County Of San Diego

Agenda Item

Board Of Supervisors

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First District

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Third District

Monica Montgomery Steppe
Fourth District

Jim Desmond
Fifth District

Date: **October 6, 2026** **02**

To: Board of Supervisors

Authorize Extension to Contract 572191 with Traditions Behavioral Health for Medical Services Group Services (Districts: All)

Overview

The County of San Diego (County) Behavioral Health Services (BHS) administers specialty mental health and substance use disorder services for Medi-Cal-eligible residents throughout San Diego County. As the specialty mental health plan, BHS oversees and coordinates a comprehensive continuum of care through County-operated and contracted programs and providers, including outpatient, crisis, residential, and long-term services that support recovery and stability. Within this continuum, the San Diego County Psychiatric Hospital (SDCPH) is a critical setting for some of the region's most vulnerable residents, supporting transitions to less restrictive levels of care.

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 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 psychiatrist workforce with expertise in the SDCPH clinical operations, regulatory requirements, interdisciplinary treatment model, and highly specialized patient population. Under the current medical services group model, SDCPH has achieved significant improvements in patient safety, quality of care, and clinical outcomes.

Today's action requests the Board authorize an amendment to contract 572191 with Traditions Behavioral Health to extend its term for one seven-month option and two one-year option periods through June 30, 2029, 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. This action supports workforce continuity as BHS continues significant organizational and operational changes aligned to better function as a health

plan, which includes transformative efforts to enhance, expand, and diversify the San Diego County behavioral health workforce across the system.

Recommendation by Chief Administrative Officer:
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 two one-year option periods through June 30, 2029, 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 (BHS) 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 increase the local workforce. The continuation of a medical services group for psychiatrist 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

The Behavioral Health Advisory Board reviewed this item and voted to recommend approval at their regular meeting on August 6, 2026.

Background

The County of San Diego (County) Behavioral Health Services (BHS) plays a central role in administering specialty mental health and substance use disorder services for Medi-Cal-eligible residents in San Diego County. As the specialty mental health plan for Medi-Cal eligible residents, BHS oversees and coordinates a comprehensive continuum of care through a network of County-operated and contracted programs and providers, including outpatient and supportive services, crisis response, residential and long-term services, and supports that promote recovery, stability, and connection to community-based resources. Within this continuum, the San Diego County Psychiatric Hospital (SDCPH) is a critical setting for some of the region's most vulnerable residents to support transitions to less restrictive levels of care.

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 model provides essential Medical Director leadership and inpatient and emergency 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 Act conservatorship, and with significant forensic involvement. Services are provided countywide.

Traditions Behavioral Health has successfully established and maintained an experienced Medical Director and psychiatrist 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 provided through Traditions Behavioral Health, the specialized training they provide SDCPH staff, and established clinical practice patterns developed by them in collaboration with County staff.

Extending contract 572191 will maintain continuity of the medical services group services provided by Traditions Behavioral Health and will allow SDCPH to build on the measurable improvements in patient safety, quality of care, and clinical outcomes achieved during the term of Traditions Behavioral Health's existing interim contract and will allow the County to maintain previously initiated work and leverage critical knowledge that cannot be readily obtained from other sources without substantial re-work, operational disruption, or increased risk to patient safety.

BHS is undergoing significant organizational changes, including becoming a standalone department on July 1, 2026, to align functions more optimally as a health plan. As part of the transformative changes, BHS has embarked on new efforts to restructure operations and enhance

critical functions to increase efficiency, support more coordinated care, and improve beneficiary outcomes. BHS is also exploring new opportunities to enhance the region's behavioral health workforce across the system. A major component of this is the ELEVATE Behavioral Health Workforce Fund, a bold, five-year initiative to expand and diversify the region's behavioral health workforce. In addition, BHS continues to seek out and explore additional opportunities to increase the pipeline of local public behavioral health workforce, with a focus on clinical roles that can be difficult to fill.

While these transformative efforts are underway, BHS must preserve continuity of existing contracted services to ensure uninterrupted delivery of high-quality behavioral health services. If today's action is approved, it will allow for the continuity of the existing medical services group services which will provide the greatest assurance of sustaining the program's demonstrated improvements and preserve continuity of clinical leadership and institutional knowledge.

Today's action requests the Board authorize the Director, Department of Purchasing and Contracting, to authorize an amendment to contract 572191 with Traditions Behavioral Health to extend its term, continue Medical Director leadership and psychiatrist staffing services under the current medical services group model, for one seven-month option and two one-year option periods through June 30, 2029.

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,



Ebony N. Shelton
Chief Administrative Officer

Attachment(s)
N/A