134 client incidentals = \$1083)

Operators of these facilities are being crushed by the unsustainability of this business model and are constantly facing increasing costs on all fronts (minimum wage, transportation, insurance costs, utility increases and accumulated deferred maintenance). Additionally, the wear and tear on these facilities is tremendous so maintenance is frequently deferred often resulting in licensing citations.

ARFs and RCFEs are closing at an alarming rate because of the financial strain. Many current operators started during the 1970-80s and consider their residents to be family. But those operators are now aging, unable to continue and no one is willing to take on the financially-failing business. They constantly receive offers to sell. Many now do sell their property for millions of dollars so new high-rent housing can be established.

Once a facility is closes, it is almost impossible to recover the lost beds. “Not In My Backyard” community resistance stops the approval of new use permits in every county and every community in California. Furthermore, the existing residents in a closing facility may not be able to find other placements and end up homeless and without necessary mental health care.

On a recent call, one operator threw out the barest numbers for daily cost per resident: \$20 for rent, \$15 for meals, \$20 insurance, \$20 payroll, \$7 utilities, \$5 for repairs = \$87. This is more than double the daily rate allowable under SSI/SSP and none of those figures is remotely adequate for actual costs of needed care nor to meet the level of regulatory requirements for licensure. One cannot find a safe hotel room in California for \$87 much less one that comes with 3 adequate meals and 24hr staff supervision including monitoring and distribution of medication. In no other industry does an owner/operator work 24/7 for so little money. The facilities are continually run at the edge or at a loss. There is no profit, operators do it solely as a labor of love.

The Planning Council recently heard from an owner/operator in Santa Clara County who has been in business since 1972. They have many residents, all of whom they consider to be family. The family running the facility has used all of their retirement savings to keep the facility afloat and are currently several million dollars in debt. Because they are located in Silicon Valley, they receive numerous offers to sell. He has been forced to do the impossible and says there is undue stress on an industry that originally started to help people with disabilities to simply live in their communities. “This is a disgrace on America, how little these people are valued in comparison to other industries”.

Solution

A minimum daily rate of \$125 for residents of ARFs receiving SSI/SSP that is adjusted regularly for inflation, is needed. A higher rate is needed for individuals with higher levels of care/equipment needs. A monthly rate of \$3750 as a minimum is required. The

Planning Council recommends exploring establishing tiered levels of care, with different licensing categories established to allow for higher rates to be paid to accommodate augmented care and supervision when required, for example, to meet the needs of individuals who are incontinent or non-ambulatory. Tiers are used in the Regional Center system.



Governor's 2021-22 Budget

Financial Need: The financial strain on ARFs is multi-pronged.

First, the facilities receive an insufficient amount of “rent” income each month from a resident who has debilitating mental illness and whose sole source of income is SSI/SSP to cover the minimum basic daily operating costs. *A minimum rate of \$3750 per month/daily rate of \$125 is desperately needed.*

Second, because of the insufficient revenue to cover daily operating costs, any needed maintenance, repairs or rehabilitation of the facility are not done. The residents of ARFs are in the facility 24 hours a day. They are adults who, for the most part, do not have physical disabilities so they are active. The plumbing, walls, flooring, heating and air conditioning, hot water heaters, etc., all experience more demand and use than the average home. There is no reserve available to address the needs of the facility. Eventually, items fall into such disrepair that a citation is issued by Dept of Social Services Community Care Licensing staff. Over time, the multiple citations and/or unaddressed citations result in fines, which the operator cannot afford, and which ultimately result in license revocation and closure. *Until operators can catch up with sufficient monthly income to establish their own maintenance reserves, grants for deferred maintenance need to be made available to avoid future citations, fines and closures.*

Third, because of the significant losses incurred by insurance companies to address the many natural disasters that have and are occurring in California, most insurance companies are no longer offering policies in our state. The few companies that remain take advantage of the lack of competition and charge exorbitant and rising rates. Insurance is a requirement for licensure so it is a mandatory cost that must be born. *A state-supported insurance pool is needed to safeguard the facilities, the residents and the licenses for this critical housing option.*

Financial Support: For Fiscal Year 2021-22, Governor Newsom has included some potential supports for ARFs/RCFEs in the state budget. Implementation details and defining policies for eligible entities and specific use of the funding are still forthcoming. The below items are not explicit in addressing the need for an ongoing augmented

funding source to provide sufficient monthly revenue to cover the actual operating costs for ARFs and RCFEs serving persons receiving SSI/SSP.

