

Setting the Standard in Health Care Excellence

June 4, 2024

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

SUBJECT: Ratification and Approval of, and Authorization for the Ventura County Behavioral Health (VCBH) Director to Sign, Three Amendments to the Fiscal Year 2023-2024 Agreements with Aegis Treatment Centers, LLC, HealthRIGHT 360, and Western Pacific Med-Corp for Substance Use Services, Increasing the Combined Maximum Amount of the Agreements from \$12,574,050 to \$13,750,000 (a Combined Increase of \$1,175,950), Effective July 1, 2023 Through June 30, 2024; Authorization for the VCBH Director to Approve Amendments to Make Limited Modifications to the Agreements.

RECOMMENDATIONS:

1. Ratification and approval of, and authorization for the Ventura County Behavioral Health (VCBH) Director or designee to sign, three amendments to the Fiscal Year 2023-2024 agreements with Aegis Treatment Centers, LLC (Aegis), HealthRIGHT 360, and Western Pacific Med-Corp (Western Pacific), for Substance Use Services (SUS), increasing the combined maximum amount of the agreements from \$12,574,050 to \$13,750,000 (a combined increase of \$1,175,950) and the maximum amount of each agreement as described in the following table, effective July 1, 2023 through June 30, 2024. (Exhibits 1 – 3)

Exhibit #	Contractor	FY 2023-24 Current Contract Amount	FY 2023-24 Proposed Contract Amount	Variance (Increase)	Division Number
1	Aegis Treatment Centers, LLC	\$7,040,000	\$7,800,000	\$760,000	3220
2	HealthRIGHT 360	\$3,656,650	\$3,900,000	\$243,350	3220
3	Western Pacific Med-Corp	\$1,877,400	\$2,050,000	\$172,600	3220
	Total	\$12,574,050	\$13,750,000	\$1,175,950	

2. Authorization for the VCBH Director or designee to approve modifications to decrease the amount of each contract, to approve budget modifications that do not increase the amount of each contract, to approve corrections, clarifications and

technical changes and modifications to each contract, when the changes are consistent with the original purpose of each contract and do not result in additional costs to the County, and to amend these agreements to revise or add language applicable to providers as required by the Department of Health Care Services (DHCS), subject to review and approval as to form by County Counsel.

FISCAL/MANDATES IMPACT:

SUS Budget Unit# 3220 Substance Use Services

Mandatory: No [X] Yes [] Cite Authority: N/A

Source of Funding: Short-Doyle/Medi-Cal (SD/MC) Federal Financial Participation (FFP) 2011 Realignment, State General Fund, CalWORKS, JCC and AB 109 funds, and Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUBG).

Funding Match Required: None

Impact on Other Department(s): None

	<u>FY 2023-24</u>	<u>FY 2024-25</u>
Summary of Revenue and Total Costs		
Revenue:	\$1,175,950	\$13,750,000
Costs:		
Direct Cost	\$1,175,950	\$13,750,000
Indirect - Dept.	\$0	\$0
Total Costs	\$1,175,950	\$13,750,000
Net County Costs	\$0	\$0
Recovered Indirect Cost:	\$0	\$0

FY 2023-24 Adjusted Budget for SUS Prevention Services BU #3220				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/(Deficit)
Appropriations	\$32,562,193	\$39,020,818	\$31,605,843	\$7,414,975
Revenue	\$31,853,989	\$33,799,974	\$30,531,564	(\$3,268,410)
Net Cost	\$708,204	\$5,220,844	\$1,074,279	\$4,146,565

Note: Revenue and appropriations are included in the FY 2023-24 adjusted budget for SUS BU #3220.

REASON FOR RATIFICATION:

To ensure timely delivery of services, VCBH authorized the providers listed in recommendations 2-4 to provide service delivery related to the proposed increase in advance of seeking your Board's approval. VCBH is presenting these items for your Board's approval at the earliest opportunity.

STRATEGIC PLAN PRIORITY:

The item presented in this Board letter ties to the Healthy, Safe, and Resilient Communities strategic priority of the County Strategic Plan as it is designed to meet the goal of providing equitable and timely access to quality mental health services.

DISCUSSION:

Recommendation #1:

Aegis provides outpatient Narcotic Treatment Program (NTP) and Medication Assisted Therapy (MAT) services for adults. Aegis currently has clinics in Oxnard, Santa Paula, Simi Valley, and Ventura with a total licensed capacity of 1,370 clients. Since July 2023, Aegis has provided services to 998 DMC clients and estimates serving 1,018 DMC clients by fiscal year end.

