



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:** Sheriff and Probation  
**Department No.:** 032 and 022  
**For Agenda Of:** September 12, 2023  
**Placement:** Administrative  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:** N/A  
**Vote Required:** Majority

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**TO:** Board of Supervisors  
**FROM:** Bill Brown, Sheriff/Coroner  
Holly Benton, Chief Probation Officer (805) 803-8537  
**Contact Info:** Anthony Espinoza, Lieutenant (Sheriff's Office) (805) 681-4091  
Damon Fletcher, Deputy Administrative Director (Probation)  
(805) 882-3654  
**SUBJECT:** **Fifth Amendment to Agreement with California Forensic Medical Group (CFMG/Wellpath) for the provision of Medical and Mental Health 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

**Recommended Actions:**

That the Board of Supervisors:

- a) Approve, ratify, and authorize the Chair to execute a Fifth Amendment to Agreement for Services with California Forensic Medical Group (CFMG/Wellpath) for healthcare services (medical and mental health services) at the Santa Barbara Sheriff's Office jail facilities and only for medical services for Probation's juvenile facilities, to extend these services from April 1, 2023, to March 31, 2024, and add 5% increase to the base compensation rate, in a total amount not to exceed \$14,723,353.38; and
- b) Determine that the above actions are government fiscal activities or funding mechanisms which do not involve any commitment to any specific project which may result in a potentially significant 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:**

CFMG/Wellpath currently provides healthcare services (medical and mental health) to the incarcerated population in the Santa Barbara Sheriff's Office correctional facilities, as well as medical services for youth held in the Probation Department's juvenile facilities. This fifth amendment exercising the second

of three options for one (1) year extensions will extend the Term of the agreement for one (1) year from April 1, 2023, through March 31, 2024.

The accompanying amendment and attachments have been negotiated between CFMG/Wellpath and the Sheriff's Office and Probation Department. The product of those efforts is before your Board today.

**Background:**

On February 28, 2017, the Board of Supervisors approved the Sheriff and the Probation Department to contract with the California Forensic Medical Group (CFMG) for healthcare services (medical and mental health services) at the jail and for medical services only for Probation's juvenile facilities. In the original Board approval in 2017, the contract was approved as a five-year initial contract with three optional one-year renewals.

In October of 2018, CFMG joined with Correct Care Solutions (CCS). CFMG's parent company, Correctional Medical Group Companies (CMGC) became Wellpath. Although the newly formed parent company is known as Wellpath, CFMG and CCS operate as separate entities with shared policies and procedures. In California, only entities owned solely by physicians are permitted to practice medicine. For this reason, complex healthcare organizations in California typically are organized with a physician-owned entity to provide care, and a management company to manage the business aspects. In this case, CFMG is the professional medical corporation, and Wellpath (formerly CMGC) is the management organization. Thus, our agreement with CFMG remains intact and will remain with CFMG for this amended agreement even though CFMG is now referred to as Wellpath.

On May 19, 2020, a first amendment to the agreement was approved by the Board to include staffing and services to be offered at the Northern Branch Jail (NBJ), which, at the time, was still under construction. The provisions of that amendment were held until sixty (60) days from the occupation of the new jail. On October 13, 2021, CFMG/Wellpath was formally notified of the anticipated opening of the NBJ and they were authorized to begin hiring immediately.

In July 2020, the Board approved recommendations for a structured settlement of the class action litigation case *Murray et al. v. County of Santa Barbara*. This litigation stems from Disability Rights California's investigation of the Main Jail conditions beginning in April 2015 and subsequent litigation filing in December 2017. Those recommendations were shared with CFMG/Wellpath and on October 6, 2020, they requested that the County consider amending the agreement in order to provide them with additional staffing to fulfill requirements tentatively agreed to in the settlement. Negotiations began shortly after.

On August 18, 2020, a second amendment to the agreement was approved by the Board to include a State-funded Jail Based Competency Treatment program (JBCT). This program, now run by CFMG/Wellpath, was designed to help with expediting restoration treatment in our local jail. This has benefited the County by treating inmates that had been previously placed on the waiting list for treatment at the State Hospitals. Due to the excessive overcrowding at the State Hospitals, the list for transport and treatment could be up to a year long, causing our community members to further decompensate in the interim. To-date, the Sheriff's Office and CFMG/Wellpath's JBCT partnership has restored over 100 inmates to competency

with an average of 59 days for restoration. The costs for JBCT are not included in the amendment before the Board today.

