



**BOARD OF SUPERVISORS
AGENDA LETTER**

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:

Submitted on:
(COB Stamp)

Department Name: Behavioral Wellness
Department No.: 043
Agenda Date: January 13, 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: Melissa Wilkins, MPH, CADC-II, CCPS, Division Chief, Alcohol and Drug Programs, Department of Behavioral Wellness

SUBJECT: **Services Agreement with Ojai Recovery, LLC for Alcohol and Drug Program Substance Use Disorder Services for Fiscal Year 2025–27**

DS
TN

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 and authorize the Chair to execute an Agreement for Services of Independent Contractor with **Ojai Recovery, LLC** (not a local vendor) for the provision of residential treatment services and room and board for a total maximum contract amount not to exceed **\$8,743,200** to include \$3,747,200 for FY 2025-26 and \$4,996,000 for FY 2026-27 for the period of January 13, 2026, through June 30, 2027;
- b) Delegate to the Director of the Department of Behavioral Wellness or designee the authority to suspend, delay, or interrupt services for convenience and make immaterial changes to the Agreement per Sections 20 and 26 of the Agreement; reallocate funds between funding sources, in the year end cost settlement per Exhibit B, and amend the program goals, outcomes, and measures per Exhibit E, 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:

This item is on the agenda to request the Board of Supervisors to authorize the Chair to approve an agreement with Ojai Recovery, LLC, an out of County provider, for the provision of thirty (30) additional alcohol and drug program residential treatment service beds. The residential treatment program provides monitored residential treatment services (RTS) to help members withdraw from alcohol and/or other drugs and engage in structured treatment services to support recovery. The total maximum contract amount is not to exceed \$8,743,200 inclusive of \$3,747,200 for FY 2025-26 and \$4,996,000 for FY 2026-27 for the period of January 13, 2026 through June 30, 2027.

Discussion:

The Department of Behavioral Wellness (BWell) provides a continuum of mental health and substance use disorder services to Santa Barbara County residents. BWell's Alcohol and Drug Program (ADP) provides various substance use disorder (SUD) services, which includes primary prevention, Early Intervention, Outpatient, and Intensive Outpatient substance use disorder services, and Residential Treatment Services. BWell provides these state-mandated Medi-Cal services through contracts with Community-Based Organizations (CBOs).

BWell recently discovered a need to expand SUD services for Drug Medi-Cal Organized Delivery System (DMC-ODS) residential treatment of non-perinatal adults; more access to male beds is needed. Residential treatment provides a safe, sober, and supportive living environment for the stabilization of members to help them achieve sobriety and abstinence through the development of recovery skills.

Unfortunately, there is a shortage of male beds available that our current in-county contracted providers cannot provide. BWell is continually looking for opportunities to expand care in partnership with local contractors within the county. Purchasing of a new facility by a subcontractor and certification will take a minimum of one-year or more once identified and then secured. Unfortunately, there are no RTS providers looking into opening a new facility in Santa Barbara County. There is a significant need for RTS currently. Therefore, additional out-of-county contracts can provide additional resources for residential treatment services. To resolve the issue, BWell needed to contract with an out-of-county provider Ojai Recovery, to provide access to care for Medi-Cal members needing substance use disorders treatment services.

Background:

BWell is required by the California Department of Health Care Services (DHCS) to select providers for Outpatient Treatment Services and Residential Treatment Services Programs through a competitive bidding process. On May 19, 2025, BWell issued a Request for Proposal (RFP) for Drug Medi-Cal Organized Delivery System (DMC-ODS) residential treatment services, levels 3.1 and 3.5, and withdrawal management level 3.2 for FY 2025-27 to add forty-five (45) additional RTS beds for both men and women at a facility located in the county or at a facility located outside of the county.

Ojai Recovery, in Ventura County, was one of two bidders who submitted and was awarded a contract, to provide out-of-county services for all levels of care. Ojai Recovery met the qualifications and was issued a notice of award to provide services on July 9, 2025 for Residential Treatment Services (Levels 3.1, & 3.5, non-perinatal adults) and Withdrawal Management (Level 3.2 non-perinatal adults). Ojai will provide 30 RTS beds. Camp Recovery, located in Santa Cruz, also submitted and was awarded a contract. They will be providing the 15 RTS beds.

Ojai Recovery is a newly licensed RTS program, owned and operated by an organization that operates Recovery Beach in Orange County, CA. The organization has been in operation for five years, since 2020. Their newest location, Ojai Recovery, opened last year and became Drug Medi-Cal (DMC)

Certified in March 2025. The program is designed to provide a healing, structured, and supportive services. It provided RTS beds available for both men and women.