The proposed FY 2023-24 Second Amendment to the Agreement with Aegis represents an increase of \$760,000 to the maximum agreement amount due to an upward trend in clients and service provision. There are no other changes to the proposed agreement. This agreement is funded with Drug Medi-Cal Federal Financial Participation (DMC FFP), 2011 Realignment funds, and State General Fund.

VCBH recommends approval of, and authorization for the VCBH Director or designee to sign, the Second Amendment to the Agreement with Aegis for NTP and MAT DMC-ODS SUD services, increasing the maximum agreement amount from \$7,040,000 to \$7,800,000 (an increase of \$760,000), effective July 1, 2023 through June 30, 2024.

HealthRIGHT 360 provides three levels of residential treatment services and one level of withdrawal management treatment services for women and their children. The three levels of residential treatment services include: (1) clinically managed low-intensity residential services, (2) clinically managed population-specific high-intensity residential services for adults only, and (3) clinically managed residential services with high intensity for adults and medium intensity for adolescents. Since July 2023, HealthRIGHT 360 served 137 residential and 137 withdrawal management clients and 53 of those clients received MAT services. HealthRIGHT 360 estimates serving 185 residential and 185 withdrawal management clients and 80 of those clients will receive MAT services by fiscal year end.

The proposed FY 2023-24 Second Amendment to the Agreement with HealthRIGHT 360 represents an increase of \$243,350 to the maximum agreement amount due to the provision of more units of service by the provider. There are no other changes to the proposed agreement. This agreement is funded with DMC FFP, State General Fund, SUBG, 2011 Realignment, CalWORKS, JCC and AB 109 funds.

VCBH recommends approval of, and authorization for the VCBH Director or designee to sign, the Second Amendment to the Agreement with HealthRIGHT 360 for DMC-ODS SUD services, increasing the maximum agreement amount from \$3,656,650 to \$3,900,000 (an increase of \$243,350), effective July 1, 2023 through June 30, 2024.

Western Pacific provides outpatient NTP and MAT services for adults. Western Pacific currently has a clinic in Ventura with a total licensed capacity of 450 clients. Since July 2023, Western Pacific has provided services to 398 DMC clients and estimates serving 423 DMC clients by fiscal year end.

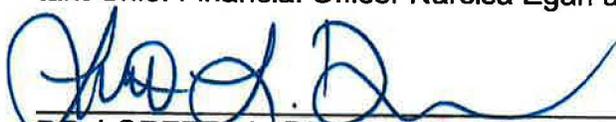
The proposed FY 2023-24 Second Amendment to the Agreement with Western Pacific represents an increase of \$172,600 to the maximum agreement amount due to an upward trend in clients and service provision. There are no other changes to the proposed agreement. This agreement is funded with DMC FFP, 2011 Realignment funds and State General Fund.

VCBH recommends approval of, and authorization for the VCBH Director or designee to sign, the Second Amendment to the Agreement with Western Pacific for NTP and MAT DMC-ODS SUD services, increasing the maximum agreement amount from \$1,877,400 to \$2,050,000 (an increase of \$172,600), effective July 1, 2023 through June 30, 2024.

Recommendation #2:

VCBH also recommends authorization for the VCBH Director or designee to approve amendments to each of the agreements referenced in Recommendation Number 1 (i) to approve budget modifications that do not increase the amount of the contract, (ii) to approve corrections, clarifications and technical changes and modifications, provided the amendments are consistent with the original purpose of the Agreements, do not increase the amount of the Agreements, or result in additional costs to the County, or (iii) to amend these agreements to revise or add language applicable to providers as required by the DHCS, subject to review and approval as to form by County Counsel.

This Board Letter has been reviewed by the County Executive Office, Auditor-Controller's Office, and County Counsel. If you have any questions regarding this item, please contact VCBH Interim Director Dr. Loretta Denering, DrPH, MS at (805) 981-2214 or HCA Assistant Chief Financial Officer Narcisa Egan at (805) 973-5357.


DR. LORETTA L. DENERING, DRPH, MS
Interim Behavioral Health Director


BARRY ZIMMERMAN
Health Care Agency Director

Attachments:

- Exhibit 1– FY 2023-24 Aegis – Second Amendment
- Exhibit 2 – FY 2023-24 HealthRIGHT360 – Second Amendment
- Exhibit 3 – FY 2023-24 Western Pacific – Second Amendment