On February 2, 2021, Central U.S. District Court Judge Wu entered a settlement agreement in the class action litigation. The structured settlement included Remedial Plans that required numerous service level enhancements and physical plant modernizations aimed at improving the conditions of confinement in the Santa Barbara County jails.

In August of 2022, a fourth amendment<sup>1</sup> to the agreement was approved by the Board to include 6.9 additional FTE, and a one (1) year extension to the agreement, exercising the first of three (3) one (1) year extensions included in the original agreement. Negotiations for a further one (1) year extension with CFMG/Wellpath began in December 2022.

In January 2023, the Sheriff's Office contracted with Avocet Enterprises to complete a Health Services staffing analysis as part of the *Murray et al. v. Santa Barbara County* Remedial Plan. A more comprehensive analysis has been undertaken with Avocet Enterprises and is scheduled to be completed in January of 2024. Given the expiration of Wellpath contract's extended term, the parties reached a tentative agreement to exercise a second one (1) year extension and increase the base compensation amount by 5% to reflect labor cost increases. The Sheriff's Office and CFMG/Wellpath intend to continue staffing negotiations based on the results of the completed staffing analysis. Depending on the outcome of the staffing analysis, additional positions will likely be required for the facilities' medical and mental health needs and an additional amendment to the agreement may be required to adjust the staffing numbers.

**Performance Measure:**

CFMG/Wellpath provides essential health services to the incarcerated populations for both the Sheriff's Office and the Probation Department for the County of Santa Barbara. The measure of their performance is relative to CFMG/Wellpath maintaining their staffing to conduct services for which they are contracted. During this period of the contract, CFMG/Wellpath has provided the services outlined in the Statement of Work (Exhibit A of original contract from 2017) as well as added services contracted in the First, Second and Fourth Amendments.

**Contract Renewals and Performance Outcomes:**

During the contract period, the contractor has provided contracted services to both the Sheriff's Office and Probation Department correctional facilities. The contract provides an allowance for missing 2% of shifts. Pursuant to Exhibit A, Section 17.2 Payment Reduction for Staffing Shortfalls of the Agreement for Services between the County of Santa Barbara, and California Forensic Medical Group, when the 2% margin of allowable missed shifts is exceeded, CFMG will reduce the monthly invoice by an amount equal to the hourly cost to the County for the clinical position hours not covered. During year 6 of the contract, Probation received \$27,505 in credit for missed hours.

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<sup>1</sup> This third amendment was erroneously labeled the fourth amendment and is thus referred to here as the fourth amendment.

Despite widespread staffing shortages in the medical and first responder professions, CFMG/Wellpath has worked diligently in hiring and trying to retain staff in a very competitive market. When full-time staff could not be hired, shifts were filled by Wellpath contracted “agency” or per diem nurses, so that no gap in care for the incarcerated populations would accrue. Further, the contractor has utilized telehealth so that no appointments were missed, and continuity of care could be maintained. In light of all these efforts and challenges, the Sheriff’s Office has not imposed any penalties for staffing deficiencies. Also, the contractor has aided the Sheriff’s Office and the County to come into compliance or partial compliance to help satisfy the requirements of the *Murray* settlement.

CFMG/Wellpath also is required to provide the Board with an annual report and presentation to answer any questions and concerns. Specifically for the Sheriff’s Office, CFMG/Wellpath has fallen out of compliance in this area. The Sheriff’s Office and CFMG/Wellpath are working to bring the annual report back to the Board starting in mid-October of 2023. That is only the first step in correcting this compliance issue; it is crucial that those supervising the contracts for the County remain diligent in assisting CFMG/Wellpath to provide these yearly reports. The Probation Department and CFMG/Wellpath have consistently been bringing their reports to the Board on a yearly basis, with the most recent report presented to the Board in August 2023.

