



Board Agenda Item 57

DATE: June 16, 2026

TO: Board of Supervisors

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

SUBJECT: Amendment No. 2 to Agreement with Fresno County Superintendent of Schools

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute Amendment No. 2 to Agreement No. A-25-092 with Fresno County Superintendent of Schools for a multi-tiered system of supports model, revising the Modification clause of the Agreement, Scope of Work, and Exhibit C, effective July 1, 2026, with no change to the term of July 1, 2025, through June 30, 2030, or maximum compensation of \$188,215,225.

There is no additional Net County Cost associated with the recommended action. The revision of the Modification Clause of the agreement delegates authority to the Department Director to adjust rates annually up to five percent (5%) through written approval subject to availability of funds and review of Contractor performance. Said modifications shall not result in a change to the annual maximum compensation payable to the Contractor. The revision of the Scope of Work (SOW) updates eligibility criteria for Early Intervention (EI) services to align with the Behavioral Health Services Act (BHSA) and consolidates two previously separate SOW exhibits into a singular exhibit. The revision to Exhibit C adjusts the maximum compensation funding allocation to no longer be allocated individually between Specialty Mental Health Services (SMHS) and Early Intervention Services (EI), in accordance with BHSA requirements, and aligns services rates with State-issued increases. This item is countywide.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended action, the Department would be out of compliance with the State-approved BHSA Integrated Plan and may prevent children and youth ages 0-22 with serious emotional disturbance and their families from receiving appropriate integrated mental health services needed to empower their well-being and recover.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. Effective July 1, 2026, the maximum amount of the Agreement (\$188,215,225) will be funded with BHSA Behavioral Health Services and Supports EI and Medi-Cal Federal Financial Participation (FFP). Sufficient appropriations and estimated revenues are included in the Department of Behavioral Health's Org 5630 FY 2025-26 Adopted Budget and will be included in future budget requests for the duration of the term of the Agreement. Actual costs will be determined by actual services provided.

DISCUSSION:

On March 11, 2025, your Board approved Agreement No. A-25-092 with FCSS for a multi-tiered system of

services including SMHS and Early Intervention services, as part of Fresno County's MHSA CSS Plan and EI Plan.

On April 7, 2026, your Board approved Amendment No. 1 (No. 26-132) to the Agreement to revise Exhibit C to align with Department invoicing requirements and increase the maximum compensation.

In March 2024, the BHSA passed as part of Proposition 1 to replace and reform the current MHSA. In order to align with BHSA standards, the proposed Amendment will allow the Department to revise the Agreement SOW to expand eligibility criteria, including but not limited to, uninsured persons served, to receive Early Intervention services rendering services more accessible to a larger range of persons served and families who meet Specialty Mental Health criteria. Exhibit A will consolidate and replace both the current Exhibits.

The revision of Exhibit C is intended to adjust service rates to align with the County Behavioral Health Plan increase received from the California Department of Health Care Services for Fiscal Year 2026-27 and align the Exhibit maximum compensation allocations with BHSA requirements. Currently, the Agreement establishes separate funding allocations for SMHS in the amount of \$178,215,225 and EI services in the amount of \$10,000,000, for a combined total maximum compensation of \$188,215,225. The recommended action removes the separate allocations and allows the total maximum compensation to be shared across both SMHS and EI services.

The proposed action includes a revision of Agreement Article 15, Section 1(B) delegating authority to the Department Director to adjust Contractor rates up to five percent (5%) each year through written approval subject to availability of funds and review of Contractor performance. As previously written, the absence of the term "annually" limited rate adjustments to a cumulative five percent (5%) over the life of the agreement. The revision of the clause will continue to accommodate any state-mandated rate increases. Said modifications shall not result in a change to the annual maximum compensation payable to the Contractor.

The Department has notified and received approval from Main HR of execution of the recommended Amendment to comply with AB 339.

Approval of the proposed action to revise the modification clause, revise the Scope of Work, and further revise Exhibit C of the Agreement is necessary to ensure the Department is able to adequately make necessary and appropriate rate adjustments and ensure alignment with BHSA requirements, effective July 1, 2026.

OTHER REVIEWING AGENCIES:

The Behavioral Health Board will be notified of the recommended Amendment during the June 2026 meeting.

REFERENCE MATERIAL:

BAI #40, April 7, 2026
BAI #11, March 11, 2025

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment No. 2 with FCSS

CAO ANALYST:

Ronald Alexander, Jr.