First, **Community Care Expansion Program** provides funding to expand and preserve ARFs and RCFEs. The funding can be used for the acquisition, rehabilitation or construction of facilities. The goal of this program is to expand and preserve Adult and Senior Care facilities that can serve people experiencing homelessness as well as stabilize existing settings that serve people at risk of homelessness or unnecessary institutionalization in skilled nursing facilities. \$55M will be set aside to establish a capitalized operating subsidy reserve for ARFs and RCFEs who serve individuals whose sole income is SSI/SSP. CDSS will administer these funds.

We are uncertain whether the COSR is the \$1000 per month per resident stipend proposed in SB 648. If so, adding \$1000 to the existing \$1083 falls short by more than \$1600 per month. \$2083 is only \$69 per day leaving operators in financially impossible position.

Second, **BH Continuum Infrastructure Program** provides funding for grants to qualified entities to construct, acquire and rehabilitate real estate assets to expand the community continuum of behavioral health treatment resources. DHCS will administer these funds.

We are uncertain whether ARFs/RCFEs will qualify under this program. If so, an increase in the number of facilities will help with demand but this program does not address the need for an augmented daily/monthly rate needed for financial stability.

Third, **Community Based Residential Continuum Pilots** provide medical and supportive services in the home, independent living settings including permanent supportive housing, and community care settings (home, ARFs, RCFEs, affordable housing) in order to avoid unnecessary healthcare costs, including emergency services and future long-term care placement in a nursing home. DHCS will administer these funds.

We already know that the current daily rate does not provide for even the most basic needs, much less robust, programs to support recovery and improve the quality of life of residents in ARFs. This program may result in needed support to operators in meeting the emotional, mental and social needs of the residents.

The Planning Council believes that the ARF/RCFE is an essential element on the housing continuum and without a sufficient number of them, the state will continue to spend billions on homelessness, more expensive levels of care and untreated mental illness. In order for that to happen, the three financial needs presented in this paper must be addressed sooner than later.

**California Behavioral Health Planning Council
Housing and Homelessness Committee (HHC) Meeting**

Thursday, January 20, 2022

Agenda Item: BH Continuum Infrastructure Program Update

Enclosures: None

How This Agenda Item Relates to Council Mission

To review, evaluate and advocate for an accessible and effective behavioral health system.

This agenda item provides an opportunity for the committee to stay informed provide feedback on initiatives that will help address the current Adult Residential Facilities (ARFs) crisis.

Background/Information:

Governor Newsom included the Behavioral Health Continuum Infrastructure Program budget for Fiscal Year 2021-22, which will be administered by the California Department of Health Care Services (DHCS). Marlies Perez, the Chief of the Community Services Division with the DHCS will provide an update on the implementation and planning.

**California Behavioral Health Planning Council
Housing and Homelessness Committee (HHC) Meeting**

Thursday, January 20, 2022

Agenda Item: Community Care Expansion Implementation Update

Enclosures: None

How This Agenda Item Relates to Council Mission

To review, evaluate and advocate for an accessible and effective behavioral health system.

This agenda item provides an opportunity for the committee to stay informed provide feedback on initiatives that will help address the current Adult Residential Facilities (ARFs) crisis.

Background/Information:

Governor Newsom included the Community Care Expansion Program budget for Fiscal Year 2021-22, which will be administered by the California Department of Social Services (CDSS). Nija Fountano, the CCE Program Manager with the CDSS will provide an update on the implementation and planning.

**California Behavioral Health Planning Council
Housing and Homelessness Committee (HHC) Meeting**

Thursday, January 20, 2022

Agenda Item: Discussions of Committee's Next Steps

Enclosures: none

How This Agenda Item Relates to Council Mission

To review, evaluate and advocate for an accessible and effective behavioral health system.

This agenda item is intended to provide all committee members time to discuss all of the updates they received during the meeting and provide them with an opportunity to discuss the next steps the committee would like to focus on.