



# BOARD OF SUPERVISORS AGENDA LETTER

**Agenda Number:**

**Clerk of the Board of Supervisors**  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Submitted on:**  
**(COB Stamp)**

**Department Name:** Behavioral Wellness  
**Department No.:** 043  
**Agenda Date:** June 3, 2025  
**Placement:** Administrative Agenda  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

**TO:** Board of Supervisors  
**FROM:** Department Director: Antonette Navarro, LMFT, Director  
Department of Behavioral Wellness  
Contact Info: Melissa Wilkins, MPH, CADC-II, CCPS, Branch Chief  
Department of Behavioral Wellness  
**SUBJECT:** **First Amendment to the Services Agreement (BC #23-212) with Sanctuary Centers of Santa Barbara, Inc. for Alcohol and Drug Program Services for Fiscal Year 2023-27**

## County Counsel Concurrence

As to form: Yes

**Other Concurrence:** Risk Management

As to form: Yes

## Auditor-Controller Concurrence

As to form: Yes

## **Recommended Actions:**

That the Board of Supervisors:

- a) Approve, ratify, and authorize the Chair to execute a First Amendment to the Agreement for Services of Independent Contractor (BC #23-212) with **Sanctuary Centers of Santa Barbara, Inc.** (a local vendor) to update certain standard terms and service codes in compliance with state and federal requirements and increase the contract amount by \$211,500 for a revised, total maximum contract amount not to exceed **\$9,347,900**, with no change to the contract term of December 5, 2023, through June 30, 2027; and
- b) Determine that the above-recommended action is not a project that is subject to environmental review under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines section 15378(b)(4), finding that the actions are governmental funding mechanisms and/or fiscal activities that will not result in direct or indirect physical changes in the environment.

## **Summary Text:**

The above-referenced item is on the agenda for the Board of Supervisors to approve, ratify, and authorize the Chair to execute the First Amendment to the Agreement for Services with Sanctuary

Centers of Santa Barbara, Inc., a community-based organization that provides Outpatient Treatment Services for the community. This Amendment is to update the service codes and Schedule of Rates for Outpatient Medical and Non-Medical Direct Services, increasing the Contract Maximum by \$211,500 for a revised total maximum contract amount of **\$9,347,900**, inclusive of \$2,284,100 for FY 2023-24, and \$2,354,600 for each FY 2024-25, FY 2025-26, and FY 2026-27, with no change to the term of December 5, 2023, through June 30, 2027.

### **Background:**

The Department of Behavioral Wellness (BWell) provides a continuum of mental health and substance use disorder services to Santa Barbara County residents, in part, through contracted providers including community-based organizations. Sanctuary provides substance use disorder treatment services to adults and Transition-Age Youth in South Santa Barbara County. These services include outpatient services and intensive outpatient services. In the FY 2023-27 agreement, Sanctuary provides early intervention services to adults and transitional-age youth ages 18-20. Treatment services include: assessment, care coordination, clinical consultation, counseling (group and individual), family therapy, medication services, medication-assisted treatment (MAT) for opioid use disorders, MAT for alcohol use disorders and non-opioid substance use disorders (SUD), patient education, recovery services, peer support services, and SUD crisis intervention services.

BWell is required by the California Department of Health Care Services (DHCS) to select providers for Alcohol and Drug Program (ADP) SUD services through a competitive bidding process. BWell's previous request for proposals (RFP) for outpatient treatment services took place in 2017. In anticipation of statewide California Advancing and Innovating Medi-Cal (CalAIM) reforms, effective July 1, 2023, BWell released six RFPs for various ADP SUD services, including outpatient treatment services, in October 2022. Sanctuary was selected to provide outpatient treatment services in the South County region for FY 2023-27.

CalAIM Behavioral Health Payment Reform has resulted in significant changes to the standard contract terms and entire payment and reimbursement structure for Medi-Cal providers. Due to the establishment of a new rate structure by DHCS, Medi-Cal providers have renegotiated their rates as they transition to a fee-for-service payment model, resulting in a higher maximum contract amount.

