



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:** November 13, 2018  
**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: Pam Fisher, PsyD, Deputy Director of Clinical Operations  
Behavioral Wellness, 681-5220

**SUBJECT:** Behavioral Wellness Alcohol and Drug Program – Aegis Treatment Centers, LLC.  
Drug Medi-Cal Organized Delivery System (DMC-ODS) FY 18-21 Service  
Contract

---

**County Counsel Concurrence**

As to form: Yes

Other Concurrence: Risk Manager

As to form: Yes

**Auditor-Controller Concurrence**

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 the **Aegis Treatment Centers, LLC** (Aegis) (not a local vendor), to deliver substance use disorder services under the DMC-ODS, for a multi-year contract total not to exceed **\$10,850,000** for the period December 1, 2018 through June 30, 2021.
- B. Determine that the above actions are organizational or administrative actions of government that will not result in direct or indirect physical changes in the environment, pursuant to section 15378(b)(5) of the California Environmental Quality Act (CEQA) guidelines.

**Summary Text:**

Behavioral Wellness only budgeted for a six (6) month Alcohol and Drug Program (ADP) allocation under DHCS Agreement No. 17-19102 for FY 18-19, to ensure continuity of care during a delay in the implementation of the Organized Delivery System (ODS). However, on October 16, 2018, the Board of Supervisors approved the Intergovernmental Agreement No. 18-95148 between DHCS and Behavioral Wellness to deliver substance use disorder services under the DMC-ODS, effective December 1, 2018. At that time we shared with the Board of Supervisors that once Behavioral Wellness implements ODS, the ADP portions of FY 18-19 contracts would be either amended or terminated based on the services approved under DMC-ODS. The DMC-ODS Agreement No. 18-95148 (FY 18-21) wholly replaces Agreement No. 17-94102 (FY 17-20) (see Attachment B, Notice from DHCS).

The above referenced contract is on the agenda to request approval of a new contract for Aegis to deliver mandatory substance use disorder services under DMC-ODS. Approval of the recommended actions will allow Behavioral Wellness to continue to provide mandated substance use and ancillary services to clients needing care.

**Background:** The Santa Barbara County Department of Behavioral Wellness 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). Behavioral Wellness contracted with Aegis (BC 17051), to deliver ADP services through December 31, 2018 under the DHCS ADP Agreement No. 17-19102. With the Board of Supervisors and DHCS approval of the Behavioral Wellness Intergovernmental Agreement No. 18-95148 to deliver substance use disorder services under the DMC-ODS, this contract needed to be re-issued to incorporate the new DMC-ODS state and federal regulations.

On October 15, 2018, Behavioral Wellness received a cancellation notice effective November 30, 2018, from DHCS of Agreement No. 17-94102 (Attachment B). All obligations to provide covered services under Agreement No. 17-94102 will automatically terminate on November 30, 2018. The County of Santa Barbara will be responsible for providing or arranging for covered services to beneficiaries until the effective date of cancellation. Behavioral Wellness has provided detailed instructions, training and support to providers to seamlessly transition clients over to DMC-ODS services. The State will remain liable for processing and paying invoices for covered services prior to the cancellation until all obligations have been met. .

A new contract needed to be established in order to submit billings under the DMC-ODS due to the new enhanced services and rates. Under DMC-ODS, the contracted provider will provide the following mandated substance use disorder services:

**Aegis Treatment Centers (Aegis):** shall provide Opioid Treatment Program (OTP/NTP) services for adult (age 18 and over) narcotic dependent individuals.

The treatment services provided under OTP includes: OTP Detoxification Treatment-Buprenorphine dosing for detoxification and planned withdrawal from narcotic drug dependence; OTP Maintenance Treatment- Methadone or Buprenorphine dosing, individual and/or group counseling; OTP Prescription Medications- such as Methadone, Buprenorphine, Disulfiram, and Naloxone; Medical Supervision; and Drug Screening.

Aegis' sites in Santa Barbara and Santa Maria are DMC certified to provide American Society of Addiction Medicine (ASAM) Level 1 Opioid Treatment Program (OTP) services.

**Contract Renewals and Performance Outcomes:****Aegis**

Aegis provides outpatient methadone treatment for opioid recovery to an average of 746 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. Aegis has performed well, having met and/or exceeded three of their four outcome goals for FY 17-18.

	Goal	Actual		Average
		Q1	Q2	
Clients will have a complete physical examination	100%	100%	100%	100%
Clients will stop using drugs of abuse other than the prescribed narcotic replacement (for those in Tx =>6 months)	75%	81%	80%	80.5%
Decrease client incarceration rates (for those in Tx =>1 yr)	50%	51%	37%	44%
Successful Completion of Tx (discharges)	20%	37%	38%	37.5%

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY 18-19</u></b> <b><u>Cost:</u></b>	<b><u>Current FY 19-20</u></b> <b><u>Cost</u></b>	<b><u>Current FY 20-21</u></b> <b><u>Cost</u></b>
General Fund			
State	\$1,225,000	\$2,100,000	\$2,100,000
Federal	\$1,225,000	\$2,100,000	\$2,100,000
Fees			
Other:			
Total	\$2,450,000	\$4,200,000	\$4,200,000
Grand Total			\$10,850,000

Narrative: The above reference contract is funded by State and Federal funds. The funding sources are included in the FY 18-19 Adopted Budget. For FY 19-20 and FY 20-21 the budget is contingent on 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 contract and one (1) minute order to [cfoschaar@sbcbswell.org](mailto:cfoschaar@sbcbswell.org) and [bwelcontractsstaff@co.santa-barbara.ca.us](mailto:bwelcontractsstaff@co.santa-barbara.ca.us)

**Attachments:**

Attachment A: Aegis FY 18-21 DMC-ODS BC

Attachment B: DHCS Cancellation Notice Agreement No. 17-94102

**Authored by:**

A. Foschaar