



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:** August 29, 2023  
**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: Melissa Wilkins, Branch Chief of Alcohol and Drug Programs  
Katie Cohen, Branch Chief of Clinical Outpatient Operations  
Natalia Rossi, Mental Health Services Act Manager  
Department of Behavioral Wellness (805) 681-5220  
**SUBJECT:** Family Service Agency of Santa Barbara County FY 21-24 Second Amendment  
and Termination, and New FY 23-27 Services Agreement for Alcohol and Drug  
Program and Mental Health Services

**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 a Second Amendment to the FY 21-24 Agreement for Services of Independent Contractor with **Family Service Agency of Santa Barbara County** (BC 21-059), a California nonprofit (a local vendor), to update the Federal Award Identification Tables for FY 21-22 and FY 22-23, change the effective end date of Exhibit A-3-Statement of Work: ADP Step Down Housing – Case Management Services to June 30, 2022, and reallocate \$46,124 in Alcohol and Drug Program (ADP) Prop 47 funding from FY 22-23 to FY 21-22, with no change to the maximum contract amount of **\$6,287,212**, inclusive of \$639,658 in ADP funding (\$323,658 for FY 21-22; \$158,000 for FY 22-23; and \$158,000 for FY 23-24) and \$5,647,554 in Mental Health funding (\$1,882,518 per fiscal year) for the period of July 1, 2021 through June 30, 2024 (Attachment A);
- b) Approve, ratify, and authorize the termination of the FY 21-24 Agreement for Services of Independent Contractor with **Family Service Agency of Santa Barbara County** (FSA) (BC 21-059) for convenience, effective June 30, 2023, to enter into a new services agreement with FSA as set forth below in Recommended Action C following the award of the Primary Prevention Services Request for Proposals for FY 23-27 to FSA;

- i. Authorize the Director of the Department of Behavioral Wellness or designee to issue a letter to FSA terminating the FY 21-24 Agreement that is substantially similar to the draft provided in Attachment D;
  - ii. Delegate to the Director of the Department of Behavioral Wellness or designee the authority to take actions necessary for the winddown of the FY 21-24 Agreement, subject to the Board's ability to rescind this delegated authority at any time;
- c) Approve, ratify, and authorize the Chair to execute an Agreement for Services of Independent Contractor with **Family Service Agency of Santa Barbara County**, a California nonprofit (a local vendor), for the provision of children's and adults' mental health services and substance use prevention services, for a total maximum contract amount not to exceed **\$11,960,920**, inclusive of \$632,000 in ADP funding (\$158,000 per fiscal year) and \$11,328,920 in Mental Health funding (\$2,832,230 per fiscal year), for the period of July 1, 2023 through June 30, 2027 (Attachment E);
- i. Delegate to the Director of the Department of Behavioral Wellness or designee the authority to suspend, delay, or interrupt the services under the FY 23-27 Agreement for convenience and make immaterial changes to the Agreement per Sections 20 and 26 of the Agreement, respectively; amend service locations and program staffing requirements per Exhibits A-2 and A-4 through A-8; reallocate funds between funding sources with discretion per Exhibit Bs; and amend the program goals, outcomes, and measures per Exhibit Es, all without altering the maximum contract amount and without requiring the Board's approval of an amendment of the FY 23-27 Agreement, subject to the Board's ability to rescind this delegated authority at any time; and
- d) Determine that the above actions are government fiscal activities or funding mechanisms, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment and are therefore not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4) of the CEQA Guidelines.

**Summary Text:**

The Department of Behavioral Wellness (BWell) requests approval of the Second Amendment to the FY 21-24 Agreement with Family Service Agency of Santa Barbara County (FSA) and termination of the FY 21-24 Agreement effective June 30, 2023. BWell also requests approval to enter into a new FY 23-27 Agreement with FSA for the provision of children's and adults' mental health services and substance use prevention services; and delegation of authority to the Director of BWell or designee to suspend, delay, or interrupt the services under the FY 23-27 Agreement for convenience and make immaterial changes to the Agreement per Sections 20 and 26 of the Agreement, respectively; amend service locations and program staffing requirements per Exhibits A-2 and A-4 through A-8 of the Agreement; reallocate funds between funding sources with discretion per Exhibit B of the Agreement; and amend the program goals, outcomes, and measures per Exhibit E of the Agreement all without altering the Maximum Contract Amount and without requiring the Board's approval of an amendment of the Agreement, subject to the Board's ability to rescind this delegated authority at any time. Approval of the recommended actions will allow FSA to continue to provide necessary children's and adults' mental health services and substance use prevention services to BWell clients.

**Background:**

BWell provides a continuum of mental health and substance use disorder services to Santa Barbara County residents, in part, through contracted providers including community-based organizations. FSA provides mental health services to children, youth, and adults in several programs throughout Santa Barbara

County: Intensive In-Home; Managed Care Mental Health/Brief Therapy; School-Based Counseling; Support, Treatment, Advocacy and Referral Team (START); and Pathways to Well-Being (formerly known as Helping Others Parent Effectively (HOPE)). The FY 23-27 Agreement includes a new program funded by the Mental Health Services Act: Wellness Promotion for Seniors. FSA also provides Primary Prevention services through the Strengthening Families program, funded by Substance Abuse Prevention and Treatment Block Grant funds.

