



NEVADA COUNTY
HEALTH & HUMAN SERVICES
AGENCY

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NEVADA COUNTY BOARD OF SUPERVISORS
Board Agenda Memo

MEETING DATE: August 11, 2020
TO: Board of Supervisors
FROM: **Phebe Bell**
SUBJECT: Resolution approving execution of Amendment No. 3 to the Personal Services Contract with Aegis Treatment Centers, LLC. for the provision of a Drug Medi-Cal (DMC) outpatient Narcotic Treatment Program (NTP) for referred clients of the Nevada County Behavioral Health Department to increase the Maximum Contract Price from \$367,000 to \$393,661 (an increase of \$26,661) for FY 2019/20 due to an unexpected increase in services. (RES. 19-472; RES. 19-610; RES. 20-131)

RECOMMENDATION: Approve the attached Resolution.

FUNDING: Narcotic Treatment Program services are mandatory under the Drug Medi-Cal Organized Delivery System Waiver, which Nevada County implemented on June 28, 2018. These services are funded by Federal Drug Medi-Cal and State 2011 Realignment. There are no County general fund dollars required in the Agreement and a budget amendment is not needed.

BACKGROUND: Per Resolution 19-472, the Board of Supervisors approved the renewal contract with Aegis Treatment Centers, LLC. on August 27, 2019. Subsequently, per Resolution 19-610, the Board of Supervisors approved Amendment No. 1 to add additional language and increase the maximum contract price. Subsequently, per Resolution 20-131, the Board of Supervisors approved Amendment No. 2 to increase the maximum contract price. Substance abuse is a significant issue in California and in Nevada County specifically. Abuse of alcohol and other drugs impacts not only the user, but also their children, family and community. Local data indicates that our county has higher than state average rates of use and abuse. Opioid abuse is a significant challenge for

our community, with the rate of opioid prescriptions as well as opioid overdose hospitalizations exceeding the state rate significantly. Narcotic Treatment Programs have for many years been providing treatment to individuals affected by an Opioid Use Disorder. Prior to Aegis opening a Medication Unit in Nevada County, residents have needed to travel to neighboring counties to access this type of treatment.

On July 28, 2017, the Department of Health Care Services issued Mental Health Substance Use Disorder Services (MHSUDS) Information Notice No. 17-036 which mandates that all counties in California are expected to establish contractual arrangements, when necessary, to ensure that the county where the Drug Medi-Cal (DMC) beneficiary resides is financially responsible to pay for any DMC entitlement services being provided to its residents by another county. Narcotic Replacement Therapy, provided by a Narcotic Treatment Provider, is a DMC covered service.

On August 13, 2015 the Center for Medicare and Medicaid Services (CMS) approved the request to amend California's section 1115 Demonstration Project, entitled California Bridge to Reform Demonstration. This amendment authorizes the state to test a new organized delivery of health care services for Medicaid eligible individuals with a substance use disorder (SUD). This pilot was approved for 5.5 years until June 30, 2020. The Drug Medi-Cal Organized Delivery System (DMC-ODS) provides a continuum of care modeled after the American Society of Addiction Medicine Criteria for substance use disorder treatment services.

Counties that are opting into the DMC-ODS are required to contract with an organization that provides a Narcotic Treatment Program. Nevada County implemented the DMC-ODS on July 1, 2018. Aegis Treatment Centers has clinic locations in Marysville and Roseville and a Medication Unit in Grass Valley. Nevada County beneficiaries are receiving Opioid Use Disorder medication Assisted Treatment and counselling at all sites, but having a Medication Unit locally has greatly improved access to treatment for our residents.

Current demand for Narcotic Treatment Program Services continues to exceed projections. As a result, it is recommended that the Board of Supervisors approve this Amendment as these services are mandated pursuant to opting into the Drug Medi-Cal Organized Delivery System. Access to Narcotic Treatment services allows Nevada County clients to receive critical support in their efforts to end their dependence on opioids.

Item Initiated and Approved by: Phebe Bell, MSW, Director of Behavioral Health