



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

Submitted on:
(COB Stamp)

Department Name: Behavioral Wellness
Department No.: 043
Agenda Date: December 3, 2024
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director(s): Antonette Navarro, LMFT, Director, (805) 681-5220
Contact Info: Melissa Wilkins, MPH, CADC-II, CCPS, Branch Chief of Alcohol and Drug Programs, Behavioral Wellness (805) 681-5220
SUBJECT: **Aegis Treatment Centers, LLC First Amendment to the FY 23–27 Services Agreement for Drug Medi-Cal Organized Delivery System (DMC-ODS) Services**

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve, ratify, and authorize the Chair to execute a First Amendment to the Agreement for Services of Independent Contractor with **Aegis Treatment Centers, LLC** (not a local vendor) (BC No. 23-074) to amend terms concerning Overdose Prevention Training and Medical Necessity Determination; to add Medication Unit services; and to increase the contract amount by **\$1,629,000** for the provision of higher than anticipated services for a revised total maximum contract amount of **\$21,702,600**, inclusive of **\$5,325,900** for FY 23–24 and **\$5,458,900** thereafter for each of fiscal years FY24-25, FY 25-26, and FY 26-27, for the period of July 1, 2023, through June 30, 2027;
- b) Delegate to the Director of the Department of Behavioral Wellness or designee the authorities listed below, all without altering the maximum contract amount and without requiring the Board's approval of an amendment of the Agreement, subject to the Board's ability to rescind these delegated authorities at any time:
 - i) Suspend, delay, or interrupt the services under the Agreement for convenience per Section 20 of the Agreement;
 - ii) Make immaterial changes to the Agreement per Section 26 of the Agreement;
 - iii) Reallocate funds between funding sources and make changes to the service rates per Exhibit B;
 - iv) Deny or withhold payment for services for unsatisfactory clinical documentation or non-submission of service data or other information per Exhibit B; and
 - v) Amend the program goals, outcomes, and measures per Exhibit E; and

- c) Determine that the above recommended actions are government fiscal activities or funding mechanisms that do not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment and are therefore not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4) of the CEQA Guidelines.

Summary Text:

This item is on the agenda to approve the First Amendment to the Services Agreement with **Aegis Treatment Centers, LLC (Aegis)** to amend terms concerning Overdose Prevention Training and Medical Necessity Determination; to add a Medication Unit in Lompoc; and, to increase the total maximum contract amount to **\$21,702,600**, inclusive of \$5,325,900 for FY 23–24 and \$5,458,900 for each of FY 24-25, FY 25-26, and FY 26-27, for the period of July 1, 2023, through June 30, 2027.

Aegis provides Narcotic Treatment Program (NTP)/Opioid Treatment Program (OTP) services to adult clients (age 18 and over) as well as adolescent clients (under age 21) with Opioid Use Disorders (OUD) under the Drug Medi-Cal Organized Delivery System (DMC-ODS). Approval of the recommended actions will allow for the continued provision of these necessary services to Behavioral Wellness (BWell) clients.

Background:

BWell 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). Aegis provides NTP/OTP services to adult clients (age 18 and over) as well as adolescent clients (under age 21) with Opioid Use Disorders (OUD). These services are categorized by the American Society of Addiction Medicine (ASAM) as Opioid Treatment Services.

NTP/OTP are pharmacological and nonpharmacological treatment modalities supervised by board-certified medical doctors. NTP/OTP services include opioid agonist medications such as methadone and buprenorphine, and opioid antagonist medications such as naltrexone. NTP/OTP also includes the following service components: Assessment, Care Coordination, Clinician Consultation, Counseling (individual and group), Family Therapy, Medical Psychotherapy, Medication Services, Medication-Assisted Treatment (MAT) for OUD, MAT for Alcohol Use Disorders (AUD) and other non-opioid Substance Use Disorder (SUD), Peer Support, Patient Education, Recovery Services, and SUD Crisis Intervention Services counseling services, as defined in the proposed Agreement.

BWell is required by the California Department of Health Care Services (DHCS) to select providers for Alcohol and Drug Program (ADP) Substance Use Disorder (SUD) services through a competitive bidding process. BWell's previous Request for Proposals (RFPs) for Outpatient Treatment Services took place in 2018. In October 2022, BWell released six RFPs for various ADP SUD services, including Narcotic Treatment Programs. Aegis was selected to provide countywide NTP/OTP services for FY 2023-2027. On July 18, 2023, the Board approved the Agreement with Aegis Treatment Centers, LLC for DMC-ODS services for FY 23-27 (BC #23-074).

On December 14, 2023, Aegis notified BWell of Aegis's intent to add a Medication Unit to meet California codes and regulations and Mental Health and Substance Use Disorder Services (MHSUDS) Info Notice No: 17-015 for support of Aegis's NTP. BWell has worked with Aegis to locate the new service in the Lompoc, Mid-County area. This First Amendment provides for the inclusion of the new Medication Unit, which was licensed by the Department of Health Care Services, effective October 18, 2024.

Per a billing review of Aegis' services from July 1, 2023 through March 31, 2024, Aegis will end that fiscal year with higher than anticipated billings. In addition, adding the Medication Unit in Lompoc will increase the cost per fiscal year 2024 through 2027. The First Amendment will add \$1,629,000 to cover the increased costs for the provision of these services.

Performance Measure:

For FY 23/24, Aegis had the following outcomes:

- **Opioid Treatment Program** – It served an average of 864 clients per quarter with an average of 123 discharges per quarter. It met all five of its goals:
 - 100% of clients initiated treatment (goal of 90% or more);
 - 100% were engaged in treatment (goal of 85% or more);
 - 78% were retained in treatment for over a year (goal of 30% or more);
 - 51% successfully completed treatment (goal of 25% or more);
 - and, for those in treatment greater than six months, 75% were abstinent of drugs other than the prescribed narcotic replacement (goal of 75% or more).
- **Perinatal Program** – It served an average of 12.5 clients per quarter with an average of 1.5 discharges per quarter. It did not meet its two goals by the end of the FY:
 - An average of 44% were abstinent at time of discharge (goal of 100%).
 - 44% successfully completed treatment (goal of 70% or more).

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>FY 23-24</u>	<u>FY 24-25</u>	<u>FY 25-26</u>	<u>FY 26-27</u>	<u>Total FY 23-27</u>
General Fund					\$ -
State	\$ 2,662,950	\$ 2,729,450	\$ 2,729,450	\$ 2,729,450	\$ 10,851,300
Federal	\$ 2,662,950	\$ 2,729,450	\$ 2,729,450	\$ 2,729,450	\$ 10,851,300
Fees					\$ -
Other					\$ -
Total	\$ 5,325,900	\$ 5,458,900	\$ 5,458,900	\$ 5,458,900	\$ 21,702,600

Narrative: The above-referenced contract is funded by State and Federal funds. The funding sources were included in the FY 23-24 and 24-25 Adopted Budgets. Funding for FY 25-26 and FY 26-27 will be included in the department’s requested budget and will be contingent upon Board approval.

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 contracts include language requiring contractors to repay any amounts disallowed in audit findings, minimizing financial risks to the County.

Special Instructions:

Please email one (1) complete executed Amendment and one (1) minute order to M. Simon-Gersuk at msimongersuk@sbcbswell.org and the BWell Contracts Division at bwellcontractsstaff@sbcbswell.org.

Attachments:

Attachment A – Aegis Treatment Centers, LLC FY 23-27 BC AM1

Attachment B – Aegis Treatment Centers, LLC FY 23-27 BC 23-074 Executed

Authored by:

M. Johnson
M. Simon-Gersuk