The Second Amendment to the FY 21-24 Agreement with FSA includes a change to the effective end date of the Prop 47-funded Step-Down Housing – Case Management Services program. FSA employed a Licensed Practitioner of the Healing Arts (LPHA) Case Manager to provide case management services to homeless, low income, and low risk clients with mental illness and co-occurring substance abuse disorders who are participating in the Good Samaritan Shelter Step-Down Housing Program. On July 1, 2022, BWell transitioned these case management services from FSA to Good Samaritan Shelter. As a result, this program in FSA's FY 21-24 Agreement effectively ended on June 30, 2022. The ADP Prop 47 funding allocated to this program for FY 22-23 (\$46,124) was reallocated to FY 21-22, resulting in no change to the FY 21-24 maximum contract amount.

BWell is required by the California Department of Health Care Services (DHCS) to select providers for ADP Substance Use Disorder (SUD) services through a competitive bidding process. BWell's previous request for proposals (RFP) for outpatient treatment services took place in 2017. In anticipation of statewide California Advancing and Innovating Medi-Cal (CalAIM) reforms, effective July 1, 2023, BWell released six RFPs for various ADP SUD services, including Primary Prevention services, in October 2022. FSA was selected to provide countywide Primary Prevention through the Strengthening Families Program for FY 23-27, with services to begin on July 1, 2023. Therefore, BWell requests Board approval of the termination of FSA's FY 21-24 contract and execution of a new FY 23-27 contract.

CalAIM Behavioral Health Payment Reform has resulted in significant changes to the standard contract terms and entire payment and reimbursement structure for Medi-Cal providers. Due to the establishment of a new rate structure by DHCS, Medi-Cal providers have renegotiated their rates as they transition to a fee-for-service payment model, resulting in a higher maximum contract amount.

Approval of the recommended actions will allow FSA to continue to provide necessary children's and adults' mental health services and substance use prevention services to BWell clients.

**Performance Measures:**

The FY 23-27 Agreement contains performance measures to monitor implementation and improve staff proficiency. Program goals, outcomes, and measures can be found in Exhibit E of the Agreement.

**Performance Outcomes:**

During the first three quarters of FY 2022-23:

- Intensive In-Home: They served an average of 70 clients per quarter and discharged 18 per quarter. They met 6 of their 9 goals.
  1. No clients were incarcerated with a goal of 5% or fewer;
  2. 2% were hospitalized in an acute psychiatric inpatient unit with a goal of 5% or fewer;
  3. 99% had stable/permanent housing with a goal of 95% or more;
  4. 99% were engaged in a purposeful activity with a goal of 95% or more;
  5. 2% were discharged to a higher level of care with a goal of 15% or fewer;

6. 68% were discharged to a lower level of care with a goal of 85% or more;
  7. 5% had a new, out-of-primary home placement with a goal of 5% or fewer;
  8. 92% of CANS were completed with a goal of 100%; and
  9. 90% of PSC's were completed with a goal of 100%.
- **Managed Care:** They served 28 clients per quarter with 8 discharges per quarter. They met 5 of their 9 goals.
    1. No clients were incarcerated with a goal of 5% or fewer;
    2. No clients were hospitalized in an acute psychiatric inpatient unit with a goal of 5% or fewer;
    3. 100% had stable/permanent housing;
    4. 97% were engaged in a purposeful activity with a goal of 95% or more;
    5. No one was discharged to a higher level of care with a goal of 15% or fewer;
    6. 69% were discharged to a lower level of care with a goal of 85% or more;
    7. There were no new, out-of-primary home placements with a goal of 5% or fewer;
    8. 99% of CANS were completed with a goal of 100%; and
    9. 97% of PSC's were completed with a goal of 100%.
  - **School-Based Counseling:** They served an average of 49 clients per quarter with 3 discharges per quarter. They met 6 of their 9 goals.
    1. No clients were incarcerated with a goal of 5% or fewer;
    2. No clients were hospitalized in an acute psychiatric inpatient unit with a goal of 5% or fewer;
    3. 100% had stable/permanent housing;
    4. 100% were engaged in a purposeful activity with a goal of 95% or more;
    5. No one was discharged to a higher level of care with a goal of 15% or fewer;
    6. 56% were discharged to a lower level of care with a goal of 85% or more;
    7. There were no new, out-of-primary home placements with a goal of 5% or fewer;
    8. 93% of CANS were completed with a goal of 100%; and
    9. 96% of PSC's were completed with a goal of 100%.
  - **START:** They served an average of 21 clients per quarter with an average of 3 discharges per quarter. They met 6 of their 9 goals.
    1. There were no incarcerations or juvenile hall with a goal of 5% or fewer;
    2. There were no hospitalizations in an acute psychiatric inpatient unit with a goal of 5% or fewer;
    3. 100% had stable/permanent housing;
    4. 100% were engaged in a purposeful activity with a goal of 95% or more;

