



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: December 12, 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, Director
Director(s) Department of Behavioral Wellness, 805-681-5220
Contact Info: Katie Cohen, Psy.D, Division Chief of Clinical Operations
John Winckler, LMFT, Division Chief of Crisis Services
Natalia Rossi, JD, MHSA Manager
Department of Behavioral Wellness, 805-681-5220
SUBJECT: Transitions-Mental Health Association (TMHA) FY 21-24 First Amendment to the Services Agreement for Mental Health and Other Supportive Services

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. Approve, ratify, and authorize the Chair to execute the First Amendment to the Agreement for Services of Independent Contractor with **Transitions-Mental Health Association** (BC 21-078), a California nonprofit organization (not a local vendor), to add two new programs; update staffing for all programs; rename the Recovery Learning Centers to Wellness Centers; rename Supportive Community Services to North Community Full-Service Partnership; increase the budget for the Wellness Centers; add client expense funds for Full-Service Partnerships (FSPs); implement California Advancing and Innovating Medi-Cal (CalAIM) Behavioral Health Payment Reform changes; and add \$1,208,563 in Mental Health funding for FY 22-23 and FY 23-24, for a new total maximum contract amount not to exceed **\$6,480,135** (inclusive of \$1,763,100 for FY 21-22, \$1,989,075 for FY 22-23, and \$2,727,960 for FY 23-24) for the period of July 1, 2021 through June 30, 2024;
- B. Delegate to the Director of the Department of Behavioral Wellness or designee the authority to make immaterial changes to the Agreement per Section 26 of the Agreement; authorize additional services per Exhibits A-2 through A-5; make changes to the service locations per Exhibits A-3 and

A-7; amend program staffing requirements per Exhibits A-2 through A-7; reallocate funds between funding sources and between the contract allocations in the Exhibit B-1 MHS to increase or decrease the incentive payment with discretion 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's approval of an amendment of the Agreement, subject to the Board's ability to rescind this delegated authority at any time; and

- C. Determine that the above actions are government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project that 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:

This item is on the agenda to request approval of the First Amendment to the FY 21-24 Agreement with Transitions-Mental Health Association (TMHA) (BC 21-078). TMHA is a community-based organization that delivers an array of specialty mental health services in the Lompoc and Santa Maria areas. This First Amendment is requested to add two new programs (LEAD and Growing Grounds); update staffing for all programs; rename the Recovery Learning Centers to Wellness Centers; rename Supportive Community Services to North Community Full-Service Partnership; increase the budget for the Wellness Centers; add client expense funds for FSPs; implement California Advancing and Innovating Medi-Cal (CalAIM) Behavioral Health Payment Reform changes; and add \$1,208,563 in Mental Health funding for FY 22-23 and FY 23-24, for a new total Maximum Contract Amount not to exceed **\$6,480,135** (inclusive of \$1,763,100 for FY 21-22, \$1,989,075 for FY 22-23, and \$2,727,960 for FY 23-24) for the period of July 1, 2021 through June 30, 2024.

Background:

BWell provides specialty mental health services to Medi-Cal beneficiaries and other individuals to the extent resources allow, in part, through contracted services. The Board approved the FY 21-24 Agreement for Services of Independent Contractor with TMHA on June 22, 2021 to deliver an array of specialty mental health services to adults and Transition Age Youth (TAY) with serious mental illness (SMI) or serious emotional disturbance (SED) in the Lompoc and Santa Maria areas.

New Programs:

This First Amendment will add the following two new programs:

- **LEAD** is an outreach and education program for behavioral health stigma and discrimination reduction, funded by the Mental Health Services Act (MHSA) Prevention and Early Intervention (PEI) funds. LEAD provides a combination of evidence-based trainings and community presentations that are delivered primarily by people with lived mental health experience. These trainings and presentations will deliver mental health education and information targeted to reduce mental health stigma and discrimination. LEAD will provide Community Gatekeepers/Stakeholders with the mental health knowledge and training necessary to identify people with mental health and substance use challenges, respond in a supportive manner, and refer them to local resources.
- **Growing Grounds** provides vocational training support, horticultural therapy, and direct work experience in a farm business setting for adult behavioral health clients at the Growing Grounds facility in Santa Maria. The goal for all participants is to develop the skills necessary to enter the work force and participate fully in the community while also preventing a mental health relapse.

