



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 Info: Ryan Weyman, Branch Chief of Information Technology,
Department of Behavioral Wellness
Jamie Huthsing, LMFT, Assistant Director of Compliance and
Qualify Care Management, Department of Behavioral Wellness
SUBJECT: Amendment No. 2 to the Participation Agreement with California Mental Health
Services Authority (CalMHSA) for Semi-Statewide Enterprise Health Record Program
Services for Fiscal Year 2022-29

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Executive IT Council

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve, ratify, and authorize the Chair to execute an Amendment No. 2 to the Participation Agreement with California Mental Health Services Authority (CalMHSA) for the Semi-Statewide Enterprise Health Record (EHR) Program (Contract No. 1766-EHR-2022-SB) to increase user subscriptions for the core EHR package, high-availability access, and disaster recovery components; add required American Medical Association (AMA) license rights to use healthcare industry standard medical coding; update the 3% escalator fee amount starting FY 2026-27; add new AI note-taking and compliance components; move funds from Contingency Funds to Committed Funds in the amount of \$436,920 for the increased user subscriptions, effective on November 1, 2024; move funds from Contingency Funds to Committed Funds in the amount of \$142,300 for the AMA license rights, effective on January 1, 2025; move funds from Contingency Funds to Committed Funds in the amount of \$250,212 for an update to the 3% escalator fee, effective on July 1, 2026; move funds from Contingency Funds to Committed

Funds in the amount of \$174,018 for the new components; add \$200,000 to the Contingency Funds for future purchases and orders; add an order form template for future orders of products and services, resulting in an increase to the contract amount by \$200,000 for a revised total maximum contract amount not to exceed \$7,629,192 and no change to the contract term of upon execution of the contract through March 18, 2029;

- b) Delegate to the Director of the Department of Behavioral Wellness or designee the authority to utilize Contingency Funds for the purchase of additional components, modules, implementations, users related to the EHR program and execute Order Forms for such purchases, all without altering the maximum contract amount and without requiring the Board of Supervisors' approval of an amendment of the Agreement, subject to the concurrences of Executive IT Council, Auditor-Controller, Risk Management, and County Counsel and the Board of Supervisors' ability to rescind this delegated authority at any time; and
- c) Determine that the above-recommended actions are not projects that are subject to environmental review under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines section 15378(b)(4) and (b)(5), finding that the actions are a governmental funding mechanism and/or administrative or fiscal activity that will not result in direct or indirect physical changes in the environment.

Summary Text:

This item is on the agenda to request that the Board of Supervisors authorize the Chair to execute Amendment No. 2 to the Participation Agreement with California Mental Health Services Authority (Contract No. 1766-EHR-2022-SB). The term of the agreement is from when executed through March 18, 2029. There are seven parts to this amendment, including new licenses for existing components, fees to use proprietary American Medical Association billing codes, an update to the annual escalator, new components and their licenses, a new order form template to increase flexibility, as well as the movement of funds from a contingency fund to a committed fund. This results in an overall addition of \$200,000 to the total maximum contract amount.

Discussion:

CalMHSA and Department of Behavioral Wellness (BWell) wish to amend Participation Agreement No. 1766-EHR-2022-SB with the following changes:

- 1. Add 111 licenses of BWell's Enterprise Health Record (EHR), called SmartCare, to support addition of new staff, expanded partner agency, and community-based organization. Also add 111 licenses of EHR High Availability Cloud Infrastructure and EHR Disaster Recovery components, to minimize downtime during both planned and emergency EHR service outages for practitioners and medical staff in the Psychiatric Health Facility. The addition of the EHR licenses is effective since the date CalMHSA provisioned the additional licenses on November 1, 2024.
- 2. Add the license fee for American Medical Association (AMA) to allow for the use of proprietary industry-standard medical terms to stay in compliance, effective January 1, 2025.
- 3. Update the 3% subscription escalator to correct a calculation error in the original agreement, effective July 1, 2026.
- 4. Purchase two new EHR components to enhance the effectiveness of the EHR.
 - a. SMARTscribe AI (SMARTscribe) is an AI note taking tool that supports clinical note-taking, reducing documentation time by 50% thereby improving quality, efficiency, and satisfaction among clinicians.

- b. SMARTcomply Compliance (SMARTcomply) supports documentation integrity within the enterprise health record, automatically scanning every note to prioritize audit focus, reduce risk, and helping to target training for BWell's quality team.
 - c. Both tools have been approved for purchase by the AI Steering Committee and the Executive IT Council.
 - d. County will begin with 50 licenses of each component on June 1, 2026 in order to begin with a slow roll-out. On September 1, 2026, County will add 180 licenses of each component for the rest of the BWell staff clinicians. There are no plans at this time to provide licenses to community-based organization staff members who are using BWell's enterprise health record.
5. Add \$200,000 to the total maximum contract amount in the contingency fund.
 6. Move money from the contingency funds to the committed funds in the amount of \$1,003,450, broken down as follows:
 - a. \$436,920 for the additional EHR licenses.
 - b. \$142,300 for the AMA license.
 - c. \$250,212 for the 3% price increase.
 - d. \$174,018 for the new components SMARTcomply and SMARTscribe.
 7. Approve an order form template to promote the necessary flexibility and agility to meet BWell's programmatic needs in a timely manner.

Approval of the recommended actions will allow BWell to continue partnering with CalMHSA to support County's core business requirements through the EHR program and streamline the payment and billing process for Medi-Cal services.

