Flagler County Board of County Commissioners
Consent: BOCC Departments / Agenda Item 7.b.

Meeting Date:	October 5, 2026
Department Contact:	Joseph Hegedus, Health and Human Services Director
Subject:	**Approval of HHS - Human Services Grant Agreement with SMA Healthcare Inc.** Staff recommends that the Board approve the FY 2026-27 Grant Agreement between Flagler County and SMA Healthcare, Inc. in the amount of $170,000.00 to support substance abuse and mental health treatment services.

Overview/Summary:
Mental health, alcohol, and drug abuse treatment services in Florida are funded primarily through the State of Florida Department of Children & Families to private, non-profit agencies in each county. Counties are mandated by Florida Statutes, Chapters 394 (mental health), 396 (alcohol), and 397 (drug abuse) to provide up to 25% local match for these state funds. To this aim, Flagler County has funded a performance-based grant agreement with SMA Healthcare Inc., administered and overseen by the County's Department of Health and Human Services (HHS) and funded as part of the Health and Human Services Division budget. The final grant report for FY 2025-26 is due early October but, to date, SMA Healthcare has met all grant deliverables and requirements for this FY grant, as well as those of all prior years.

The FY 2026-27 performance-based grant agreement with SMA Healthcare, Inc. provides a partial match for the aforementioned and statutorily required substance abuse and mental health treatment services. Specific services funded are outlined in Addendum A, Purchase of Service Standards of the Agreement but, in short, the grant supports the provision of the following services to Flagler County residents:

- Residential substance abuse treatment
- Emergency screening
- Crisis stabilization
- Medical outpatient
- Case management
- Substance abuse detoxification
- Adolescent outpatient
- Adult outpatient treatment
- Attendance at HHS outreach events

Strategic Plan:
Focus Area: Public Health and Safety
Goal 1: Increase Resident Awareness of Available Services of Health & Human

Services Department
Objective PHS 1.1: Provide a range of educational programs.

Goal 4: Expand Behavioral Health and Substance Abuse Programs
Objective PHS 4.1: Expand public-private partnerships to help remove barriers related to behavioral health access.

Funding Information:
Funding for SMA Healthcare, Inc. in the amount of $170,000 is included in the FY 2026-27 Adopted Budget in account 1001-105-0500-564800-560-56-000-000-582001.

Recommendations:
Staff recommends that the Board approve the FY 2026-27 Grant Agreement between Flagler County and SMA Healthcare, Inc. in the amount of $170,000.00 to support substance abuse and mental health treatment services.

Attachments:
1. Flagler County Health & Human Services - SMA Contract FY26-27

FLAGLER COUNTY HEALTH AND HUMAN SERVICES
GRANT AGREEMENT

Flagler County and the Provider identified below hereby agree to the following provisions and the attached Addendum A, incorporated herein:

1. **Provider Name:** SMA Healthcare, Inc.

   Address: 150 Magnolia Avenue, Daytona Beach, FL. 32114

   Telephone: 386-236-3200

   Designated Administrator for this Agreement: Ivan Cosimi, Chief Executive Officer

2. **County Fiscal Year:** 2026 – 2027

   Effective Date: October 1, 2026 (Commencement of Services)

   Date Services End: September 30, 2027 (for fiscal year)

   Amount of Grant: $170,000 (One Hundred Seventy Thousand Dollars)

3. **Service description:** Mental health and substance abuse treatment services. (See attached Addendum A)

4. **Special conditions on services to be provided or special conditions applicable to Provider's operation:**

   I. Provider agrees to do as follows:

   A) To accept the funds as appropriated in accordance with the terms of this Agreement and the standards for the appropriation of said funds as from time to time may be amended, and further, for funds to be accepted, all cost sharing or match contributions, if any, must be verifiable from the recipient's records and may not be paid by the Federal Government under another award, except where Federal statute authorizes such cost sharing or matching;

   B) To acknowledge familiarity with the Health Insurance Portability and Accountability Act, in accordance with 45 CFR §164.504(e), to comply with the provisions governing the safeguarding, use and disclosure of Protected Health Information created, received, maintained, or transmitted by the Provider or its subcontractors incidental to Provider's performance of this Agreement;

   C) To return to the County within fifteen (15) days on demand therefor all County funds paid to said Provider under the terms of this Agreement upon the Board of County Commissioners' finding that the terms of any agreement executed by the Provider, or the standards appropriating funds to the Provider, have been violated by the Provider;

   D) To consent to, upon request by the County:

      1. Such audits of the financial affairs of the Provider by the Office of the Clerk of the Court as the Board of County Commissioners may require;

