



M E M O R A N D U M
HEALTH AND HUMAN SERVICES
ADULT SYSTEM OF CARE
County of Placer

TO: Board of Supervisors

DATE: June 23, 2020

FROM: Jeffrey S. Brown, M.P.H., M.S.W., Director of Health and Human Services

SUBJECT: Agreement for Substance Use Treatment Services

ACTION REQUESTED

Approve an agreement with Aegis Treatment Centers, LLC, a Delaware Limited Liability Company, for substance use treatment services from July 1, 2020 through June 30, 2022 in an amount not to exceed \$4,100,000, and authorize the Director of Health and Human Services to sign the agreement with Risk Management and County Counsel concurrence, and sign subsequent amendments up to \$100,000, consistent with agreement's subject matter and scope of work with Risk Management and County Counsel concurrence.

BACKGROUND

Substance use disorders impact Placer County's health care and social services spectrums (e.g. health care, criminal justice, homelessness, education, child welfare, social services, etc.). Effective and appropriate treatment reduces costs. In addition, the mission and welfare of Placer County residents utilizing this vast array of services is enhanced when partnerships, knowledge about appropriate substance use level of care, and appropriate treatment is accessible and available. Placer County implemented a county specific Drug Medi-Cal Organized Delivery System (DMC-ODS) through the 1115 waiver on November 1, 2018 to enhance and improve substance use services. Placer County's contract with the Department of Health Care Services (DHCS) stipulates that Placer County maintains appropriate access to necessary substance use treatment services, including narcotic treatment programs (methadone, buprenorphine, disulfiram, and naloxone). The waiver also changed the way providers are paid for services from "County of Service" to "County of Responsibility". This requires Placer County to contract with providers who deliver quality services and who have a geographic location that is accessible to residents who qualify; and pay for Placer County beneficiaries accessing those out of county services.

Placer County has one narcotic treatment provider located within the geographic boundaries of the county. The majority of the Drug Medi-Cal eligible residents with need to receive narcotic treatment are being served through this contracted provider. This contract will allow Placer County to meet its mandated obligations under the DHCS contract of having an adequate network of providers to address the substance use treatment needs of Placer County residents and allow eligible residents to maintain treatment with an established provider.

FISCAL IMPACT

Funding for these mandated services is comprised of \$4,100,000 (100%) Federal and State sources. \$2,000,000 is included in the FY 2020-21 Budget with \$1,520,540 in Federal and \$479,460 State funding. The remaining \$2,100,000 will be included in the Department's FY 2021-22 Budget with \$1,596,567 in Federal and \$503,433 State funding.

The agreement is on file with the Clerk of the Board for review.

