COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

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Second District

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Third District

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Fourth District

JIM DESMOND
Fifth District

DATE: **September 15, 2026** **DRAFT** **XX**

TO: Board of Supervisors

SUBJECT

AUTHORIZE AMENDMENT TO EXTEND EXISTING CONTRACT WITH TRADITIONS BEHAVIORAL HEALTH FOR MEDICAL SERVICES GROUP SERVICES (DISTRICTS: ALL)

OVERVIEW

On August 27, 2024 (4), the San Diego County Board of Supervisors (Board) authorized the competitive procurement for comprehensive physician staffing services through a medical services group model at the San Diego County Psychiatric Hospital (SDCPH) and approved an interim contract with Traditions Behavioral Health during the procurement period.

Throughout the contract duration, Traditions Behavioral Health has successfully established and maintained an experienced Medical Director and physician workforce with expertise in SDCPH's clinical operations, regulatory requirements, interdisciplinary treatment model, and highly specialized patient population. Under the current medical leadership model, SDCPH has achieved significant improvements in patient safety, quality of care, and clinical outcomes for one of the county's most acute and complex behavioral health populations.

Today's action requests the Board authorize a contract extension of one seven-month option and four one-year option periods through June 30, 2031, and up to an additional six months, if needed, to allow operational continuity of the existing medical services group agreement. Extending the contract ensures sustaining the program's demonstrated improvements, preserving continuity of clinical leadership and institutional knowledge, and avoiding increased costs and risks associated with contractor transition.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. In accordance with Board Policy A-87, Competitive Procurement, and Administrative Code Section 401, authorize the Director, Department of Purchasing and Contracting, to amend contract 572191 with Traditions Behavioral Health, for medical service group services, by extending the contract for one seven-month option and four one-year option periods through June 30, 2031, and up to an additional six months, if needed; expand the scope of services to include medical director and physician services for the Edgemoor Acute Psychiatric Hospital, and physician services for County-operated outpatient

Behavioral Health Clinics; and to amend the agreement as required to reflect changes to services or funding allocation, subject to the approval of the Director of Behavioral Health Services.

EQUITY IMPACT STATEMENT
The County of San Diego (County) Behavioral Health Services serves as the specialty mental health plan for Medi-Cal eligible residents with serious mental illness and as the service delivery system for Medi-Cal eligible residents who need substance use disorder care. In 2025, approximately one in five San Diego residents were eligible for Medi-Cal.

According to the 2022 San Diego Workforce Partnership workforce report, there were 8,000 fewer behavioral health professionals working in the County than what would be required to meet current and future needs. To effectively reduce local health disparities, it is crucial that the County prioritizes actions that maintain and grow the local workforce. The continuation of a medical services group for physician staffing services will ensure the San Diego County Psychiatric Hospital can continue the provision of behavioral health care to the most vulnerable adults with behavioral health needs throughout the region.

SUSTAINABILITY IMPACT STATEMENT
Today's proposed action supports the County of San Diego (County) Sustainability Goal #2 to provide just and equitable access to County services and appropriate resource allocation with investments focused on chronically underserved communities and Sustainability Goal #4 to protect the health and well-being of everyone in the region. This will be accomplished by ensuring the San Diego County Psychiatric Hospital can continue providing critical behavioral health care to individuals with chronic behavioral health conditions, who are historically underserved, and ensure the psychological health and well-being of clients.

FISCAL IMPACT
Funds for this request are included in the Fiscal Year 2026-27 Operational Plan in the Behavioral Health Services Department. If approved, this request will result in annual costs and revenue of approximately $14.5 million in Fiscal Year 2026-27 and $17.3 million in Fiscal Year 2027-28. The funding sources are Short Doyle Medi-Cal and Realignment. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT
N/A

ADVISORY BOARD STATEMENT
At their regular meeting on August 6, 2026, the Behavioral Health Advisory Board voted to _____ this item.