The Program helps clients build protective factors, including vocational training, with the overall goal of having work participation be a pillar of a client’s recovery process. Clients may be offered paid employment based on their work readiness. Vocational services engage, orient, prepare and support people diagnosed with mental illness to work independently in the community. Additionally, vocational training and job placement is part of the recovery process, and vocational training is part of the relapse prevention services provided at the Growing Grounds.

Wellness Centers:

The amendment will include an increase to the recreational budget for the Wellness Centers. When gathering MHSA stakeholder input, BWell found that stakeholders requested an increase in recreational activities at the Wellness Centers as part of wellness and recovery for persons struggling with mental illness. As a result, we are increasing Wellness Center program budgets to effect this change. The amendment also includes the addition of client expense funds for the FSP to provide clients with flexible support for non-mental health costs including, but not limited to, housing, medical needs, and items necessary for daily living. “Client expense funds” include, but are not limited to: food, clothing, housing (including, but not limited to, rent subsidies, housing vouchers, house payments, residence in a drug/alcohol rehabilitation program, and transitional and temporary housing), cost of health care treatment, cost of treatment of co-occurring conditions, such as substance abuse, and respite care. These non-mental health flexible support funds are only to be used when there is no other funding source available and serving these financial needs would support the client’s mental health treatment goals.

Full Service Partnership:

The Mental Health Services Act (MHSA), passed by California voters in 2004, was designed to expand and transform California’s county mental health system and has five components: 1. Community Services and Support (CSS), 2. Prevention and Early Intervention (PEI), 3. Innovation (INN), 4. Capital Facilities and Technological Needs (CFTN), 5. Workforce Education and Training (WET). CSS services is the largest of the five components whose funding is used to provide direct services to adults and older adults with serious mental illness and children and youth with serious emotional disturbance who meet the criteria set forth in Welfare and Institutions Code section 5600.3. The CSS component has the following service categories: Full Service Partnership (FSP) Services, Outreach and Engagement (O&E) Services, General System Development (GSD).

Per Title 9 of the California Code of Regulations § 3200.130, a “Full Service Partnership” means the collaborative relationship between the provider and the client, and when appropriate the client's family, through which the provider plans for and provides the full spectrum of community services so that the client can achieve the identified goals.

TMHA provides Full Service Partnership services at North Community FSP, which are regulated by BWell’s policy #19.004 “MHSA Full Service Partnership”, which states that BWell may use MHSA CSS funds for:

1. The full spectrum of community services when the cost is effective and consistent with the beneficiary's Individual Services and Support Plan (ISSP) or Treatment Plan.
2. Short-term acute inpatient treatment when the beneficiary is uninsured or no other funds are available.

As an FSP, this means that North Community FSP provides the full spectrum of services, using a “whatever it takes” approach to those who meet criteria for FSP services. FSP services include non-mental health services, which means the provider may provide non-mental health services and supports including, but not limited to: Food, Clothing, Housing (including, but not limited to, rent subsidies, housing

vouchers, house payments, residence in a drug/alcohol rehabilitation program), and transitional and temporary housing, cost of health care treatment, cost of treatment of co-occurring conditions, such as substance abuse, and respite care.

These additional non-mental health services and supports may be funded with Client Expense funds. We are now amending TMHA's contract to include specific funding for these additional supports. Funding will be determined based on a case-by-case basis, and can only be used when no other funding sources are available.

CalAIM Payment Reform:

California Advancing and Innovating Medi-Cal (CalAIM) is a multi-year California Department of Health Care Services (DHCS) initiative to improve the quality of life and health outcomes of our population by implementing broad delivery system, program, and payment reform across the Medi-Cal program. The behavioral health components of CalAIM are designed to support whole-person, integrated care; move the administration of Medi-Cal behavioral health to a more consistent and seamless system by reducing complexity and increasing flexibility; and improve quality outcomes, reduce health disparities, and drive delivery system transformation and innovation through improvements to behavioral health policies and the launch of behavioral health payment reform. The majority of these policy changes launched in 2022, but implementation will continue through 2027.

Through realignment efforts in 1991 and 2011, funding for the majority of the non-federal share of costs associated with the Specialty Mental Health Services (SMH) and Substance Use Disorder (SUD) services became the responsibility of the counties. Currently, counties are reimbursed for these programs via Medicaid Certified Public Expenditure (CPE) methodologies. Under the CPE structure, reimbursements to counties are limited to costs incurred by the counties and are subject to a lengthy and labor-intensive cost reconciliation process. The CalAIM Behavioral Health Payment Reform initiative seeks to move counties away from cost-based reimbursement to enable value-based reimbursement structures that reward better care and quality of life for Medi-Cal beneficiaries. Payment reform will transition counties from cost-based reimbursement funded via CPEs to fee-for-service reimbursement funded via Intergovernmental Transfers (IGTs), eliminating the need for reconciliation to actual costs.