2. Produce all documents related to the expenditure of Flagler County funds as required by the County;
3. Furnish the County with a copy of an audit report and, if issued, a management letter of its financial affairs for its fiscal year made by a certified public accountant. (Such audit report shall be due within 120 days of the close of the Provider's fiscal year);
4. Furnish the County with an annual report of receipts and expenditures of County funds in such form as the Clerk of the Court may prescribe (Such report shall be due within 120 days of the close of the County fiscal year);
5. Such audits of the client service records pertaining to the Flagler County grant held by Provider as the Human Services Program Manager, or the County's designee, may require, including access to non-personally identifiable client confidential records necessary to such an audit;
6. Provide the Human Services Program Manager, or the County's designee, with an overview of the Provider's activities including statistics, goals, and clients served with the quarterly invoice, and other information as requested by the County; and
7. Assign appropriate staff to meet with the Human Services Program Manager, or the County's designee, to assess quality of service and compliance and develop improvements and/or changes as requested by the County;

E) To provide services described herein to Flagler County residents. Further, the Provider may not enter into any subcontracts or sub-grants under the provisions of this Agreement without the County's written approval. The Provider must furnish the County with a copy of all proposed subcontracts or sub-grants prior to receiving written approval;

F) To make decisions regarding client eligibility without regard to, or consideration of, race, age, religion, gender, national origin, marital status, physical or mental disability, or other factors which cannot be lawfully or appropriately used as a basis for service delivery;

G) To agree and represent to the County that there will be no double billing to other government grant programs for the portion of services paid for by the County's grant, and to acknowledge that the County has relied upon that representation; and

H) To not use the funds received pursuant to this Agreement to support or oppose any candidate for public office, nor to support or oppose any issue before the voters or any elective body. Provider covenants not to engage in political activities while performing the services described herein.

II. The term of this Agreement shall be a one (1) year period from October 1, 2026 to September 30, 2027.

III. For services described herein, the County agrees to pay the Provider:

The sum of: $170,000 (One Hundred Seventy Thousand Dollars)

Payable as follows: Quarterly payments of $42,500 (Forty-two Thousand five hundred dollars)

Payable upon: Submission of an invoice and report of basic statistical information relevant to the Provider's services to the Human Services Program Manager, or the County's designee, by the 10th of the month following services provided. Failure to submit said invoice by the stated due date will result in non-payment of the billing cycle missed. Payment under this Agreement shall be governed by the Florida's Local Government Prompt Payment Act.

IV. Any changes in the scope of services must be approved, in writing, by the Human Services Program Manager, or the County's designee, provided that nothing herein shall authorize or allow any expenditure or obligation of funds in excess of the total sum of the Agreement.

V. The Provider services shall be provided in conformity with, and its facilities shall conform to, all state and federal laws and regulations regarding civil rights protections including, but not limited to, the Americans with Disabilities Act, the Civil Rights Acts and other state and federal laws dealing with discrimination. Furthermore, the Provider agrees that no person shall, on the basis of race, creed, color, national origin, sex, age, handicap, disability, genetics, or marital status, be excluded from participating in any activity conducting with or benefitting from this grant Agreement. Any complaints filed against the Provider of nondiscrimination laws described above shall be copied to the Human Services Program Manager, or the County's designee, within twenty (20) days of receipt by the Provider. Should the provider be deemed in violation of federal or state law by a court of competent jurisdiction or an appropriate state or federal administrative agency, the Human Services Program Manager, or the County's designee, may recommend to the Board of County Commissioners the termination of this grant. The Board of County Commissioners may terminate this grant based on the Human Services Program Manager's, or the County's designee's, recommendation.

VI. Provider shall have a Drug Free Workplace Program.

VII. Provider shall, at times hereafter, indemnify, hold harmless, and defend the County, its agents, County Commissioners, management, attorneys, and employees from and against any claim, demand, or cause of action of any kind or nature including, but not limited to, negligent error, omission, or act of Provider, its agents, servants or employees in the performance of services under this grant Agreement. Said indemnification shall survive the term of this grant Agreement.

VIII. This Agreement shall be subject to audit and inspection by the County for a period of five (5) years from the date of execution hereof. Venue for disputes involving this Agreement shall be the Seventh Judicial Circuit in and for Flagler County.

IX. The Contract Administrator for the County for this Agreement is the Human Services Program Manager, or the County's designee.

X. Pursuant to the Section 119.0701(2), Florida Statutes, the Provider shall allow public access to all documents, papers, letters, or other material subject to the provisions of Chapter 119, Florida Statutes, made or received by the Provider in conjunction with this Agreement. Specifically, the Provider must:

A) Keep and maintain public records that ordinarily and necessarily would be required by the County in order to perform the service, including but not limited to: meeting notes, progress reports, correspondence, memos, certifications, and invoices;
B) Provide the public with access to public records on the same terms and conditions that the County would provide the records and at a cost that does not exceed the cost provided by law;
C) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law; and
D) Meet all requirements for retaining public records and transfer, at no cost to the County all public records in possession of the Provider upon termination of this Agreement and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the County in a format that is compatible with the information technology systems of the County.

