

October 25<sup>th</sup>, 2024

County of Santa Barbara

Attn: Antonette Navarro, Director  
300 North San Antonio Road, Building 3  
Santa Barbara, CA 93220

Subject: Cancellation of Intergovernmental Agreement No. 21-10034

Dear Mrs. Navarro,

Pursuant to Exhibit E, Paragraph 2 of Drug Medi-Cal Organized Delivery System (DMC-ODS) Intergovernmental Agreement No. 21-10034 between the California Department of Health Care Services (DHCS) and the County of Santa Barbara, for the period of July 1, 2021, through June 30, 2027. DHCS is authorized to cancel the Intergovernmental Agreement for the reason stated in the paragraph below.

On January 1, 2025, DHCS and the County of Santa Barbara will enter into Integrated Contract No. 24-40145, to deliver both mental health services under the Specialty Mental Health Services and substance use disorder services under the Drug Medi-Cal Organized Delivery System. Integrated Contract No. 24-40145 wholly replaces Intergovernmental Agreement No. 21-10034.

DHCS is hereby giving you advance written notice of cancellation of Intergovernmental Agreement No. 21-10034 effective December 31, 2024.

Effective January 1, 2025, the County of Santa Barbara shall take immediate steps to transition from providing DMC-ODS covered services under Intergovernmental Agreement No. 21-10034 to providing SMHS and DMC-ODS covered services under Integrated Contract No. 24-40145.

Per the terms specified in Intergovernmental Agreement No. 21-10034, the County of Santa Barbara is entitled to payment for all allowable costs authorized under this Intergovernmental Agreement and incurred up to the date of cancellation. This includes authorized non-cancelable obligations, provided such expenses do not exceed the stated maximum amounts payable as stated in the terms.

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All obligations to provide covered services under Intergovernmental Agreement No. 21-10034 will automatically terminate on December 31, 2024. The County of Santa Barbara will be responsible for providing or arranging for covered services to beneficiaries under Intergovernmental Agreement No. 21-10034 until the effective date of cancellation. The State will remain liable for processing and paying invoices for covered services prior to the cancellation until all obligations have been met.

If you have any additional questions, please contact Scott Oros at (916) 713-8557.

Sincerely,

Ivan Bhardwaj, Division Chief  
Medi-Cal Behavioral Health – Policy Division

cc: Program Contract Manager  
Contracts Division  
Accounting Office