



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: July 18, 2023
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Antonette Navarro, LMFT, Director
Director(s) Department of Behavioral Wellness, (805) 681-5220
Contact Info: Melissa Wilkins, MPH, CADC-II, CCPS
Division Chief of Alcohol and Drug Programs, (805) 681-5220
SUBJECT: Behavioral Wellness – FY 21-24 Contract Termination with Tarzana Treatment Centers, Inc. and FY 23-27 New Services Agreement with Tarzana Treatment Centers, Inc. Alcohol and Drug Programs

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve, authorize, and ratify the termination of the FY 21–24 Agreement for Services of Independent Contractor with **Tarzana Treatment Centers, Inc** (Tarzana) (BC-20281) for convenience, effective June 30, 2023, to enter into a new services agreement with Tarzana as set forth below in Recommended Action B following the award of the California Department of Healthcare Services (DHCS) Drug-Medi-Cal **Residential Treatment Services** for FY 23–27 to Tarzana;
 - i. Direct the Director of the Department of Behavioral Wellness or designee to issue a letter to Tarzana terminating the FY 21–24 Agreement that is substantially similar to the draft provided in Attachment B;
 - ii. Delegate authority to the Director of the Department of Behavioral Wellness or designee to take actions necessary for the winddown of the FY 21–24 Agreement, subject to the Board’s ability to rescind this delegated authority at any time;
- b) Approve, authorize, and ratify the Chair to execute a FY 23 – 27 Agreement for Services of Independent Contractor with **Tarzana Treatment Centers, Inc.**, a California Corporation (not a local vendor), for the provision of Residential Treatment Services to assist clients to obtain sobriety, for a total maximum contract amount not to exceed \$4,568,400 for FY 23-27, inclusive of \$1,142,100 for FY 23-24, \$1,142,100 for FY 24-25, \$1,142,100 for FY 25-26, and \$1,142,100 for FY 26-27, for the period of July 1, 2023 through June 30, 2027;

- i. Delegate to the Director of the Department of Behavioral Wellness or designee the authority to suspend, delay, or interrupt services under the FY 23-27 Agreement for convenience per Section 20 of the Agreement; make immaterial changes to the Agreement per Section 26; amend the program goals, outcomes, and measures per Exhibit E; and reallocate funds during the term of the Agreement per Exhibits B and B-1, all without altering the Maximum Contract Amount and without requiring the Board's approval of an amendment of the Agreement, subject to the Board's ability to rescind this delegated authority at any time; and
- c) Determine that the above action is a government funding mechanism or other government fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment and is 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 terminate the FY 21-24 contract with Tarzana Treatment Centers, Inc. (Tarzana) effective as of June 30, 2023 (Attachments A and B); and to approve a new multiyear contract with Tarzana for the provision of Residential Treatment Services and substance use disorder services for adults (age 18 and older) and adolescents (individuals under the age of 21 years old) (Attachment C).

Behavioral Wellness (BWell) also requests delegation of authority to the Director of BWell or designee to suspend, delay, or interrupt the services under the Agreement for convenience and make immaterial changes to the Agreement per Sections 20 and 26 of the Agreement, respectively; reallocate funds between funding sources with discretion per Exhibit B of the Agreement; and amend the program goals, outcomes, and measures per Exhibit E of the Agreement all without altering the Maximum Contract Amount and without requiring the Board's approval of an amendment of the Agreement, subject to the Board's ability to rescind this delegated authority at any time.

Background:

BWell provides a continuum of substance use disorder services to Santa Barbara County residents, in part, through contracted providers, including Community-Based Organizations (CBOs).

On October 4, 2022, BWell released a Request for Proposal (RFP) for Drug Medi-Cal Organized Delivery System (DMC-ODS) Residential Treatment Services for Fiscal Years 2023 to 2027. Residential Treatment Services released in the RFP are as follows: Levels 3.1, 3.3, 3.5, and Withdrawal Management Levels 3.2 Withdrawal Management (WM) Level 3.7 to assist adult (age 18 and older) and adolescents (under age 21) clients. BWell requested all bidders to identify the region within the County of Santa Barbara where the bidder has the ability to provide services. These regions are South County (Goleta/Santa Barbara/Carpinteria), Mid County (Lompoc/Buellton/Solvang/Santa Ynez), and North County (Orcutt/Santa Maria).