CalAIM Payment Reform has resulted in significant changes to the standard contract templates and entire payment and reimbursement structure for Medi-Cal providers. The First Amendment will implement CalAIM Behavioral Health Payment Reform changes through the implementation of new financial provisions effective July 1, 2023.

Approval of the recommended actions will allow TMHA to provide additional services and mental health resources to BWell clients, and allow the County to maintain compliance with DHCS requirements and implement the new payment methods necessary for partnership with providers.

Performance Measures:

The Agreement contains performance measures in Exhibit E (Program Goals, Outcomes, and Measures) to monitor implementation and improve staff proficiency.

Performance Outcomes:

In FY 22-23, TMHA achieved the following:

- **Supportive Community Services:** They served an average of 83 clients and discharged an average of 1.3 clients per quarter. 2% of clients were admitted to inpatient care with a goal of 5% or less; 6% of clients received care in the Emergency room with a goal of 10% or less; 5% of

clients were hospitalized with a goal of 5% or less; 2% of clients were incarcerated with a goal of 5% or less; 97% of clients had stable housing with a goal of 90% or more; 18% of clients were engaged in purposeful activity with a goal of 15% or more; no clients were discharged to a higher level of care with a goal of 15% or less. Of the goals they did not meet; 42% of clients were discharged to a lower level of care with a goal of 85% or more and 9% of clients showed improvement on the MORS with a goal of 20% or more.

- Recovery Learning Center (RLC) Santa Maria:** They had 4912 client visits with a goal of 4500; 86 outreach events with a goal of 24; 3,852 participants in the outreach events with a goal of 1,200; 431 support group meetings with a goal of 24; 48 computer classes with a goal of 40; 498 visits to the computer lab with a goal of 200; 170 attendees of Tech Suite Groups with a goal of 160; 91 outings/educational events with clients with a goal of 12 and 753 linkages to other services with a goal of 25. Of the goals they did not meet; RLC served 202 clients with a goal of 250 and held 43 digital literacy education support services with a goal of 48.
- RLC Lompoc:** They had 5,062 client visits with a goal of 3600; 48 outreach events with a goal of 24; 3,040 participants in the outreach events with a goal of 1,200; 429 support group meetings with a goal of 24; 43 computer classes with a goal of 40; 385 visits to the computer lab with a goal of 200; 112 outings/educational events with clients with a goal of 12 and 366 linkages to other services with a goal of 20. Of the goals they did not meet; RLC served 120 clients with a goal of 200; 56 attendees of Tech Suite Groups with a goal of 160 and held 44 digital literacy education support services with a goal of 48.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

Funding Sources	COST FY 21-22	COST FY 22-23	COST FY 23-24	TOTAL
General Fund				
State	\$ 1,291,050	\$ 1,408,054	\$ 1,402,611	\$ 4,101,715
Federal	\$ 472,050	\$ 581,021		\$ 1,053,071
Fees				
Other: Medi-Cal Patient Revenue			\$ 1,325,349	
Total	\$ 1,763,100	\$ 1,989,075	\$ 2,727,960	\$ 6,480,135

Narrative: The above-referenced Agreement is funded by a combination of State and Federal funds. With the transition to CalAIM Payment Reform, the contract will be funded with Medi-Cal Patient Revenue which primarily consists of Federal funds. The amount of Federal funds varies depending on the client’s Medi-Cal aid code, with youth services receiving a higher share of Federal funding. The funding sources are included in the FY 23-24 Adopted Budget.

Key Contract Risks:

As with any contract funded with State and Federal sources, there is a risk of future audit disallowances and repayments through the State’s auditing process. The TMHA contract includes language requiring the contractor to repay any amounts disallowed in audit findings, minimizing financial risks to County.

Special Instructions:

Please return one (1) executed Amendment and one (1) Minute Order to Bethany Le at bethle@sbcbswell.org and to the BWell Contracts Division at bwelcontractsstaff@sbcbswell.org.

Attachments:

TMHA FY 21-24 First Amendment BL

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Attachment A: THMA FY 21-24 First Amendment

Attachment B: TMHA FY 21-24 BC 21-078

Authored By:

Bethany Le