



**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: November 18, 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: Melissa Wilkins, MPH, CADC-II, CCPS, Branch Chief
Department of Behavioral Wellness

SUBJECT: Second Amendment to the Services Agreement (BC 23-026) with Recover Medical Group, P.C. for Drug Medi-Cal Organized Delivery System Outpatient Treatment Services for Fiscal Year (FY) 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 Second Amendment to the Agreement for Services of Independent Contractor (BC 23-026) with **Recover Medical Group, P.C.** (Recover) (not a local vendor) to update certain standard provisions for compliance with state and federal requirements or to clarify the obligations of the parties, add Quality Assurance (QA)/Utilization Management (UM) incentive payment provisions until June 30, 2026, update the Schedule of Rates and Contract Maximum, update the Entity Rates and Codes by Service Type, and reduce the contract amount by \$31,000 for a revised, total maximum contract amount not to exceed **\$3,163,700**, inclusive of \$783,000 for FY 2023-24, \$803,900 for FY 2024-25, \$803,900 for FY 2025-26, and \$772,900 for FY 2026-27, with no change to the contract term of July 1, 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 action is governmental funding

mechanisms and/or fiscal activities that will not result in direct or indirect physical changes in the environment.

Summary Text:

The Board of Supervisors is requested to authorize the Chair to execute the Second Amendment to the Agreement with **Recover Medical Group P.C.** (Recover) to ensure the continued delivery of comprehensive Alcohol and Drug Program (ADP) services by updating state and federal terms, general ADP, and financial provisions, adding details pertaining to incentive payment stipulations until June 30, 2026, and updating the rates and codes by service type. These amendments will decrease the contract by \$31,000, for a revised total maximum contract amount of \$3,163,700. There is no change to the contract term of July 1, 2023 through June 30, 2027.

Approval of the recommended actions will allow the Behavioral Wellness Department (BWell) to continue to fund these Drug Medi-Cal Organized Delivery System (DMS-ODS) Outpatient Treatment Services.

Discussion:

Recover provides comprehensive ADP early intervention services, outpatient treatment services, and intensive outpatient treatment services. BWell now requests to amend this Agreement to update certain standard provisions for compliance with state and federal requirements, update general ADP and financial provisions, add details pertaining to incentive payment stipulations to ensure alignment with the incentives already budgeted in the Recommended Budget for FY 2025-26, which were inadvertently omitted from the First Amendment, and update the Schedule of Rates and Contract Maximum, as well as the Entity Rates and Codes by Service Type to reflect the end date of June 30, 2026 for incentive payments and the decrease in the total maximum contract amount. This amendment will result in no change to the term of the Agreement.

Background:

On October 4, 2022, the Santa Barbara County Department of Behavioral Wellness (BWell) released a Request for Proposal (RFP) for DMC-ODS Outpatient Treatment Services. Outpatient Treatment Services related to the RFP were as follows: Level 0.5 Early Intervention Services for Adolescents, Level 1.0 Outpatient Services for Adults (Perinatal and non-Perinatal), and Level 2.1 Intensive Outpatient Services for Adults (Perinatal and non-Perinatal). Recover was selected to provide these services.

Recover's Outpatient Treatment Services Level 0.5 Early Intervention Services for Adolescents program include three main treatment modalities: (i) individual/group counseling and therapy, (ii) care coordination, and (iii) Medication-Assisted Treatment (MAT) and psychiatric care for mild to moderate co-occurring conditions.

Recover also provides Level 1.0 and 2.1 to adult perinatal members according to California Department of Health Care Services (DHCS) guidelines regarding capacity management, referrals, and interim services for all perinatal members. Recover also provides Levels 1.0 and 2.1 to adult non-perinatal members. All Outpatient Treatment Services are provided via a Telehealth Platform.

Treatment services include assessment, care coordination, clinical consultation, counseling (group and individual), family therapy, and medication services, including: Medications for Addiction Treatment (MAT) for Opioid Use Disorder (OUD), MAT for Alcohol Use Disorder (AUD) and non-opioid Substance Use Disorder (SUDs), patient education, recovery services, and peer support, as applicable

and in accordance with State and federal regulations and requirements Drug Medi-Cal Organized Delivery Systems (DMC-ODS).

