

**MEMORANDUM**

March 17, 2021

TO: Health and Human Services Committee

FROM: Vivian Yao, Legislative Analyst

SUBJECT: **Worksession – Amendment to FY21-26 Capital Improvements Program (CIP) and FY21 Capital Budget, Department of Health and Human Services (DHHS)**

PURPOSE: Review and make recommendations on CIP amendment

*Those expected to attend this worksession:*

- Rolando Santiago, Chief, Behavioral Health and Crisis Services, DHHS
- Richard Kunkel, Behavioral Health and Crisis Services, DHHS
- Deborah Lambert, Office of Management and Budget
- Greg Ossont, Deputy Director, Department of General Services

The Health and Human Services (HHS) Committee will review the County Executive's recommended amendment for Avery Road Treatment Center in the DHHS FY21-26 CIP. The proposed amendment for the School-Based Health & Linkages to Learning Center project will be reviewed by the Joint HHS and E&C Committee on March 24. The proposed amendment for the Emergency Homeless Shelter project will be reviewed at a Joint HHS & PHED Committee meeting to be scheduled in conjunction with operating budget review of homeless services.

The recommended amendment is attached ©1-2, and the approved project description form is attached at ©3-5.

**Avery Road Treatment Center (\$000)**

(in 000s)	Total	FY21	FY22	FY23	FY24	FY25	FY26	Total 6 years FY21-26
<b>Approved FY21-26</b>	10,016	7,140	2,008	0	0	0	0	0
<b>CE Rec. Amend</b>	10,016	746	0	0	0	0	0	0

*Recommended funding sources: 1.714 million in G.O. Bonds, \$4.357 million in PAYGO, and \$3.945 million in State Aid. An additional contribution of \$5 million from the nonprofit partner was not included in the PDF.*

*No requested FY21 or estimated FY22 appropriations.*

**Project Description:** The project provides for the replacement of the existing Avery Road Treatment Center (ARTC), which provides residential, non-hospital detoxification and intermediate care services for adults through 20 medical detox and 40 intermediate care beds. Potomac Health Care Foundation Ltd<sup>1</sup> (PHF) will construct and operate a new 64 bed facility through a 30-year long-term land lease and program operation services delivery agreement. The new facility will provide medical detox and intermediate case services and will house an outpatient mental health and substance abuse treatment program supported by Medicaid reimbursements.

**Amendment (Schedule & Funding Sources):** The proposed amendment provides an accelerated project schedule as well as changes to the sources of funding. Executive staff reports that the phased move-in to the facility begins this week with relocating non-clinical teams, setting-up supply rooms, stocking the kitchen, and completing IT set ups. The clinical team and clients will come on or about April 1.

The changes to the funding sources are reflected in the following table, which shows a decrease to State funding, increase to PAYGO and decrease to G.O. Bonds.

	G.O. Bonds	PAYGO	State Funding
Approved PDF	\$5,208,000	\$669,000	\$4,139,000
CE Rec. Amendment	\$1,714,000	\$4,357,000	\$3,945,000
Change	(\$3,494,000)	\$3,688,000	(\$194,000)

**Council staff recommendation:** Approve as recommended.

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<sup>1</sup>PHF is the not-for-profit foundation associated with Maryland Treatment Centers, the current program provider.