



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Behavioral Wellness
Department No.: 043
For Agenda Of: June 21, 2016
Placement: Administrative
Estimated Time: n/a
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Alice Gleghorn, PhD, Director
Director(s) Behavioral Wellness 681-5220
Contact Info: John Doyel, Alcohol and Drug Program Manager, 681-5220

SUBJECT: Fiscal Year 16-19 Aegis Treatment Centers, LLC Contract Renewal

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- A. Approve and Authorize the Chair to execute an Agreement for Services of Independent Contractor with **Aegis Treatment Centers, LLC** (a local vendor), for the provision of Narcotic Treatment Programs, not to exceed \$3,900,000 per fiscal year, for a total contract amount not to exceed **\$11,700,000** for the period of July 1, 2016 through June 30, 2019.
- B. Direct Santa Barbara County Department of Behavioral Wellness to return before June 30, 2017 to provide a status report on performance measures and service delivery provided by **Aegis Treatment Centers, LLC**.
- C. Determine that this activity is exempt from California Environmental Quality Act review per CEQA Guidelines Section 15378(b)(5) since the recommended actions are government administrative activities which do not involve commitment to any specific project which may result in potentially significant physical impact on the environment.

Summary Text:

The Santa Barbara County Behavioral Wellness Department provides a continuum of mental health and substance use disorder services to Santa Barbara County residents, in part through contracted providers including Community-Based Organizations (CBOs). Approval of the recommended actions will allow Behavioral Wellness to continue to provide mandated substance use services.

Background:

Behavioral Wellness provides services to individuals with substance use issues in Santa Barbara County, per its contract with the State of California, Department of Healthcare Services (DHCS), for Substance Use Disorder services. Behavioral Wellness provides services to individuals with substance use issues primarily through contracted providers. Alcohol and Other Drug (AOD) treatment services provided by contracted providers include outpatient treatment, specialized perinatal substance use treatment and prevention services.

Aegis Treatment Centers (Aegis) operates a Narcotic Treatment Program (NTP) that provides methadone prescribed by a physician to alleviate withdrawal symptoms from narcotics. Aegis also conducts drug screening and provides clients with individual and group counseling. Clients who have substance abuse diagnoses and addictions to opiates receive services that support stabilization, rehabilitation and recovery.

The contract is for a three year term of July 1, 2016 to June 30, 2019. It includes the standard termination clause whereby the County may terminate for convenience with a thirty day written notice, for nonappropriation of funds, or because of the failure of Contractor to fulfill the contract terms.

In addition, Behavioral Wellness anticipates the Alcohol Drug Program implementation of the Organized Delivery System (ODS) beginning within the three year contract term. As a result, these mandated services will require a Request for Proposal (RFP). The requirements of an RFP will be defined and negotiated between Behavioral Wellness and DHCS pursuant to a new ODS contract.

Following the Methadone presentation provided to the Board on June 7, 2016 and approval of this contract, the Department of Behavioral Wellness will return by end of Fiscal Year 2016/17 to provide a status report on methadone services and performance outcomes delivered by Aegis.

Performance Measure:

Aegis provides outpatient methadone treatment for opioid recovery to an average of 641 clients per quarter. Due to the nature of the treatment they provide, they are closely monitored by State and Federal agencies, in addition to the Department of Behavioral Wellness. Aegis maintains a sophisticated Electronic Health Record system, from which they readily produce data for outcome monitoring. During Quarter 1 and Quarter 2 of FY 15-16, Aegis met and/or exceeded all of their contract outcome expectations. Drug testing outcomes for the first 6 months of FY 15-16 indicate that the vast majority of clients were successfully abstaining from opiates (85%), as well as opiates and all other drugs (71%).

Recently, Behavioral Wellness completed an analysis of Aegis outcomes for clients that participated in one year of treatment. Results indicated that arrests decreased from 1.9% to .4% after one year, as did family conflict 6.5% to 1.6%) and physical health-related emergency room visits (7% to 2.2%). The

number of clients enrolled in school decreased from 4.6% to 2.2%, and past month paid work days decreased from 34% to 27%. Declines in school enrollment and paid work days are partially explained by the fact that clients who enter treatment often times become more focused on treatment. The decrease in participation in recovery support activities decreased from 7.8% to 1.6%. However, it is common that clients on Medicated Assisted Treatment follow a medication only track. Additionally, it is possible that after a year in treatment and stabilization in several life domains, clients have less need for recovery support, and/or recovery support is less relevant while receiving methadone.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

Funding Sources	FY 16-17	FY 17-18	FY 18-19
General Fund			
State	\$ 1,950,000.00	\$ 1,950,000.00	\$ 1,950,000.00
Federal	\$ 1,950,000.00	\$ 1,950,000.00	\$ 1,950,000.00
Fees			
Other:			
Total	\$ 3,900,000.00	\$ 3,900,000.00	\$ 3,900,000.00

Narrative: The above referenced contract is funded by State and Federal funds. The funding sources are included in the FY 2016-2017 Proposed Budget.

Key Contract Risks:

As with any contract funded by State and Federal sources, there is a risk of future audit disallowances and repayments. Behavioral Wellness is required to submit an annual cost report which reports all costs associated with providing Alcohol and Drug Program services for a given Fiscal Year (actual cost). There is the risk that the State will disallow units of service or determine costs to be non-allowable, resulting in repayment. Behavioral Wellness contracts include language requiring contractors to repay any amounts disallowed in audit findings, minimizing financial risks to County.

Special Instructions:

Please send one (1) signature page and one (1) minute order to admhscontractsstaff@co.santa-barbara.ca.us.

Attachments:

Attachment A: Aegis Treatment Center FY 16-19

Authored by:

Q.Lopez