



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 9, 2026
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: Katie Cohen, Psy.D., LMFT, Assistant Director of Clinical Operations,
Department of Behavioral Wellness
SUBJECT: Services Agreement with New Way Group Home for Mental Health Services for Fiscal
Year 2025-27

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 an Agreement for Services of Independent Contractor with New Way Group Home (not a local vendor) for the provision of Short-Term Residential Therapeutic Program (STRTP) services for the period of July 1, 2025 through June 30, 2027, for a total maximum contract amount not to exceed \$842,744, inclusive of \$421,372 for fiscal year (FY) 2025-26, and \$421,372 for FY 2026-27, and inclusive of \$100,000 under Purchase Order CN11743, but which otherwise cancels, nullifies, and supersedes Purchase Order CN11743;
- b) Delegate to the Director of the Department of Behavioral Wellness or designee the authority to (i) make immaterial changes to the Agreement per Section 25 of the Agreement; (ii) authorize the Contractor to provide additional services per Section 4 of Exhibit A-1 MHS of the Agreement; (iii) amend the program goals, outcomes, and measures per Section 15 of Exhibit A-1 MHS of the Agreement and per subsection 5.B.4. of Section III of Exhibit AA ADP/MHS General Provisions of the Agreement; (iv) suspend, delay, or interrupt the services under the Agreement for convenience per subsection 1.F. of Section I of Exhibit AA ADP/MHS

General Provisions of the Agreement; (v) reallocate funds between funding sources per subsection D.1. of Section 1 of Exhibit B ADP/MHS General Financial Provisions of the Agreement; (vi) incorporate new codes and make fee-for-service rate changes to Exhibit B-1 and B-3 MHS per subsection B.2. of Section 3 of Exhibit B ADP/MHS General Financial Provisions of the Agreement; (vii) make rate changes to or otherwise update Exhibit B-1 and B-3 MHS for multi-year contracts annually per subsection B.3. of Section 3 of Exhibit B ADP/MHS General Financial Provisions of the Agreement; (viii) approve funding that cannot be moved between programs by Contractor and reserve the right to reallocate between programs in the year-end settlement per Section 6.A. of Exhibit B ADP/MHS General Financial Provisions of the Agreement; (ix) withhold payment for non-submission of service data and other information per subsection 7.D. of Exhibit B ADP/MHS General Financial Provisions of the Agreement; (x) deny or withhold payment for unsatisfactory clinical documentation per subsection 7.E. of Exhibit B ADP/MHS General Financial Provisions of the Agreement; all without altering the maximum contract amount and without requiring the Board of Supervisors' approval of an amendment of the Agreement, subject to the Board of Supervisors' ability to rescind this delegated authority at any time; and

- c) Determine that the above-recommended actions are 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 Board of Supervisors is requested to authorize the Chair to execute the Services Agreement with New Way Group Home for the continued provision of mandated specialty mental health services (SMHS) to Santa Barbara County children and youth placed in out-of-county Short-Term Residential Therapeutic Programs (STRTP) for a total maximum contract amount of up to \$842,744 for the period of July 1, 2025 through June 30, 2027.

Approval of the recommended actions will allow the Department of Behavioral Wellness (BWell) to continue its work with New Way Group Home to provide out-of-county placement in Ventura County for children and youth with serious emotional disturbances (SED) who need SMHS, including therapy and rehabilitation services.

Discussion:

BWell has contracted with New Way Group Home for STRTP services since July 2025 under Purchase Order CN11743 for the period of July 1, 2025 through June 30, 2026. New Way Group Home, located in neighboring Ventura County, California, operates two facilities in Oxnard, making it an accessible placement option for Santa Barbara County children and youth to receive necessary specialty mental health services (SMHS).

Mandated SMHS were provided to Medi-Cal eligible children and youth ages 13 through 18 years who were placed at New Way Group Home and met medical necessity criteria. Five additional members were assessed as meeting medical necessity criteria and began receiving services, exceeding initial projections. BWell's out-of-county STRTP providers are contracted to admit one to two members; however, a total of seven members were ultimately admitted across both facilities, with youth continuing to do well in their placements. As a result, it is necessary to increase the contract amount by \$742,744, for a total of \$842,744. This includes an additional \$321,372 for FY 2025-26 to cover the cost of the increased number of youth placements that occurred throughout

the year, including April, May, and June services. The agreement also extends the term for an additional fiscal year through June 30, 2027, to ensure sufficient funding without a gap in services.

Due to the urgent nature of STRTP placement needs, both in-county and out-of-county, maintaining contracted placement options remains important to ensure timely access to appropriate services. Placement utilization is reviewed annually to assess trends in the frequency and level of use across providers.