BWell requests to amend this Agreement to update standard terms, the Schedule of Rates, the Schedule of Codes, and to increase the contract amount by \$211,500 for a new contract total of \$9,347,900 to allow Sanctuary to continue to provide necessary substance use disorder services. These new rates are 2.5% higher than the FY23-24 Drug Medi-Cal rates. All other Drug Medi-Cal providers received similar rate increases.

### **Performance Measures:**

The FY 23-27 Agreement contains performance measures to monitor program implementation and improve staff proficiency. Program goals, outcomes, and measures can be found in Exhibit E of the Agreement. Sanctuary provides reports on program outcomes every quarter, by program and level of care. The current program goals being monitored, include ADP program goals for the measurement of Successful Substance Use Disorder (SUD) treatment and recovery, through a series of 15 separate measures including:

1. Treatment initiation and engagement;
2. Retention in treatment for 90 days or more; and
3. Successful completion of treatment;

**Performance Outcomes data for FY 2023-24:** due to the transition to SmartCare, the BWell Research and Evaluation Team were unable to formulate data for FY 2023-24 to provide data for

the ADP program goals for the measurement of Successful Substance Use Disorder (SUD) treatment.

**Performance Outcomes for FY 2024-2025 (Q1, Q2, and Q3):** due to the transition to SmartCare, BWell is still in the process of ensuring accurate data collection for all identified outcome measures. As a result, some data points are not yet available and are not included in the summaries below. The following summaries highlight key data points for the 8 separate measures available for each quarter:

- **Adult Outpatient Programs** – During the first three quarters, they served an average of 66 clients per quarter with an average of 28 discharges per quarter. They met 6 out of the 8 goals with data available. An average of 81% of clients engaged in treatment with a goal of 60% or 75% depending on the level of care. An average of 50% of clients were retained in treatment with a goal of 30% or 45% depending on the level of care. The goals for clients immediately dropping out of treatment were unmet due to percentages being 13% and 14% with goals of less than 2% and 4% depending on the level of care.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

Funding Source	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Total
General Fund					
State	\$129,300	\$133,200	\$133,200	\$133,200	\$528,900
Federal					
Fees					
Medi-Cal Patient Revenue	\$2,154,800	\$2,221,400	\$2,221,400	\$2,221,400	\$8,819,000
<b>Total</b>	<b>\$2,284,100</b>	<b>\$2,354,600</b>	<b>\$2,354,600</b>	<b>\$2,354,600</b>	<b>\$9,347,900</b>

**Narrative:** The above-referenced Agreement is funded with a combination of State and Federal funds. With the transition to CalAIM Payment Reform, the fee-for-service portion of the contract will be funded with Medi-Cal Patient Revenue which primarily consists of Federal funds. The amount of Federal funds is contingent on the client's aid code and the State issued rate for the service. The Non-Medi-Cal portion of the contract is funded with Realignment funding. Funding was included in the Adopted Budgets for FY 2023-24 and FY 2024-25. Funding is included in BWell's Recommended Budget for FY 2025-26 and will be in the proposed FY 2026-27 Budget, but those remain contingent on the Board of Supervisors' approval.

**Special Instructions:**

Please email one (1) complete, executed copy of the above amendment and one (1) Minute Order to [drusso@sbcbswell.org](mailto:drusso@sbcbswell.org) and to [bwellcontractsstaff@sbcbswell.org](mailto:bwellcontractsstaff@sbcbswell.org).

**Attachments:**

**Attachment A** – Sanctuary FY 23-27 BC 23-212, AM 1

**Attachment B** – Sanctuary FY 23-27 BC 23-212, Executed

**Authorized by:**

Page 4 of 4

David Russo  
Contract Analyst  
[drusso@sbcbswell.org](mailto:drusso@sbcbswell.org)