Overall, the contractor had adhered to the minimum contract requirements and is providing satisfactory service; therefore, the Sheriff’s Office and the Probation Department recommend an extension to this contract.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

<b>Healthcare Services</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Increase/Decrease</b>
<b>Sheriff</b>			
Main Jail	\$7,319,971.43	7,685,970.00	\$365,998.57
State-Funded JBCT	\$962,174.00	\$1,010,282.70	\$48,108.70
North Branch Jail	\$3,384,222.83	\$3,553,433.98	\$169,211.15
Pharmacy Costs and EMR <sup>2</sup> Fees	\$736,404.07	\$1,000,236.00	\$263,831.93
<b>Sheriff Total</b>	<b>\$12,402,772.33</b>	<b>\$13,249,922.68</b>	<b>\$847,150.35</b>
<b>Probation</b>			
Juvenile Facilities	\$1,343,551.43	\$1,410,729.00	\$67,177.57
Pharmacy Costs and EMR Fees	\$128,294.73	\$62,701.70	\$-65,593.03
<b>Probation Total</b>	<b>\$1,471,846.16</b>	<b>\$1,473,430.70</b>	<b>\$1,584.54</b>
<b>Healthcare Services Total</b>	<b>\$13,874,618.49</b>	<b>\$14,723,353.38</b>	<b>\$848,734.89</b>

<sup>2</sup> EMR stands for Electronic Medical Record.

**Narrative:**

The cost of year seven (7) of the agreement, for the term of April 1, 2023 through March 31, 2024, is \$14,723,353.38, of which \$13,249,922.68 is for services to the Sheriff's Office and \$1,473,430.70 is for services to the Probation Department.

The cost changes in year seven (7) include a 5% CPI increase for labor, as well as a 36% increase in the costs associated with pharmaceuticals at the jails. Pharmacy costs are passed on to the County by Wellpath on a direct cost basis. The 36% increase is due in large part to an overall increase in pharmaceuticals in general, as well as higher costs for long-term injectable medications for psychiatric patients and those suffering from other chronic illnesses such as psoriatic arthritis, HIV, and Hepatitis B and C. Many of these medications are only available in non-generic form and are accompanied by the requisite premium cost to the County. Another contributing factor is the rise in medication costs compared to the previous two years is the higher Average Daily Population (ADP). Due to the pandemic, the jail ADP was cut nearly in half, but over to three years later as the community has come out of the pandemic, emergency measures have been lifted and the jail population has increased relative to the pandemic years.

It should be noted that the State-funded JBCT program provides an offset of pharmacy costs of \$100,000, which helps cover some of the increases in the overall pharmacy costs. The Probation Department saw a 53% decrease in their pharmaceutical costs, which corresponds with the decline in the incarcerated juvenile population. Staffing studies are being completed to see what future needs there will be to comply with the County's *Murray* settlement. Execution of this amendment will increase the total seven (7) year contract amount to \$71,673,855.

**Attachments:**

ATTACHMENT A: FIFTH AMENDMENT TO AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

ATTACHMENT B: EXHIBIT E-1 STAFFING MATRICES – April 1, 2023, through March 31, 2024

ATTACHMENT C: EXHIBIT F-1 SALARY PLAN – April 1, 2023, through March 31, 2024

ATTACHMENT D: CERTIFICATE OF LIABILITY INSURANCE – (03/15/2023)

ATTACHMENT E: FIRST AMENDMENT TO AGREEMENT OF SERVICES – May 19, 2020

ATTACHMENT F: SECOND AMENDMENT TO THE AGREEMENT OF SERVICES – August 18, 2020

ATTACHMENT G: FOURTH AMENDMENT TO THE AGREEMENT OF SERVICES – August 16, 2022

**Special instructions:**

Please scan and email to [ane2825@sbsheriff.org](mailto:ane2825@sbsheriff.org) and [kdc3246@sbsheriff.org](mailto:kdc3246@sbsheriff.org) and send (1) duplicate original Agreement, and a copy of the minute order to:

Sheriff Custody Health Services Unit  
C/O Lieutenant Anthony Espinoza,  
Santa Barbara County Sheriff's Office,  
4436 Calle Real, Santa Barbara, CA 93110

Fifth Amendment to Agreement with  
California Forensic Medical Group (CFMG/Wellpath)  
For the provision of Medical and Mental Healthcare Services

**Authored by:**

Kenneth Callahan, Commander, Custody Support Division  
County of Santa Barbara Sheriff's Office