BACKGROUND

DRAFT

SUBJECT: AUTHORIZE AMENDMENT TO EXTEND EXISTING CONTRACT WITH TRADITIONS BEHAVIORAL HEALTH FOR MEDICAL SERVICES GROUP SERVICES (DISTRICTS: ALL)

On August 27, 2024 (4), the San Diego County Board of Supervisors (Board) authorized the competitive procurement for comprehensive physician staffing services through a medical services group model at the San Diego County Psychiatric Hospital (SDCPH) and approved an interim contract with Traditions Behavioral Health during the procurement period. This program provides essential Medical Director leadership, inpatient psychiatric services, primary care physician services, and outpatient psychiatric services for one of the county's most acute and complex behavioral health populations, including individuals on involuntary treatment holds, under Lanterman-Petris-Short (LPS) Act conservatorship, and with significant forensic involvement. Services are provided countywide.

Traditions Behavioral Health has successfully established and maintained an experienced Medical Director and physician workforce with expertise in SDCPH's clinical operations, regulatory requirements, interdisciplinary treatment model, and highly specialized patient population. Under the current medical leadership model, SDCPH has achieved measurable improvements in patient safety, quality of care, and clinical outcomes. Compared with average monthly outcomes in 2023, average monthly outcomes during January-April 2026 showed a 72% reduction in restraint utilization, a 30% decrease in aggressive patient incidents, and a 64% reduction in patient-to-staff physical contacts. These improvements are attributable to the medical leadership, specialized training, and established clinical practice patterns developed under the current contractor, working in collaboration with County staff.

Continuation of the existing medical services group agreement is supported by Board Policy A-87 Competitive Procurement, Procedure 3.A.3 - Continuity: The procurement is for goods and/or services where continuity of providers will allow the County of San Diego (County) an opportunity to leverage previously initiated work, or benefit from efficiency or critical knowledge, that other sources of the goods and/or services cannot provide or would require substantial re-work to perform.

Continuity of providers is essential for maintaining previously initiated work and leveraging critical knowledge that cannot be readily obtained from other sources without substantial re-work, operational disruption, or increased risk to patient safety. In this program, the existing medical team’s familiarity with SDCPH’s unique patient population, treatment environment, and regulatory obligations cannot be quickly or effectively replicated by a new contractor.

A competitive procurement at this time would likely lead to the loss of existing physicians or result in the same physicians transitioning to a new contractor, causing avoidable operational disruption. The County would still need to recruit from the same limited pool of psychiatrists, likely at comparable or higher compensation levels, while also incurring transition-related costs for recruitment, onboarding, credentialing, privileging, and implementation. Such a transition would jeopardize the substantial gains achieved in patient safety and quality and undermine continuity of care for patients with the highest acuity and most complex treatment needs. If approved, continuing the existing medical services group agreement provides the greatest assurance of sustaining the program’s demonstrated improvements, preserving continuity of clinical leadership and

institutional knowledge, and avoiding increased costs and risks associated with contractor transition.

Today's action requests the Board authorize an amendment to extend to contract 572191 with Traditions Behavioral Health to continue Medical Director leadership and physician staffing services under the medical services group model, for one seven-month option and four one-year option periods through June 30, 2031, and up to an additional six months, if needed and expand the scope of services to include the future Edgemoor Acute Psychiatric Hospital and County-operated outpatient Behavioral Health Clinics.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN
Today's proposed action supports the County of San Diego (County) 2026-2031 Strategic Plan Initiatives of Equity (Health), Community (Quality of Life), and Empower (Workforce). This is accomplished by ensuring the continuation of a robust behavioral health workforce that supports the provision of quality care for underrepresented communities.

Respectfully submitted,

USE "INSERT PICTURE" FUNCTION TO INSERT SIGNATURE

EBONY N. SHELTON
Chief Administrative Officer

ATTACHMENT(S)
N/A

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