IF THE PROVIDER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (386) 313-4005, publicrecords@flaglercounty.gov, or 1769 E. MOODY BLVD., BLDG. 2, BUNNELL, FL 32110.

XI. In performing the requirements herein, the Provider shall promptly provide the County with a copy of any request to inspect or to copy public records in possession of the Provider and consult with the County to ensure the request is responded to in accordance with the law. The Provider shall promptly provide the County with a copy of the Provider's response to each such request. Failure to grant such public access shall constitute a material default and the County shall be entitled to terminate this Agreement and to pursue any other remedies against the Provider available in equity or at law.

5. Termination. The County may terminate this Grant Agreement for cause by furnishing the Provider with notice of said termination at least ten days prior to the date of termination. Prior to terminating this Agreement for cause, the County will furnish the Provider a notice of default or deficiency and give the Provider an opportunity to cure the default or deficiency within a reasonable amount of time, but in no case shall the time to cure exceed thirty calendar days. In the event of termination, the County will pay the Provider a pro rata share for the services provided up through the date of termination.

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IN WITNESS WHEREOF, the parties have caused this Grant Agreement to be executed by their duly authorized representatives on the dates indicated below.

FLAGLER COUNTY BOARD OF COUNTY COMMISSIONERS

_____
Leann Pennington, Chair

_____
Date

ATTEST:

_____
Tom Bexley, Clerk of the Circuit Court and Comptroller

Approved as to form:

_____
Sarah E. Spector, Assistant County Attorney

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SMA Healthcare, Inc.

_____
President/Chief Operating Officer

ATTEST:

_____
Typed/Printed

_____
Signature

_____
Date

_____
Print Name, Title

_____
Date

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FLAGLER COUNTY HEALTH AND HUMAN SERVICES
GRANT AGREEMENT
ADDENDUM A
PURCHASE-OF-SERVICE STANDARDS

SMA Healthcare, Inc., previously identified as the Provider, will comply with the following standards, and provide to the residents of Flagler County the following performance-based services annually:

County grant funds are used to match Department of Children & Families, Substance Abuse & Mental Health grant.

1. Provide at least eighty-two (82) hours of medical, mental health outpatient services, provided by a licensed Medical Doctor or Advanced Registered Nurse Practitioner. Per quarter, this equates to at least twenty and one half (20.5) hours of medical, mental health outpatient services provided by licensed Medical Doctor or Advanced Registered Nurse Practitioner in each quarter of the grant term.

2. Provide at least one-hundred sixty (160) hours of case management services to mental health clients, provided by a cross-disciplinary team of therapists, case managers, and peer counselors. Per quarter, this equates to at least forty (40) hours of case management services to mental health clients, provided by a cross-disciplinary team of therapists, case managers, and peer counselors provided in each quarter of the grant term.

3. Provide at least seventy (70) bed days of mental health crisis stabilization. Per quarter, this equates to at least seventeen and one half (17.5) bed days of mental health crisis stabilization provided in each quarter of the grant term.

4. Provide at least sixty-two (62) hours of mental health screening services. Per quarter, this equates to at least fifteen and one half (15.5) hours of mental health screening services provided each quarter of the grant term.

5. Provide at least twenty-two (22) bed days of residential substance abuse treatment services. Per quarter, this equates to at least five and one half (5.5) bed days of residential substance abuse treatment services provided in each quarter of the grant term.

6. Provide at least two hundred nineteen and nine tenths (219.9) bed days of substance abuse detoxification services. Per quarter, this equates to roughly fifty-five (55) bed days of substance abuse detoxification services provided in each quarter of the grant term.

7. Provide at least three hundred six (306) hours of adult substance abuse outpatient treatment services. Per quarter, this equates to seventy-six and one half (76.5) hours of adult substance abuse outpatient treatment services provided in each quarter of the grant term.

8. Provide at least two hundred eighty-five (285) hours of adolescent substance abuse outpatient treatment services. Per quarter, this equates to seventy-one and one half (71.5) hours of adolescent substance abuse outpatient treatment services provided in each quarter of the grant term.

9. The Provider shall comply with all current performance standards as established by the State of Florida.

10. The Provider shall make every effort to recruit Flagler County residents to its Board of Directors.

11. The Provider shall interact with other human services agencies funded by the County, as well as attend the Flagler Resource Council meetings and any other interagency meetings concerning the delivery of services to Flagler County Residents.

12. Grantees are expected to attend Flagler County's Bi-Annual Outreach.