On June 27, 2023, the Board of Supervisors approved the FY 2023-27 Agreement with Recover (BC 23-026) for the provision of early intervention services for adolescents (under the age of 21 years old), outpatient treatment services and intensive outpatient services for adults (age 18 and older) to assist members obtain sobriety. On May 13, 2025, the Board of Supervisors approved the First Amendment to the Agreement to update federal and State terms, the Schedule of Rates, the Schedule of Codes, and to increase the contract amount by \$62,700.

Performance Measure:

The Agreement with Recover identifies program goals, outcomes and measures to monitor program implementation and improve DMC-ODS efficiency in Exhibit E. The program goals are to assist members in their mental health recovery process by:

- providing individualized outpatient treatment services to support members with successful treatment and recovery from their SUDs,
- introducing members to an ongoing process of recovery designed to reduce harm and/or achieve total abstinence from substance misuse,
- promoting self-sufficiency and empower individuals with SUDs to become productive and responsible members of the community, and
- reducing recidivism and increasing community safety.

Contract Renewals:

Performance Outcomes

Recover provides comprehensive Outpatient Treatment Services, and Intensive Outpatient Treatment Services for youth and adults. Recover has a total of 5 performance outcomes: members initiating treatment, members engaging in treatment, members retained in treatment, members not immediately dropping out of treatment, and successful completion of treatment. Data is available for 4 out of these 5 outcomes; outcome data reporting for successful completion of treatment for FY 2024-25 is not available due to the recent transition to a new electronic health record (EHR), SmartCare (SmC). The available data from FY 2024-25 is summarized below:

Youth – Outpatient Services

Recover served an average of 1 youth (age 12-17 years old) in outpatient services per quarter. Of the 4 outcome measures for which data is available, 4 out of 4 goals were met: with 100% of those served initiating treatment, engaging in treatment, and being retained in treatment. Of the youth served in, none immediately dropped out of treatment.

Adult – Outpatient Services

Recover served an average of 32 adult members per quarter with an average of 3.5 discharged. Of the 4 outcome measures for which data is available, 1 out of 4 goals were met: 85% of members-initiated treatment with a goal of 80%. Unfortunately, outcome goals for treatment engagement and retention were lower than expected: only 73% of members engaged in treatment with a goal of 75% and only 13% of members were retained in treatment with a goal of 45%. The outcome goal for members immediately dropping out of treatment was also not met: 25% of members immediately dropped out of treatment, with a goal of only 6% or less dropping out of treatment.

Perinatal

No members were served at this level of care. Therefore, there is no data for reporting.

Summary of Performance Outcomes

Performance outcomes are evaluated based on the number of individuals discharged from treatment services each quarter. Due to the small number of individuals served and discharged from Recover each quarter (four unique individuals respectively), the validity of the data is limited, and data should be interpreted with caution.

It is also important to consider that all services provided by Recover are provided via telehealth or telephone. Despite serving fewer members than anticipated, Recover provides a valuable treatment option for individuals who have difficulty accessing in-person services due to a number of potential barriers including: living in a rural area, lacking reliable transportation, challenges with childcare, and conflicts with work schedules.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

Funding Source	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Total
State	\$30,200	\$31,000	\$31,000		\$92,200
Other: Medi-Cal Patient Revenue	\$752,800	\$772,900	\$772,900	\$772,900	\$3,071,500
Total	\$783,000	\$803,900	\$803,900	\$772,900	\$3,163,700

The above-referenced Agreement is funded with a combination of state and federal funds. With the transition to California Advancing and Innovating Medi-Cal (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 member'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, FY 2024-25, and FY 2025-26. Funding will be included in BWell's proposed budget for FY 2026-27 but will 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 sarriaga@sbcbswell.org and to bwellcontractsstaff@sbcbswell.org.

Attachments:

Attachment A – Recover Medical Group FY 2023-27 Board Contract Second Amendment

Attachment B – Recover Medical Group FY 2023-27 Board Contract First Amendment

Attachment C – Recover Medical Group FY 2023-27 Board Contract BC 23-026 executed

Contact Information:

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