



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Health System



**Date:** July 30, 2015  
**Board Meeting Date:** October 6, 2015  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise Rogers, Chief, Health System  
Stephen Kaplan, Director, Behavioral Health and Recovery Services

**Subject:** Agreement with Addiction Research and Treatment, Inc. for narcotic replacement therapy services

**RECOMMENDATION:**

Adopt a resolution authorizing an agreement with Addiction Research and Treatment, Inc. for narcotic replacement therapy services, for the term July 1, 2015 through June 30, 2016, in an amount not to exceed \$1,745,000.

**BACKGROUND:**

Addiction Research and Treatment, Inc. (ART) provides narcotic replacement therapy (NRT) services for San Mateo County adults with histories of opioid dependency and comorbid health related issues. Specifically, ART provides methadone maintenance, counseling, and case management services, primarily to Medi-Cal beneficiaries.

The California Department of Health Care Services (DHCS) just recently received approval of a federal Medi-Cal waiver for substance use services. This waiver will significantly alter the delivery of substance use services, including those provided by ART. In light of these developments, Behavioral Health and Recovery Services (BHRS) is requesting that your Board waive the Request for Proposals (RFP) process for NRT services for two years, allowing BHRS time to determine how the waiver will affect this and other BHRS Alcohol and Other Drug (AOD) contracts. BHRS would release the NRT RFP in FY 2016-17 for services to start on July 1, 2017.

**DISCUSSION:**

The demand for Medication Assisted Therapy (which includes NRT services) has nearly doubled since June 2014, due to San Mateo County's successful implementation of the Affordable Care Act (ACA) and the expansion of Medi-Cal eligibility. As more people become covered under ACA and grow aware of Medication Assisted Therapy, we anticipate an even higher demand for such services.

Through this agreement, ART will operate and manage NRT services for San Mateo County adult Medi-Cal clients with complex needs. These services include daily methadone dosing, appropriate Medication Assisted Therapy services, urine screening, addiction education and intervention, aftercare planning, patient follow-up, and follow-up with referring partners. Research has validated the effectiveness of methadone treatment for opiate-dependent patients.

BHRS contracts related to AOD services are late because negotiations between DHCS and the federal government regarding the Drug Medi-Cal waiver were not finalized until August 13, 2015.

The resolution contains the County's standard provision allowing amendment of the County's fiscal obligations by a maximum of \$25,000 (in aggregate).

The agreement and resolution have been reviewed and approved by County Counsel as to form. This agreement is on the Continuing Resolution.

The 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 the 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 95% of clients requesting methadone services will receive treatment within 24-hours.

**PERFORMANCE MEASURE(S):**

Measure	FY 2014-15 Actual	FY 2015-16 Projected
Percentage of clients requesting methadone services that receive treatment within 24 hours	N/A*	95% 276 clients

\* This is a new performance measure. Data will begin to be available in FY 2015-16.

**FISCAL IMPACT:**

The term of the agreement is July 1, 2015 through June 30, 2016. The amount of the agreement is not to exceed \$1,745,000 and is included in the BHRS FY 2015-16 Adopted Budget. Of this amount, \$872,500 will be funded by Federal Financial Participation for Drug Medi-Cal and \$872,500 will be funded by 2011 Realignment. There is no net county cost. The payment provisions in this agreement increased by \$249,515 from the prior agreement due to the higher demand for Medication Assisted Therapy services.