



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

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: CalMHSA FY 23-25 Participation Agreement No. 4948-PT-2023-SB for Inter-Member Transfer (a.k.a. Presumptive Transfer) Program for Foster Children

DS
AN

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.) Adopt a Resolution authorizing the County of Santa Barbara to continue participation in the California Mental Health Services Authority (CalMHSA) Inter-Member Transfer Program for the prompt transfer of the responsibility for the provision of or arranging and payment for specialty mental health services from Santa Barbara County (original jurisdiction or sending county) to the county in which a Foster Child requiring services resides (receiving county);
b.) Approve, ratify, and authorize the Chair to execute the CalMHSA Inter-Member Transfer Program Participation Agreement (No. 4948-PT-2023-SB) for participation in the Inter-Member Transfer Program and administrative fees in the amount of \$20,000 (inclusive of \$10,000 per fiscal year) for the period of July 1, 2023 through June 30, 2025; and
c.) Determine that the above action is a government funding mechanism or other government fiscal activity which does not involve any commitment to any specific project that 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 Supervisor to authorize the Chair to execute the California Mental Health Service Authority (CalMHSA) Inter-Member Transfer Program for Foster Placements (No. 4948-PT-2023-SB) Participation Agreement to authorize payment of the administrative fees in the amount of \$20,000 (inclusive of \$10,000 per fiscal year) for the period of July 1, 2023 through June 30, 2025, and to authorize CalMHSA to act on behalf of the County to transfer funds as needed to a receiving county, consistent with provisions of the Participation Agreement and Welfare & Institutions Code § 14717.1. The previous Inter-Member Transfer Participation Agreement (No. 511-2018-PT-SBC-A3) from July 1, 2021 to June 30, 2024 will be terminated and superseded by this Agreement effective July 1, 2023. Additionally, there is a balance of \$161,565.64 in the County's existing Portal Account that will cover the Initial Funding Deposit (IFD) of \$33,290.71 for FY 23 -24. The current balance in the portal funds will also be used to cover FY 24-25 as well. Approval of the recommended actions will allow the Department of Behavioral Wellness (BWell) to continue to offer greater access to specialty mental health services (SMHS) for foster youth placed out of the county.

**Background:**

Counties that provide foster youth specialty mental health services are reimbursed through federal financial participation (FFP) and matching county share Medi-Cal billing. In 2016, Assembly Bill 1299 (AB 1299), added Welfare and Institutions Code Section 14717.1, which changed the responsibility for these services from the county of jurisdiction (sending county) to the county of residence (receiving county) in which the foster youth resides ("presumptive transfer"). AB 1299 requires that foster children placed outside of their county of original jurisdiction have access to specialty mental health services in a timely manner through "presumptive transfer" where the county of residence assures specialty mental health services are provided.

CalMHSA has been contracted to act as a fiscal agent to perform fund transfers on behalf of counties to allow Foster Children who are placed outside of their county of original jurisdiction to access specialty mental health services in a timely manner. CalMHSA operates a banking pool funded by all participants to facilitate timely, efficient, and accountable fund transfers between counties. Each participating member county has a separate financial ledger account and will receive periodic statements of year-to-date balance, payments to other counties, payments from other counties, administration fees and interest earned.

In May 2018, the Board adopted a Resolution authorizing the County to participate in the CalMHSA Inter-Member Transfer program with an initial deposit into the banking pool of \$59,689.29. The Board also approved and authorized the BWell Director to enter into an Inter-Member Transfer Participation Agreement (511-2018-PT-SBC) on August 14, 2018, for a total contract amount of \$62,673.75, inclusive of the initial deposit plus the 5% administration fee of \$2,984.45. The Board subsequently approved the First Amended Agreement (511-2018-PT-SBC-A1) on February 25, 2020, and the Second Amended Agreement (511-2018-PT-SBC-A2) on September 22, 2020, each for payment of the annual administrative fee and to extend the term of the agreement for an additional fiscal year. On September 14, 2021, the Board approved the Third Amendment to the Participation Agreement (511-2018-PT-SBC-A3) which allowed BWell to continue to participate in the Inter-Member Transfer program through June 30, 2024, transfer up to \$200,000 in additional funds to CalMHSA for a total contribution not to exceed \$262,673.75 for special mental health services provided to foster youth placed out of County, pay the administrative fee of \$2,984.45 for FY 21-22, and thereafter pay the annual 5% administrative fee based on the County's total deposits into the banking pool.

