



**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

**Department Name:** Behavioral Wellness  
**Department No.:** 043  
**For Agenda Of:** April 23, 2024  
**Placement:** Administrative  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors

**FROM:** Department: Antonette Navarro, LMFT, Director  
Director(s): Department of Behavioral Wellness, (805) 681-5220  
Contact Info: Chris Ribeiro, Chief Financial Officer  
Department of Behavioral Wellness, (805) 681-5220

**SUBJECT:** **Clearwater Security & Compliance LLC FY 22-25 Amended and Restated Agreement for Information Technology Services**

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**County Counsel Concurrence:**

As to form: Yes

**Other Concurrence:** Risk Management

As to form: Yes

**Auditor-Controller Concurrence:**

As to form: Yes

**Other Concurrence:** Information Technology

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors:

- a) Approve, ratify, and authorize the Chair to execute an Amended and Restated Agreement for Services of Independent Contractor with **Clearwater Security & Compliance LLC** (not a local vendor), (BC 22-228) to update the Contractor’s legal name, add a new Statement of Work for a Risk Assessment Program, update the Contract Maximum Value amount, update the Exhibit B-1 (Schedule of Fees), add a new Exhibit E (HIPAA Business Associate Agreement), and add \$41,250 for FY 23-24 and \$82,500 for FY 24-25 in Mental Health Services funding, for a new total maximum contract amount not to exceed **\$189,000**, for the period of July 1, 2022, through June 30, 2025;
- b) Determine that the above actions are government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment and are therefore not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4) of the CEQA Guidelines.

**Summary Text:**

The above-referenced item is on the agenda to request the Board of Supervisors (Board) to approve, ratify, and authorize the Chair to execute an Amended and Restated Agreement for Services of Independent Contractor with **Clearwater Security & Compliance LLC (Clearwater)** (not a local vendor), (BC 22-228) to update the Contractor's legal name, add a new Statement of Work for a Risk Assessment Program, update the Contract Maximum Value amount, update the Exhibit B-1 (Schedule of Fees), add a new Exhibit E (HIPAA Business Associate Agreement), and add \$41,250 for FY 23-24 and \$82,500 for FY 24-25 in Mental Health Services funding, for a new total maximum contract amount not to exceed **\$189,000**, for the period of July 1, 2022, through June 30, 2025. Clearwater performs information technology security assessments of Behavioral Wellness' systems and these additional funds are intended to cover increased operating costs for a Risk Assessment Program, which includes the completion of an annual security risk assessment that will enable the County to meet explicit Health Insurance Portability and Accountability Act (HIPAA) Security Rule requirements for risk analysis, as mandated by 45 C.F.R. Section 164.308 (a)(1)(ii)(A). Performance of this risk assessment will also help the County demonstrate the adoption of recognized security practices under Public Law 116-321 and identify, rate, and prioritize all risks to the specific information assets used to create, receive, maintain, and/or transmit its e-Patient Health Information.

**Background:**

Department of Behavioral Wellness (BWell) provides a continuum of mental health and substance use disorder services for Santa Barbara County Medi-Cal patients, including ancillary services for Alcohol and Drug Programs and Mental Health Services. Although this Amended and Restated Agreement is for a maximum contract amount of \$189,000, due to the Purchasing Department's maximum aggregate threshold limit of \$200,000, it must be processed and approved as a Board Contract (another department currently has an agreement with Clearwater in the amount of \$134,775).

This Amended and Restated Agreement will provide an annual Information Technology (IT) security risk assessment for two (2) consecutive years for BWell, as required by BWell's policy and procedure 14.001, 45 CFR Section 164.308 (a)(1)(ii)(A), and the National Institute of Standards and Technology Special Publications describing risk assessments, risk management and controls. The scope of the risk analysis will include information assets used by the County to create, receive, maintain, or transmit sensitive information. Contractor and County will determine the information assets to be analyzed each program year through execution of the Information Asset Inventory.

The Security Risk Assessment Program will include overall program support by a designated program leader, planning and preparation of schedule by Contractor and BWell staff, and performance of site visits and reviews by contractor consultants.

The approval of the recommended actions will enable BWell to efficiently identify exposures, manage and reduce the likelihood of a breach, save time and money, and meet HIPAA compliance requirements by identifying the unique threats and vulnerabilities applicable to BWell.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

<b>Funding Sources</b>	<b>Cost FY 22-23</b>	<b>Cost FY 23-24</b>	<b>Cost FY 24-25</b>	<b>Total FY 22-25</b>
General Fund				
State	\$ 10,875.00	\$ 31,500.00	\$ 52,125.00	\$94,500.00
Federal	\$ 10,875.00	\$ 31,500.00	\$ 52,125.00	\$94,500.00
Fees				
Other:				
<b>Total</b>	<b>\$ 21,750.00</b>	<b>\$ 63,000.00</b>	<b>\$ 104,250.00</b>	<b>\$189,000.00</b>

Narrative: The above-referenced contract is funded by a combination of State and Federal funds. The funding sources are included in the FY 23-24 Adopted Budget. The funding for FY 24-25 will be included in those proposed budgets, and funding will be contingent upon Board approval.

**Key Contract Risks:**

As with any contract funded by State and Federal sources, there is a risk of future audit disallowances and repayments. BWell contracts include language requiring contractors to repay any amounts disallowed in audit findings, minimizing financial risks to the County.

**Special Instructions:**

Please email one (1) complete signed Board Contract and one (1) Minute Order to Melanie Johnson at [mejohanson@sbcbswell.org](mailto:mejohanson@sbcbswell.org) and the BWell Contracts Division at [bwellcontractsstaff@sbcbswell.org](mailto:bwellcontractsstaff@sbcbswell.org).

**Attachments:**

Attachment A: Clearwater FY 22-25 BC Amended and Restated Agreement  
Attachment B: Clearwater FY 22-25 BC Executed

**Authored by:**

M. Johnson