Background:

BWell provides a continuum of mental health services to County residents in part through contracted providers, including Community-Based Organizations (CBOs). CBOs provide various SMHS to adults with serious mental illness (SMI) and children and youth with SED.

Implemented a decade ago, the California Department of Social Services Continuum of Care Reform (CCR), Assembly Bill (AB) 403, marked a significant shift in the child welfare services program. AB 403 brought together existing and new reforms designed based on an understanding that children who must live apart from their biological parents thrive best in committed, nurturing family homes. It provides the statutory and policy foundation to ensure that services and support for children, youth, and their families remain focused on maintaining stability. In Santa Barbara County, BWell, Child Welfare Services (CWS), and Probation partner as interdisciplinary agencies to determine the need for and recommend placement of County children and youth in an STRTP.

An STRTP is a residential facility that provides an integrated program of specialized intensive care and supervision services and support, SMHS, mental health treatment, and short-term (24-hours) care and supervision to children and youth.

In 2022, AB 1051 was introduced to build on the progress of AB 403 to ensure the continuity of care for children and youth by enhancing placement options and expanding access to intensive services and presumptive transfer rules. Presumptive transfer is a legal process established to ensure that children and youth in foster care receive timely access to SMHS when placed outside their county of original jurisdiction. The county of original jurisdiction retains responsibility for court oversight, case management, and payments for SMHS provided to foster children and youth who are residents of the county of original jurisdiction but placed in residential facilities in other counties. The agreement with New Way Group Home provides resources outside of the county for BWell to place children and youth in compliance with AB 1051.

New Way Group Home is a CBO that operates two facilities located in Oxnard, California, providing residential STRTP placements to Medi-Cal eligible children and youth ages 13 through 18 with SED who are Santa Barbara County residents. Program services include assessment and reassessment, collateral, crisis intervention, intensive care coordination, medication support services, peer support services, psychosocial rehabilitation, targeted case management, therapy, and therapeutic behavioral services coordination and linkage.

Performance Measure:

This agreement with New Way Group Home identifies program goals, outcomes, and measures to monitor program implementation. The program goals are to provide intensive, structured care for children and youth with consistent supervision through:

- Providing the appropriate level of mental health services support for members who have been removed from their homes by a juvenile court; and

- Effectively treat identified mental health condition(s) by building upon the member’s strengths and reducing functional impairments to support transition to a lower level of care.

Contract Renewals:

Performance Outcomes

New Way Group Home did not have contractual performance goals in FY 2025-26 as they were admitting very few members through single case agreements and Purchase Order CN11743. In FY 2025-26, they served 7 unique members across 9 enrollments. While the provider is newer and outcome data is limited, they have been a strong partner thus far. Their communication and responsiveness have been exceptional, making them easy to work with. According to BWell’s placing staff, New Way Group Home has admitted some of our highest-acuity members and has worked effectively with them.

Members who reside at STRTPs receive a range of services, including Intensive Home-Based Services (IHBS) and Intensive Care Coordination (ICC). All program goals and measures refer to member outcomes reflect the combined impact of the full package of services members receive while placed at an STRTP. For simplicity, the program goals, measures, and outcomes will refer to the STRTP program as the umbrella program, inclusive of all ancillary services provided to members.

Fiscal and Facilities Impacts:

Budgeted: Yes

This agreement is funded by a combination of State and federal funds. There is no impact to the General Fund. The funding sources were included in the FY 2025-26 Adopted Budget and FY 2026-27 Recommended Budget, and future year funding will be incorporated into BWell’s recommended budgets but remains contingent on the Board of Supervisors’ approval.

With the transition to California Advancing and Innovating Medi-Cal (CalAIM) Payment Reform, the ongoing program cost will primarily be funded with federal fee-for-service Medi-Cal Patient Revenue with Realignment funding covering the local match. The amount of federal funds is contingent on the client’s aid code and the State-issued rate for the service.

Fiscal Analysis:

Funding Source	FY 2025-26	FY 2026-27	Total
State: Realignment	\$8,262	\$8,262	\$16,524
Other: Medi-Cal Patient Revenue	\$413,110	\$413,110	\$826,220
Total	\$421,372	\$421,372	\$842,744

An increase to the contract maximum allocation by year is needed due to the increase in members’ placement and their needs and length of treatment at both New Way Group Home facilities. An additional year is also being requested to allow services to continue beyond the initial contract term.

Special Instructions:

Please email one (1) complete, executed copy of the above contract and one (1) Minute Order to sarriaga@sbcbswell.org and to bwelcontractsstaff@sbcbswell.org.

Attachments:

Attachment A – New Way Group Home FY 2025-27 Board Contract (signature required)

Attachment B – New Way Group Home FY 2025-26 CN11743 executed

Contact Information:

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