



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: June 13, 2014
Board Meeting Date: August 5, 2014
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Jean S. Fraser, Chief, Health System
Stephen Kaplan, Director, Behavioral Health and Recovery Services

Subject: Amendment to the Agreement with Addiction Research and Treatment, Inc.

RECOMMENDATION:

Adopt a Resolution authorizing an amendment to the agreement with Addiction Research and Treatment, Inc. for narcotic replacement therapy services, increasing the amount by \$1,204,151 to an amount not to exceed \$2,477,479.

BACKGROUND:

On June 18, 2013, your Board approved an agreement with Addiction Research and Treatment, Inc. (ART) to provide narcotic replacement therapy services for adult Drug Medi-Cal clients with complex needs, for the term July 1, 2013 through June 30, 2014, to an amount not to exceed \$622,654.

On April 22, 2014, your Board approved a first amendment to the agreement for narcotic replacement therapy services increasing the maximum obligation by \$622,654 to a new maximum of \$1,245,308, and extending the term of the agreement through June 30, 2015.

On May 30, 2014, the Chief of the Health System approved a second amendment to the agreement adding a cost of living adjustment, increasing the maximum obligation by \$28,020, to an amount not to exceed \$1,273,328, and no change to the term of the agreement.

DISCUSSION:

Due to San Mateo County's successful implementation of the Affordable Care Act (ACA) and the extension of Drug Medi-Cal, the demand for Medication Assisted Therapy (which includes narcotic replacement therapy services) has nearly doubled. As more people become covered under ACA and become aware of this service availability, we anticipate increased demand for Medication Assisted Therapy services.

Through this agreement, the contractor will continue to operate and manage narcotic replacement therapy services for San Mateo County adult Drug Medi-Cal clients with complex needs. These services include daily methadone dosing, appropriate medical assisted therapy services, urine screening, addiction education and intervention, aftercare planning, patient follow-up, and follow-up with referring partners. Methadone treatment is a very unique medication service that is provided to opiate-dependent patients.

The amendment and Resolution have been reviewed and approved by County Counsel as to form. The contractor meets insurance certification requirements.

The contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits.

Approval of this agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing individuals and families with prevention and treatment services to support recovery, which in turn contributes to the health and safety of communities throughout San Mateo County. Success for services under this agreement are measured by sustained abstinence over a one year period and are verified by a rigorous regime of testing for alcohol, methadone, methadone metabolites, heroin, opium, other opioids, cocaine, amphetamine, methamphetamine and other substances. Each patient is randomly tested once a month. It is anticipated that 70% of patients will remain abstinent from the use of illicit drugs and abuse of other addictive substances.

PERFORMANCE MEASURE(S):

Measure	FY 2013-14 Estimate	FY 2015-16 Projected
Percentage of patients that remain abstinent from the use of illicit drugs and abuse of other addictive substances	70%	70%

FISCAL IMPACT:

The term of the agreement remains July 1, 2013 through June 30, 2015. The agreement maximum is being increased by \$1,204,151 to an amount not to exceed \$2,477,479. Of the increase, \$450,000 is included in the BHRS FY 2013-14 Adopted Budget, funded by Federal Drug Medi-Cal (\$225,000) and State 2011 Drug Medi-Cal Realignment (\$225,000). The remaining \$754,151 is included in the BHRS FY 2014-15 Recommended Budget. Of that amount, Federal Drug Medi-Cal will fund \$377,075.50 and State 2011 Drug Medi-Cal Realignment will fund \$377,075.50. There is no Net County Cost.