CalMHSA has now provided a new Inter-Member Transfer Program Participation Agreement (No. 4948-PT-2023-SB) for the period of July 1, 2023 through June 30, 2025. The previous agreement (511-2018-PT-SBC-A3) will be terminated and superseded by this new Agreement effective July 1, 2023 (except as it may relate to the past transaction levels relevant to the initial funding calculations set out in this new Agreement and to provide funding by the County of Santa Barbara using our existing funding balance as of the date of this Participation Agreement).

CalMHSA has developed a member portal allowing counties to issue requests for fund transfers for services rendered to Foster Children from another jurisdiction, in addition to reviewing and verifying requests for transfer to allow for timely payments. CalMHSA reimburses the receiving county with non-FFP match from sending county funds for services rendered.

**Performance Measure:**

CalMHSA's administration of this program has resulted in increased efficiency of the implementation of services. CalMHSA maintains all records and provides regular fiscal reports to BWell.

Fiscal and Facilities Impacts:

Budgeted: Yes

**Fiscal Analysis:**

| <b><u>Funding Sources</u></b> | <b><u>AB 1299 - IMT Pool<br/>Bank Transfer FY 18-<br/>21</u></b> | <b><u>AB 1299 - IMT Pool<br/>Bank Transfer FY<br/>21-24:</u></b> | <b><u>AB 1299 - ITM Pool<br/>Bank Transfer Total<br/>FY 18-24:</u></b> |
|-------------------------------|--|--|--|
| General Fund                  |  |  |  |
| State                         | \$ 62,673.75   | \$ 200,000.00  | \$ 262,673.75  |
| Federal                       |  |  |  |
| Fees:                         |  |  |  |
| Other:                        |  |  |  |
| <b>Total</b>                  | <b>\$ 62,673.75</b>  | <b>\$ 200,000.00</b>   | <b>\$ 262,673.75</b>   |

| <b><u>Funding Sources</u></b> | <b><u>Administration<br/>Fee FY 21-22 &amp;<br/>22-23</u></b> | <b><u>Portal Fee FY<br/>23-24 &amp; 24-25</u></b> | <b><u>5% Transaction<br/>Fee FY 23-24 &amp;<br/>24-25<br/>(Estimated)</u></b> |
|-------------------------------|---|---|---|
| General Fund                  |   |   |   |
| State                         | \$ 2,984.46   | \$ 4,000.00                                       | \$ 6,000.00   |
| Federal                       |   |   |   |
| Fees:                         |   |   |   |
| Other:                        |   |   |   |
| <b>Total</b>                  | <b>\$ 2,984.46</b>  | <b>\$ 4,000.00</b>                                | <b>\$ 6,000.00</b>  |

Narrative: Participation in the portal allows the County to bill and receive the local match for foster youth specialty mental health services. BWell bills other participating members the match for in-County foster youth and likewise pays the match to federal financial participation for youth placed out of county. To participate in the portal, the County will pay an annual portal fee at the start of each fiscal year. The portal fee is \$4,000 per year for both FY 23-24 and FY 24-25. The County will also be charged a transaction fee of 5% against all transfer out payments made by the County. This transaction fee will be invoiced annually at the end of each fiscal year and is estimated to be about \$6,000 annually based on historical payments.

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The administrative cost to CalMHSA is less than the cost to the County to maintain its own administrative system for making, receiving, and accounting for presumptive transfer payments. All fees to administer the portal as well as local match for specialty mental health services are funded with State Realignment. This program makes providing these services more cost-efficient for the County since CalMHSA, acting as the fiscal agent, coordinates these activities and is better able to leverage resources at a multi-county and statewide level. CalMHSA also provides BWell with reporting.

**Key Contract Risks:**

The County may withdraw from the Program upon 6 months' written notice to CalMHSA; however, withdrawal does not automatically terminate the County's responsibility for its share of the expenses and liabilities of the Program. Additionally, the agreement includes a limitation of liability clause at Exhibit B, Section VI.A limiting CalMHSA's liability to the amount of funds transferred without authorization from the County. The agreement also includes a mutual indemnification clause at Exhibit B, Section VI.B. whereby each party shall indemnify the other for the indemnifying party's negligence, but not for the indemnitee's negligence.

**Special Instructions:**

Please return one (1) Minute Order and one (1) executed copy of the Participation Agreement to M. Simon-Gersuk at [msimongersuk@sbcbswell.org](mailto:msimongersuk@sbcbswell.org) and to the BWell Contracts Division at [bwellcontractsstaff@sbcbswell.org](mailto:bwellcontractsstaff@sbcbswell.org).

**Attachments:**

Attachment A: CalMHSA FY 23-25 IMT Program Participation Agreement 4948-PT-2023-SB  
Attachment B: 1327-BAA-2022-SB-CalMHSA Final Executed  
Attachment C: Board Resolution

**Author**

B. Le & M. Simon-Gersuk