Tarzana submitted a proposal response before the December 2, 2022 proposal response deadline. Tarzana's proposal response stated that Tarzana is licensed and has the capability to provide all levels of care identified in the Residential Treatment Services (RTS) RFP released by BWell above. Tarzana is located in Tarzana, California, and will provide all out-of-county RTS to BWell clients.

As a result of the RTS RFP, Tarzana was awarded RTS Levels 3.1(Perinatal/Non-Perinatal), 3.3, and 3.5 (Perinatal/Non-Perinatal). Tarzana was also awarded Withdrawal Management 3.2 (Perinatal) and 3.7 for adults (age 18 and over) and adolescents (individuals under the age of 21 years old).

Approval of the recommended actions will allow the Department to continue to provide these Residential Treatment services to the community.

Performance Measures

Tarzana has met and exceeded program goals and outcomes for RTS Levels 3.1, 3.3 & 3.5 and WM Level 3.2. Not all levels of services were provided by Tarzana to clients, resulting in no data to report. For RTS and WM; 16 clients initiated treatment, 16 clients engaged in treatment, no Clients immediately dropped out of treatment, and all clients engaged in treatment. The Performance Goals, Outcomes, and Measures for Tarzana for Quarter 3 of FY 22-23 are as follows:

1. Residential Treatment Services (RTS) Levels 3.1, 3.3 & 3.5, 3.7, Withdrawal Management (WM) Levels 3.2, and Perinatal.

Program Goal: Successful SUD treatment and recovery.

<u>Outcome</u>	<u>Measures</u>
Clients initiated treatment	80%
Clients immediately dropped out of treatment	<2%
Clients engaged in treatment	60%
Clients primary drug abstinence at discharge	80%
Clients transferred to treatment/lower level of care within 14 days	15%

Performance Outcomes:

For RTS- Level 3.1, **all four (4)** clients initiated treatment.
 For RTS- Level 3.5, **all four (4)** clients initiated Treatment.
 For RTS- Level 3.1, **no** Clients immediately dropped out of treatment.
 For RTS- Level 3.5, **no** Clients immediately dropped out of treatment.
 For RTS- Level 3.1, **all four (4)** Clients engaged in treatment.
 For RTS- Level 3.5, **all four (4)** Clients engaged in treatment.

2. Withdrawal Management (WM) Level 3.2.

<u>Outcome</u>	<u>Measures</u>
Clients immediately dropped out of treatment	<4%
Clients successfully completed treatment	50%
Clients primary drug abstinence at discharge	100%
Clients transferred to treatment/lower level of care within 14 days	30%
Clients not readmitted to WM within 14 days	95%
Clients not readmitted to WM within 30 days	75%

Performance Outcomes- Quarter 3

For WM Level 3.2, eight (8) Clients initiated treatment.
 For WM Level 3.2, eight (8) Clients engaged in treatment.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

Funding Sources	FY Cost 23-24	FY Cost 24-25	FY Cost 25-26	FY Cost 26-27	Total FY 23-27
General Fund					
State	571,050.00	571,050.00	571,050.00	571,050.00	
Federal	571,050.00	571,050.00	571,050.00	571,050.00	
Fees					
Other:					
Total	\$1,142,100.00	\$1,142,100.00	\$ 1,142,100.00	\$1,142,100.00	\$ 4,568,400.00

Narrative:

The above-referenced Service Agreement is funded by State and Federal funds. The funding sources are included in the FY 23-24 Adopted Budget. Funding for FYs 24-27 will be included in subsequent Proposed Budgets and is 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 amount disallowed in audit findings, minimizing financial risks to the County.

Special Instructions:

Please email one (1) complete signed contract and one (1) minute order to cfoschaar@sbcbswell.org and bwellcontractsstaff@sbcbswell.org.

Attachments:

- Attachment A: Tarzana Treatment Centers, Inc. FY 21-24 Board Contract
- Attachment B: Tarzana Treatment Centers, Inc. FY 21-24 Termination Letter
- Attachment C: Tarzana Treatment Centers, Inc. FY 23-27 Board Contract

Authored by:

A. Foschaar