



Date: 7/31/2026

To: Veronica Bolcik, Chair, Nantucket Contract Review Committee

Jerico Mele, Deputy Director, Nantucket Health and Human Services

From: Dr. Roberto Santamaria, Executive Director, Fairwinds Behavioral Health Center

Re: **Response to Questions from the Contract Review Committee**

Dear Members of the Contract Review Committee,

Thank you for the opportunity to address the questions that have recently been raised regarding Fairwinds. We value our longstanding partnership with the Town of Nantucket and welcome the opportunity to provide factual information regarding the organization's current operations, financial position, and strategic direction.

Is Fairwinds expanding services to the Cape?

No. Although Fairwinds has always had the ability to serve off-island clients, we historically have not actively done so.

Over the past year, operational improvements have significantly increased our clinical capacity while Nantucket's current demand has remained manageable. As a result, we have begun reaching out to other Community Behavioral Health Centers (CBHCs) to determine whether Fairwinds can accept a limited number of patients currently on their waiting lists.

Unlike many behavioral health providers throughout the Commonwealth, Fairwinds currently does not maintain a waitlist and has the capacity to provide timely intake appointments. This approach allows existing clinical capacity to be utilized more effectively while improving access to behavioral healthcare.

It is important to note that Fairwinds will not provide sliding fee services to off-island residents. Likewise, any grant funding or charitable support intended to expand access to care for Nantucket residents will continue to be used exclusively for that purpose.

Is Fairwinds pursuing a capital campaign to purchase a facility?

No. Fairwinds has not launched a capital campaign to purchase a facility.

At this time, the organization is conducting preliminary planning and feasibility discussions regarding its long-term space needs. As with any nonprofit organization, evaluating future facility options is part of prudent strategic planning and should not be interpreted as an active capital campaign or acquisition effort.

What is the current financial position of Fairwinds? Are there any developments that would impact Fairwinds' long-term financial stability?

Fairwinds' current financial position is significantly stronger than what is reflected in its FY2025 audited financial statements. The operating deficit reported in FY2025 does not represent the organization's current financial trajectory, but rather the culmination of several accounting and operational issues inherited by the current leadership team during the final weeks of FY2024.

A significant contributor to the FY2025 results was the discovery that prior federal ARPA, DSRIP, and similar grant funding had been accounted for incorrectly under previous financial management. Rather than being recorded as restricted or deferred revenue and recognized as allowable expenditures occurred, these funds had been recognized immediately as unrestricted operating revenue. As those restricted funds were subsequently expended over multiple fiscal years in accordance with their grant requirements, the related expenses were recognized without corresponding revenue, resulting in a significant deterioration of reported operating performance in FY2025.

Additionally, Fairwinds undertook a comprehensive review of its balance sheet and accounts receivable, resulting in the write-off of years of uncollectible receivables and the recognition of previously unrecorded payroll accruals. While these were necessary accounting corrections that negatively affected the FY2025 financial statements, they more accurately reflect the organization's true financial position and have established a stronger financial foundation moving forward.

In response, Fairwinds implemented substantial governance and financial management improvements, including:

- Transitioning financial management to CliftonLarsonAllen (CLA), a nationally recognized healthcare accounting firm.
- Engaging a fractional Chief Financial Officer to strengthen financial oversight, forecasting, and internal controls.
- Changing external audit firms to improve financial governance and reporting.
- Replacing revenue cycle management vendors and modernizing billing operations.
- Upgrading information technology infrastructure and financial reporting processes.
- Implementing stronger budget monitoring, cash flow forecasting, and operational performance reviews.

Operationally, Fairwinds continues to improve its financial performance through service optimization, payer contract renegotiations, coding and documentation improvements, and disciplined expense management. Most recently, one of Fairwinds' largest insurance partners agreed to increase reimbursement rates for Community Behavioral Health Center services, an adjustment that is expected to generate a meaningful increase in annual revenue.

While Fairwinds anticipated a modest operating loss in FY2026 as these improvements continue to take effect, current projections show an operating surplus in FY2027. Based on the accounting corrections already completed and the significant governance, financial, and operational improvements implemented over the past two years, leadership and the Board believe the organization is on a sustainable long-term financial trajectory.

Is Fairwinds currently looking to affiliate or merge with another organization?

No. Fairwinds is not currently pursuing an affiliation or merger with another organization.

The organization explored an affiliation opportunity a significant time ago and progressed substantially through that process. Ultimately, the affiliation did not move forward, and Fairwinds has not pursued another affiliation or merger since that time.

Can you discuss the funding model of your partnership with the Nantucket Music Foundation?

Fairwinds partnered with the Nantucket Music Foundation to support community programming that promotes behavioral health and wellness through the arts. The partnership is with the Foundation itself and is designed to advance shared community health objectives through education, prevention, and community engagement.

While I cannot share internal agreements or financial documents, additional information regarding the Foundation, its mission, and our collaboration is publicly available through its website.

Thank you for the opportunity to provide this information. Fairwinds remains committed to delivering accessible, high-quality behavioral healthcare to the Nantucket community while operating in a fiscally responsible, transparent, and mission-driven manner. We appreciate the Committee's continued partnership.

Respectfully Submitted,

A handwritten signature in black ink, reading "Roberto J. Santamaria". The signature is fluid and cursive, with the first name "Roberto" and last name "Santamaria" clearly legible.

Dr. Roberto J. Santamaria, MPH, MBA, DrPH
Executive Director, Fairwinds Behavioral Health Center