



Board Agenda Item 56

DATE: June 16, 2026

TO: Board of Supervisors

SUBMITTED BY: Susan L. Holt, Director, Department of Behavioral Health

SUBJECT: Amendment No. 1 to Agreement with Pacific Clinics for Vocational and Educational Services

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute Amendment No. 1 to Agreement No. 25-232 with Pacific Clinics to incorporate Behavioral Health Services Act and Medi-Cal billing requirements, effective July 1, 2026, with no change to the term of July 1, 2025, through June 30, 2030, and increasing the maximum by \$1,409,760 to a total of \$6,552,580.

Approval of the recommended action will incorporate Behavioral Health Services Act (BHSA) and Medi-Cal billing requirements into Pacific Clinic's agreement. The recommended amendment will also add Medi-Cal billable services revenue into the existing agreement. Pacific Clinics provides vocational and educational services using the Individualized Placement and Supports evidence-based practice to persons living with serious mental illnesses. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended action is not approved, the Department would be out of compliance with Behavioral Health Services Act requirements.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum of this Agreement (\$6,552,580) will be funded with Behavioral Health Services Act funds, Medi-Cal Federal Financial Participation, and Mental Health Realignment. Sufficient appropriations and estimated revenues will be included in the Department's Org 5630 FY 2026-27 Recommended Budget and will be included in future budget requests for the term.

DISCUSSION:

On June 10, 2025 the Board executed Agreement No. 25-232 with Pacific Clinics to provide vocational and educational services using the Individualized Placement and Supports (IPS) evidence-based practice for persons with serious mental illness.

The California State Department of Health Care Services (DHCS) is implementing BHSA requirements on July 1, 2026. BHSA designates IPS as a service eligible for Medi-Cal reimbursement and available for persons participating in full service-partnership treatment services. The recommended amendment adds all required BHSA provisions to Pacific Clinic's existing agreement including BHSA outcome reporting, Medi-Cal billing requirements, and increases the budget to account for Medi-Cal revenue generated through eligible

services. Under BHSA, DHCS requires that any eligible service is billed to Medi-Cal. Medi-Cal revenue is reimbursed based on actual services provided using a fee for service schedule established by the Department.

Pacific Clinics will continue to provide vocational and educational services such as employment services, employment preparation, job development and placement, employment retention, and job coaching. Persons will also receive peer supported services, peer training, and supportive mentoring through the program. Services are individualized to address each participant's interests, goals, skills, abilities, and needs. Since the implementation of the new agreement on July 1, 2025 through the April reporting period 99 persons have been referred to Pacific Clinics for Individualized Placement and Support services.

AB 339 noticing has occurred, and the Human Resources Department approved execution of the recommended amendment.

OTHER REVIEWING AGENCIES:

The Behavioral Health Board will be notified of this agreement at the June 2026 meeting.

REFERENCE MATERIAL:

BAI #45, June 10, 2025

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment No. 1 to Agreement with Pacific Clinics

CAO ANALYST:

Ronald Alexander