

**COUNTY OF MILWAUKEE**  
Inter-Office Communication

**DATE:** January 22, 2021

**TO:** Supervisor Marcelia Nicholson, Chairwoman, Milwaukee County Board of Supervisors

**FROM:** Shakita LaGrant-McClain, Director, Department of Health and Human Services

**SUBJECT:** **An informational report from the Director, Department of Health and Human Services, providing an update on the new Mental Health Emergency Center Joint Venture between the Behavioral Health Division and 4 private health system partners in collaboration with the Milwaukee Health Care Partnership.**

**Background**

For the past decade, the Department of Health and Human Services - Behavioral Health Division (BHD) has been engaged in a long-term transition to a more community-based continuum of care for residents needing mental health and substance use treatment and services. The County is currently in the process of closing Milwaukee County's Mental Health Complex (MHC) inpatient units and shifting services to a contract with a private provider for inpatient behavioral health services. The MHC is also the site of the BHD-operated psychiatric emergency department and observation unit (known as Psychiatric Crisis Services or PCS). With the shift to contracted inpatient units, it no longer makes programmatic or financial sense for BHD to operate a freestanding PCS at this site but there is still a strong need for a psychiatric emergency department in our community.

To continue this important service, BHD has partnered with the 4 private health systems in collaboration with the Milwaukee Health Care Partnership to create the new Mental Health Emergency Center. The Mental Health Emergency Center will allow for BHD to continue to satisfy its statutory responsibility to provide crisis mental health services to people who are a danger to themselves or others, and will be a key community resource supporting the entire continuum of crisis services for adults and youth. This new facility will be located on county-owned property at 12<sup>th</sup> and Walnut on the northern end of the existing parking lot that serves the Marcia P. Coggs Center.

The facility will serve all residents regardless of ability to pay. Revenues are not anticipated to fully cover costs of providing care. The private healthcare partners have agreed to subsidize 50 percent of the operational deficit with the remaining subsidy coming from Milwaukee County. This project represents an innovative public-private partnership aimed at providing high quality emergency mental health services in a location that is convenient and accessible.

The Mental Health Emergency Center is an important component of a larger shift to more community-based and person-centered services. BHD continues to expand crisis services with the creation of a new Crisis Resource Center, new crisis stabilization facility and programming, and expanded Comprehensive

Community Services programming and enrollment. BHD is partnering with area Federally Qualified Health Clinics to embed mental health services in communities that need additional access. The Mental Health Emergency Center will serve as an important bridge to other treatment opportunities and connections.

### **Discussion**

The final step in financing this project is in securing Milwaukee County's 50 percent share of the \$12 million construction costs for the Mental Health Emergency Center. The private system partners are funding the other 50 percent of construction costs separately with their own contribution. Once funding is secured, the construction can move forward with a target open date of spring 2022.

In collaboration with the Comptroller's Office, DHHS has narrowed down financing options for the new Mental Health Emergency Center to two options:

1) County Board approved bond financing of the \$6 million:  
This option would require the County to seek bond funding off cycle. Approval of this measure may also put Milwaukee County above the self-imposed bond cap.

2) County Board guarantee for private loan of the \$6 million:

This option may result in a higher interest rate. This would result in higher debt service costs that could otherwise support mental health programming and functions.

Either of these options would not require additional investment from Milwaukee County; BHD will be funding loan repayments through operating funds.

### **Next Steps**

Given the timeframe for the construction of the new center, DHHS would need to submit a request to the County Board with a recommended financing option for approval in the March cycle. We understand that the board may have questions about the proposal. We will be available over the next month to answer any questions that may arise.

### **Recommendation**

This report is informational, and no action is required.

*Shakita LaGrant-McClain*

Shakita LaGrant, Interim Director

Department of Health and Human Services

cc: County Executive David Crowley  
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