

**MEMORANDUM
PLACER COUNTY HEALTH AND HUMAN SERVICES
Adult System of Care**

TO: Honorable Board of Supervisors

FROM: Jeffrey S. Brown, M.P.H, M.S.W., Director of Health & Human Services
Maureen F. Bauman, Director of Adult System of Care

DATE: July 8, 2014

SUBJECT: Contracts for Substance Use Treatment and Related Services

ACTION REQUESTED:

1. Approve the following agreements for substance use treatment services and transitional housing for a total amount not to exceed \$9,177,310 (\$443,758 net County cost) from July 1, 2014 through June 30, 2016, and authorize the Director of Health and Human Services to sign subsequent amendments up to a cumulative amount of 10 percent or \$49,999, whichever is less, of each agreement's original total, consistent with the current agreements' subject matter and scope of work:
 - a. Aegis Medical Systems, Inc., in an amount not to exceed \$3,520,000;
 - b. Center Point, in an amount not to exceed \$146,000;
 - c. Community Recovery Resources (CoRR), in an amount not to exceed \$2,186,000;
 - d. Koinonia Foster Homes, in an amount not to exceed \$832,000;
 - e. New Leaf Counseling Services, in an amount not to exceed \$857,710;
 - f. PES-eps, Inc. in an amount not to exceed \$215,000;
 - g. Progress House, in an amount not to exceed \$1,082,400;
 - h. Recovery Now LLC, in an amount not to exceed \$110,000;
 - i. Roseville Home Start, in an amount not to exceed \$25,200
 - j. Sierra Mental Wellness Group, in an amount not to exceed \$112,000;
 - k. Sierra Native Alliance, in an amount not to exceed \$60,000;
 - l. Latino Leadership Council, Inc., in an amount not to exceed \$31,000.

BACKGROUND:

Substance abuse treatment leads to reduced crime and enhanced public safety as well as savings in jail bed days, health care costs, and costs associated with child welfare. County-wide, more than 1,300 County residents chose local treatment in order to work on their recovery last year. This number is expected to increase as more people are eligible for Drug Medi-Cal (as of January 1, 2014) and as access to enhanced services (e.g. intensive outpatient treatment) becomes available. In Placer County, 55 percent of all participants successfully completed their treatment, which is comparable to the statewide average. Programs that are based in effective collaborations/partnerships (e.g. drug court, AB109, Veteran's Court, etc.) have been proven through research to improve success rates for those involved with the criminal justice system.

The primary drugs of choice for individuals in treatment include opiates (including both heroin and prescription drugs), methamphetamine, and alcohol. The increase in the use of heroin and opiates is both a national and local change as various forms of opiate prescriptions have become the primary drugs of abuse. Placer County programs will continue to utilize evidence-based approaches that best meet the needs of those seeking services. Our treatment continuum offers evidence-based programming specific to criminal thinking, pregnant and parenting women, trauma victims, veteran's, and more. The Adult System of Care provides a centralized screening and assessment process via partnerships with local emergency rooms, criminal justice agencies, and community partners which served approximately 700 individuals last fiscal year. The number served has steadily increased by about 100 people per year over the last two years. Centralized screening and assessment allows access to the right level of care (described below) and type of evidence-based practice to meet the clients' needs, improve outcomes, and leverage available funding.

Placer County contracts with substance abuse treatment providers to operate a continuum of care including: medication assisted therapy (an evidence-based treatment for severe opiate addiction), detoxification, residential and outpatient treatment, educational programming (e.g. life skills, anger management, etc.), and transitional housing services for adolescents, women with children, and adults.

The modalities provided by each Substance Use Treatment contractor are detailed in the following table.

**Contracts for Residential and Outpatient Substance Use Disorders,
Transitional Housing and Other Treatment Services**

Provider	Modalities and Major Funding Awarded	FY 2014-16 Total Award Amount	FY 2014-16 Total Required County Match
Aegis Medical Systems	Methadone Maintenance Treatment- <i>Medi-Cal</i>	\$3,520,000	\$0
Center Point	Residential- <i>AB109, CWS, AOD</i>	\$146,000	\$4,000
Community Recovery Resources (CoRR)	Detox, Residential, Out client, Transitional Housing, Educational Programming- <i>AB109, CWS, AOD, Gaming Grant</i>	\$2,186,000	\$226,600
Koinonia Foster Homes	Outpatient- <i>Medi-Cal</i>	\$832,000	\$2,400
New Leaf Counseling Services	Residential, Outpatient- <i>CWS, Medi-Cal</i>	\$857,710	\$65,118
PES-eps, Inc.	Outpatient, Educational Programming- <i>AB109, CWS</i>	\$215,000	\$12,000
Progress House	Residential, Outpatient, Transitional Housing- <i>AB109, CWS, AOD, Gaming</i>	\$1,082,400	\$109,400
Recovery Now LLC	Transitional Housing- <i>AB109, CWS</i>	\$110,000	\$16,000
Roseville Home Start	Transitional Housing- <i>AB109, CWS</i>	\$25,200	\$1,840
Sierra Mental Wellness Group	Outpatient- <i>AB109, CWS, AOD, Gaming</i>	\$112,000	\$2,000
Sierra Native Alliance	Outpatient, Educational Programming- <i>AB109, CWS</i>	\$60,000	\$2,000
Latino Leadership Council, as fiscal agent for Victory Outreach	Transitional Housing- <i>AB109, CWS</i>	\$31,000	\$2,400
Total		\$9,177,310	\$443,758

These contracts were reviewed and recommended for approval by the Mental Health, Alcohol, and Drug Advisory Board at its regular meeting on June 23, 2014.

FISCAL IMPACT:

The aggregate two-year amount for these 12 contracts is \$9,177,310. Funding is comprised of \$8,733,552 (95.2 percent) from Federal and State sources, and required County General Funds of \$443,758 (4.8 percent). Of these amounts, half is included in the Department's FY 2014-15 Proposed Budget and the remainder will be included in the Department's FY 2015-16 Requested Budget.

These contracts are on file with the Clerk of the Board for review.