Ojai Recovery will provide 24/7 on-site staffing with credentialed counselors, trained Behavioral Health Technicians, and licensed clinicians who deliver structured therapeutic services to include a blend of individual counseling, group therapy, psychoeducation, relapse prevention, recovery planning, and engagement strategies—all tailored to client-specific treatment plans developed upon admission.

Approval of this agreement will allow BWell to build capacity, to not only meet the need to provide additional male RTS beds but to provide a safety net for female Medi-Cal members in the event we do not have the capacity to provide them a bed in county. Approval of the recommended actions will better allow BWell to meet the needs of Medi-Cal members dealing with substance use disorders by increasing access to residential treatment services.

Performance Measure:

The Agreement contains program goals, outcomes, and measures as identified in Exhibit E. The performance measures monitor the success of the program services. Ojai Recovery is expected to provide reports on the program outcomes every quarter by program level. The expected outcomes are the following:

A. Residential Treatment 3.1 and 3.5 goals are the following:

1. Introduce participants to the process of recovery, to reduce the harmful effects of alcohol and other drugs (AOD) and achieve abstinence from AOD wherever possible;
2. Promote self-sufficiency and empower members with substance use disorders (SUD) to achieve their full potential;
3. Provide a positive and member-centered residential treatment experience as evidenced by positive scores and comments on the Treatment Perception Survey;
4. Successfully transition members from residential treatment to other American Society of Addiction Medicine (ASAM) levels of care whenever medically necessary and indicated;
5. Provide integrated care and linkages to other service areas such as mental health and primary care where indicated; and
6. Reduce recidivism and increase community safety.

B. Residential Treatment 3.1 and 3.5 measures are the following:

1. Members initiated treatment – 80%
2. Members immediately dropped out of treatment - <2%
3. Members engaged in treatment – 60%
4. Members primary drug abstinence at discharge - 80%
5. Members transferred to treatment/lower level of care within 14 days – 15%

C. Withdrawal Management service goals are the following:

1. Provide a safe withdrawal from the drug(s) of dependence and mitigate acute withdrawal symptoms; and
2. Support a smooth transition for individuals from detoxification to community support services through the development and documentation of a referral plan which is appropriate for each individual.

D. Withdrawal Management services measures are the following:

1. Members immediately dropped out of treatment - <4%
2. Members satisfactory progress in Withdrawal Management - 50%
3. Members primary drug abstinence at discharge- 100%
4. Members not readmitted to Withdrawal Management within 14 days - 95%

Fiscal and Facilities Impacts:

Budgeted: The funds for this agreement were not included in the FY 2025-26 Adopted Budget. Due to unanticipated needs for increased DMC-ODS residential treatment services, BWell's Fiscal Department will be submitting a budget adjustment at a later board date. The Budget Journal Entry will include funding for this agreement along with budget revisions for few other agreements.

Fiscal Analysis:

The alcohol residential treatment service is funded with a combination of State and Federal funds. The fee-for-service portion of the contract will be funded with Drug Medi-Cal (DMC) Patient Revenue which primarily consists of Federal funds. The amount of Federal funds is contingent on the members' aid code, and the State issued rate for the service.

Room and board fees will be funded with State Realignment Funds and Behavioral Health Bridge Housing funds (BHBH) for individuals experiencing homelessness and who have serious substance use disorder. The BHBH Program is state funded grant by Department of Health Care Services (DHCS). Advocates for Human Potential serves as the DHCS administrator for the BHBH program. BWell submitted approval from the grantor Advocates for Human Potential and the State to support this cost which is not covered through Drug Medi-Cal DMC-ODS. We are anticipating written approval in January 2026.

The funding sources associated with this contract will be added to the FY 2025-26 Adopted Budget and will be included in BWell's proposed budget for FY 2026-27 but remain contingent upon Board approval.

Funding Source	FY 2025-26	FY 2026-27	Total FY 2025-27
Medi-Cal Patient Revenue	\$3,447,400	\$4,596,300	\$8,043,700
Realignment/BHBH Funding Room & Board	\$299,800	\$399,700	\$699,500
Total	\$3,747,200	\$4,996,000	\$8,743,200

Special Instructions:

Please email the Board Letter, one (1) Minute Order and (1) complete executed Contract to Denise Morales dmorales@sbcowell.org and to bwellcontractsstaff@sbcowell.org.

Attachments:

Attachment A –Ojai Recovery FY 25-27 BC

Contact Information:

Denise Morales
Senior Contract Analyst
dmorales@sbcowell.org