



## County Executive Office

### Memorandum

June 15, 2021

To: Clerk of the Board of Supervisors

From: Frank Kim, County Executive Officer

Subject: Exception to Rule 21

Digitally signed by Frank Kim  
DN: cn=Frank Kim, o=County of  
Orange, ou=CEO,  
email=frank.kim@ocgov.com,  
c=US  
Date: 2021.06.15 09:06:50 -0700

2021 JUN 16 PM 2:14  
CLERK OF THE BOARD  
ORANGE COUNTY  
BOARD OF SUPERVISORS

RECEIVED

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The County Executive Office is requesting a Supplemental Agenda Staff Report for the June 22, 2021, Board Hearing.

Agency: Health Care Agency

Subject: Amendment for Narcotic Replacement Therapy Treatment Services

Districts: 1

**Reason for supplemental:** The County Executive Office is requesting this Supplemental Item be placed on the June 22, 2021, Board agenda due to an increased need for service as a result of the COVID-19 pandemic and to avoid any interruption in the current services being provided and to enroll any new clients. This Agenda Staff Report and attachments were finalized after the filing deadline to the Clerk of the Board.


Concur:

Andrew Do, Chairman of the Board of Supervisors

cc: Board of Supervisors  
County Executive Office  
County Counsel



### SUPPLEMENTAL AGENDA ITEM AGENDA STAFF REPORT

**MEETING DATE:** 06/22/2021  
**LEGAL ENTITY TAKING ACTION:** Board of Supervisors  
**BOARD OF SUPERVISORS DISTRICT(S):** 1  
**SUBMITTING AGENCY/DEPARTMENT:** Health Care Agency  
**DEPARTMENT HEAD REVIEW:**   
*Department Head Signature*  
**DEPARTMENT CONTACT PERSON(S):** Annette Mugrditchian (714) 834-5026  
 Jeff Nagel (714) 834-7024

**RECEIVED**  
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 CLERK OF THE BOARD  
 ORANGE COUNTY  
 BOARD OF SUPERVISORS

**SUBJECT:** Amendment for Narcotic Replacement Therapy Treatment Services

**CEO CONCUR**

  
Digitally signed by Frank Kim  
 DN: cn=Frank Kim, o=County of Orange, ou=CEO,  
 email=frank.kim@ocgov.com,  
 c=US  
 Date: 2021.06.15 09:06:26 -0700  
*CEO Signature*

**COUNTY COUNSEL REVIEW**

Approved as to Form  
*Action*  
 Brittany McLean Digitally signed by Brittany McLean  
 DN: cn=Brittany McLean, o=County of Orange, ou=County Counsel, email=brmclean@ocgov.com, c=US  
 Date: 2021.06.15 09:06:26 -0700  
*County Counsel Signature*

**CLERK OF THE BOARD**

Discussion  
 3 Votes Board Majority

**Budgeted:** Yes                      **Current Year Cost:** \$250,000                      **Annual Cost:** N/A  
**Staffing Impact:** No                      **# of Positions:**                      **Sole Source:** No  
**Current Fiscal Year Revenue:**  
**Funding Source:** State: 50% (2011 Realignment/AB 109 Realignment); Fees/Other: 50% (Federal Financial Participation Drug Medi-Cal)                      **County Audit in last 3 years:** No

**Prior Board Action:** 03/23/2021 #23, 06/02/2020 #11, 05/22/2018 #25

**RECOMMENDED ACTION(S)**

1. Approve Amendment No. 7 to Contract with California Treatment Services, LLC dba Recovery Solutions of Santa Ana for provision of Drug Medi-Cal Narcotic Replacement Therapy Treatment Services to increase contract amount by \$250,000 for a new not to exceed amount of \$3,550,000, effective for the term July 1, 2020, through June 30, 2021, for a revised cumulative contract total amount not to exceed \$12,925,111.
2. Authorize the County Procurement Officer or authorized Deputy to execute the Amendment as referenced in the Recommended Action above.

**SUMMARY:**

Approval of the Amendment to the Contract with California Treatment Services, LLC dba Recovery Solutions of Santa Ana for Drug Medi-Cal Narcotic Replacement Therapy Treatment Services will provide the additional funding needed for the increase in capacity approved by the state in order to meet the ongoing increase in Medicated Assisted Treatment Services.