5. There were no discharges to a higher level of care with a goal of 15% or fewer;
  6. 38% were discharged to a lower level of care with a goal of 85% or more;
  7. There were no new, out-of-primary home placements with a goal of 5% or fewer;
  8. 83% of CANS were completed with a goal of 100%; and
  9. 93% of PSC’s were completed with a goal of 100%.
- Pathways to Well-Being: They served an average of 17 clients per quarter with an average of 8 discharges per quarter. They met 5 of their 9 goals.
    1. There were no incarcerations or juvenile hall with a goal of 5% or fewer;
    2. There were no hospitalizations in an acute psychiatric inpatient unit with a goal of 5% or fewer;
    3. 100% had stable/permanent housing with a goal of 95% or more;
    4. 100% were engaged in a purposeful activity with a goal of 95% or more;
    5. 26% were discharged to a higher level of care with a goal of 15% or fewer;
    6. 70% were discharged to a lower level of care with a goal of 85% or more;
    7. 1% was placed in new, out-of-primary home placements with a goal of 5% or fewer;
    8. 96% of CANS were completed with a goal of 100%; and
    9. 93% of PSC’s were completed with a goal of 100%.
  - Strengthening Families: They served an average of 31 adults, 42 children, and 22 families per quarter. They held 1 English series class during Q3 and 7 Spanish series classes (2 in Q1, 3 in Q2 and 2 in Q3). They collected 207 pre-surveys and 81 post-surveys. They provided child care and meals at all sessions.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

| <b><u>Funding Sources</u></b>   | <b><u>FY 23-24<br/>Cost:</u></b> | <b><u>FY 24-25<br/>Cost:</u></b> | <b><u>FY 25-26<br/>Cost:</u></b> | <b><u>FY 26-27<br/>Cost:</u></b> | <b><u>Total FY 23-27:</u></b> |
|---------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|-------------------------------|
| General Fund                    |                                  |                                  |                                  |                                  |                               |
| State                           | \$626,405                        | \$626,405                        | \$626,405                        | \$626,405                        | \$2,505,620                   |
| Federal                         | \$158,000                        | \$158,000                        | \$158,000                        | \$158,000                        | \$632,000                     |
| Fees                            |                                  |                                  |                                  |                                  |                               |
| Other: Medi-Cal Patient Revenue | \$2,205,825                      | \$2,205,825                      | \$2,205,825                      | \$2,205,825                      | \$8,823,300                   |
| <b>Total</b>                    | <b>\$2,990,230</b>               | <b>\$2,990,230</b>               | <b>\$2,990,230</b>               | <b>\$2,990,230</b>               | <b>\$11,960,920</b>           |

**Narrative:**

The above-referenced contract is funded by State and Federal funds. Medi-Cal Patient Revenue is the fee-for-service revenue generated from patient services and is primarily funded with Federal funds. The amount of federal funds varies depending on the client’s aid code with youth services receiving a higher percentage of federal financial participation. The funding sources were included in the FY 23-24 Adopted Budget. A portion of the FY 23-27 Agreement (from July 1, 2023 through August 29, 2023) will be funded

by State funds. Funding for FY 24-25, FY 25-26, and FY 26-27 will be included in the department's requested budget, and will be contingent upon Board approval.

In the new Agreement, the FY 23-24 maximum contract amount is \$2,832,230. Excluding the new Wellness Promotion for Seniors program (\$494,053 per year), this represents an increase of \$297,659 to the FY 23-24 maximum contract amount of \$2,040,518 in BC 21-059. DHCS' new Medi-Cal rate structure has prompted service providers to increase rates as they transition to a fee-for-service based payment, resulting in a higher maximum contract amount.

**Key Contract Risks:**

As with any contract funded by State and Federal sources, there is a risk of future audit disallowances and repayments. Behavioral Wellness contracts include language requiring contractors to repay any amounts disallowed in audit findings, minimizing financial risks to the County.

**Special Instructions:**

Please email one (1) complete executed Board Contract and one (1) minute order to [bethle@sbcbswell.org](mailto:bethle@sbcbswell.org) and [bwelcontractsstaff@sbcbswell.org](mailto:bwelcontractsstaff@sbcbswell.org).

**Attachments:**

- Attachment A: Family Service Agency FY 21-24 (BC 21-059) Second Amendment
- Attachment B: Family Service Agency FY 21-24 (BC 21-059) First Amendment Executed
- Attachment C: Family Service Agency FY 21-24 (BC 21-059) Executed
- Attachment D: Family Service Agency FY 21-24 (BC 21-059) Termination Letter Draft
- Attachment E: Family Service Agency FY 23-27 New Board Contract

**Authored by:**

Bethany Le