Background:

The County of Santa Barbara participated, with over twenty other counties, in CalMHSA's Semi-Statewide EHR program. This program is unique in that counties collaboratively designed a lean, modern EHR to meet their needs.

In November 2022, the Board of Supervisors approved and authorized the Director of BWell to execute the seven-year Participation Agreement No. 1766-EHR-2022-SB. In June 2023, the Board approved the First Amendment to purchase additional components and transfer \$59,628 from the contingency funds to the committed funds. The Participation Agreement between CalMHSA and the County describes the responsibilities of CalMHSA and each participant County as well as the financial commitment for each fiscal year period for the duration of the Semi-Statewide EHR program.

Performance Measures and Performance Outcomes:

CalMHSA will support BWell's use of the enterprise health record system by managing a broad range of quality assurance and quality improvement activities and requirements, including utilization management and review, research, clinical optimization, and performance.

Performance Outcomes

- Operational efficiency gains: Billing cycle times have improved significantly. In 2023, roughly 70% of claims were billed beyond 150 days. In 2025, nearly 90% were billed within 90 days, reflecting measurable gains in SmartCare's billing efficiency and staff workflow adoption.
- Improved service capture: Santa Barbara's total Medi-Cal service volume has steadily increased over the past two years, suggesting higher completeness and timeliness of data entry in SmartCare.
- Platform-level Measures and Outcomes. As the key clinical operations platform, BWell needs specific data about its operations provided by the EHR system, including: Clinical Quality:

Monthly EHR audit logs track the percentage of patients with treatment plans updated within 30 days.

- Access to Care: Quarterly scheduling data measures average wait times for initial behavioral health appointments.
- Documentation Accuracy: Monthly EHR validation reports track the percentage of encounters with complete progress notes.
- Staff Adoption: Staff training reports track the percentage of staff completing required EHR training.
- Data Exchange: Quarterly HIE metrics track the percentage of referrals shared electronically with primary care providers.

SMARTcomply Documentation Compliance Accuracy. The compliance AI component will achieve and maintain a minimum of 95% compliance across all required documentation elements, as measured by an industry standard set of metrics, which includes measures such as:

- Compliance scoring will be tracked by a dashboard.
- Each note is scored against established standards for completeness, accuracy, timeliness, regulatory alignment, clinical relevance, and formatting.
- Compliance reports will be reviewed monthly, with corrective action required if performance falls below thresholds determined by the Quality Care Management team.

SMARTscribe Real-time Clinical Prompt Effectiveness. SMARTscribe note-taker will deliver real-time prompts with $\geq 90\%$ relevance for clinicians during documentation sessions.

- Prompts must support clinicians in capturing required clinical, regulatory, and billing-related elements.
- Effectiveness will be measured through a combination of:
- Prompt utilization rates (accepted vs. dismissed);
- Clinician feedback surveys; and
- Reduction in post-encounter documentation corrections.

Note Quality, Formatting, and Turnaround Time. SMARTscribe will generate 100% of notes in department approved formats with a turnaround time of ≤ 2 minutes post client encounter. Notes must adhere to customized templates and formatting standards defined by the department.

Performance will be monitored through:

- Dashboard metrics on note completion time;
- Periodic audits of formatting adherence; and
- Clinician satisfaction surveys focused on usability and efficiency.

Fiscal Impacts:

This contract is funded by State Behavioral Health Services Act (BHSA) funds. The total maximum amount of Participant-Specific Committed Funding in the Participation Agreement shall not exceed \$7,568,897. Given current expected user growth, development, and professional services related to future projects anticipated to be implemented within the term of the Agreement, a maximum total Participant Contingency Funds of \$60,295 is also included. The aggregate total agreement is \$7,629,192. The Agreement covers the full cost of EHR subscription and maintenance through March 18, 2029.

As part of this Second Amendment, BWell will reallocate the contingency funds to cover additional services, including an increase of \$436,920 for user growth, \$142,300 for AMA licensing fees, \$250,212 for 3% annual escalator, and \$174,018 for licenses for new components SMARTscribe and SMARTcomply.

Fiscal Analysis:

| Funding Source | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | Total |
|----------------|---------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|---------------------|
| BHSA (State) | \$ 2,320,508 | \$ 978,191 | \$ 874,660 | \$ 875,544 | \$ 1,076,452 | \$ 877,386 | \$ 626,451 | \$ 7,629,192 |
| Total | \$ 2,320,508 | \$ 978,191 | \$ 874,660 | \$ 875,544 | \$ 1,076,452 | \$ 877,386 | \$ 626,451 | \$ 7,629,192 |

Special Instructions:

Please email one (1) complete, executed copy of the amendment and one (1) Minute Order to Chris Shorb at cshorb@sbcbswell.org and to bwelcontractsstaff@sbcbswell.org.

Attachments:

Attachment A – CalMHSA FY 2022-29 EHR Program Participation Agreement No. 1766-EHR-2022-SB Second Amendment (Signature Required)

Attachment B – CalMHSA FY 2022-29 EHR Program Participation Agreement No. 1766-EHR-2022-SB First Amendment

Attachment C – CalMHSA FY 2022-29 EHR Program Participation Agreement No. 1766-EHR-2022-SB executed

Contact Information:

Chris Shorb
 Contracts Analyst
cshorb@sbcbswell.org