**BACKGROUND INFORMATION:**

In 2016, Health Care Agency (HCA) submitted a plan to the Department of Health Care Services (DHCS) to provide a continuum of Substance Use Disorder (SUD) services, reimbursable under Drug Medi-Cal (DMC), for residents of Orange County. On May 8, 2018, your Honorable Board of Supervisors (Board) approved this plan and as a result, HCA executed contracts with various DMC and non-DMC certified treatment providers in Orange County. Implementing this new benefit and services for Orange County Medi-Cal beneficiaries directly addresses the opioid crisis.

The chart below summarizes the prior Board actions as it pertains to DMC-funded Narcotic Replacement Therapy (NRT) Treatment Services.

**DMC NRT Board Actions**

<b>Board Date</b>	<b>Contract/Amendment</b>	<b>Action</b>	<b>Term</b>
May 22, 2018	Contract	Board approved Contract	07/01/2018 - 06/30/2020
June 02, 2020	Contract	Board Approved Term Renewal	07/01/2020 - 06/30/2021
March 23, 2021	Amendments No. 5 & 6	Board Approved Term Renewal	07/01/2021 - 06/30/2022

Orange County and many other jurisdictions experienced an increase in substance use during the Public Health Emergency. As a result, an increase in capacity was needed for this level of care and was approved by the State to increase from 680 to 705 to meet the ongoing demands for Medication Assisted Treatment (MAT) services. In order for California Treatment Services, LLC dba Recovery Solutions of Santa Ana (Recovery Solutions) to continue to provide MAT to the increased maximum capacity of 705 through the end of the fiscal year, an additional \$250,000 will need to be added to the contract. Due to this increase and to avoid any interruption in services for open and new clients, HCA is requesting to bring this amendment as a Supplemental Agenda Staff Report item before June 30, 2021.

**Scope of Work**

DMC NRT Treatment Services include: MAT, assessment and evaluation, counseling, co-occurring disorder treatment both individual and group counseling services, case management, relapse prevention and linkage with ancillary services. MAT is provided to clients suffering from opioid addiction. MAT works to reduce cravings, block the effects of opioids and stabilize clients, and is considered part of the best practice for treatment of clients with opioid disorders. MAT helps clients to stay off the opioid narcotics, which reduces the serious and sometimes deadly side effects of withdrawal and/or overdose. MAT takes a whole patient approach to treatment that focuses on alleviating both the physical and behavioral aspects of addiction to opiates. MAT services under the Contract will be provided to Medi-Cal eligible residents of Orange County.

MAT services will continue to be provided to Medi-Cal eligible residents in Orange County under the Contract with Recovery Solutions. This provider had a capacity to serve up to 680 clients; however, with the recent demand for MAT services, Recovery Solutions served on average up to 705 clients between the

months of July 2020 and March 2021. This average number of clients is expected to continue through the rest of the fiscal year.

**Performance Outcomes:**

	<b>Goal for DMC NRT</b>	<b>FY 2019-20 DMC NRT</b>	<b>FY 2020-21 DMC NRT (July-Feb)</b>
<b>Compliance with MAT</b>	> 80%	90%	94%
<b>Abstinence from Substances</b>	> 50%	51%	56%

Outcomes are collected after clients are in treatment for 90 days. The provider has been asked to utilize an escalating three-phase approach to address continued use of illegal substances: 1) verbal warning; 2) formal probation; and 3) pre-termination fair hearing.

The Contractor's performance has been confirmed as satisfactory. HCA has verified there are no concerns that must be addressed with respect to Contractor's ownership/name, litigation status or conflicts with County interests. The Orange County Preference Policy is not applicable to this contract award.

The proposed Amendment does not currently include subcontractors or pass through to other providers. See Attachment B for Contract Summary Form.

This Amendment is coming to the Board under the 30-day notice as additional funds are needed to meet higher than anticipated client volumes within this fiscal year.

HCA requests that the Board approve Amendment No. 7 with Recovery Solutions, as referenced in the Recommended Action.

**FINANCIAL IMPACT:**

Appropriations for this Contract are included in Budget Control 042 FY 2020-21 Budget.

Should services need to be reduced or terminated due to lack of funding, this Contract contains language that allows HCA to give 30-day notice to either terminate or renegotiate the level of services provided. The notice will allow HCA adequate time to transition or terminate services to clients, if necessary.

**STAFFING IMPACT:**

N/A

**ATTACHMENT(S):**

- Attachment A - Amendment No. 7 to Contract MA-042-19010241 with California Treatment Services, LLC dba Recovery Solutions of Santa Ana
- Attachment B - Contract Summary Form
- Attachment C - Redline to Attachment A