

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY  
AND RECORD OF ACTION**

May 21, 2024

**FROM**

**GEORGINA YOSHIOKA, Director, Department of Behavioral Health**

**SUBJECT**

Contract with Aegis Treatment Centers, LLC for the Provision of Substance Use Disorder Narcotic Treatment Program Services

**RECOMMENDATION(S)**

Approve **Contract No. 24-409** with Aegis Treatment Centers, LLC, for the provision of substance use disorder Narcotic Treatment Program services, in the amount of \$30,168,584, effective January 1, 2024 through December 31, 2027.

(Presenter: Georgina Yoshioka, Director, 252-5142)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Provide for the Safety, Health and Social Service Needs of County Residents.**

**Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.**

**FINANCIAL IMPACT**

This item does not impact Discretionary General Funding (Net County Cost). The contract amount of \$30,168,584 will be funded by Federal Financial Participation Drug Medi-Cal (DMC) and 2011 Realignment funds. Adequate appropriation and revenue have been included in the Department of Behavioral Health's (DBH) 2023-24 budget and will be included in future recommended budgets.

**BACKGROUND INFORMATION**

DBH is responsible for providing mental health and substance use disorder (SUD) services to San Bernardino County (County) residents experiencing severe mental illnesses and/or SUD. Through its SUD and Recovery Services division, DBH offers a comprehensive range of SUD prevention, treatment, and education services to County communities and residents. These services are facilitated via contracts with Community-Based Organizations (CBOs) and County-operated clinics, aiming to foster prevention, intervention, recovery, and resiliency for individuals and their families.

The Narcotic Treatment Program (NTP) is one available treatment option found within the Drug Organized Delivery System continuum of care. Authorized providers supply Narcotic Replacement Therapy (NRT) treatment to eligible County Medi-Cal beneficiaries at outpatient clinics. These clinics are licensed by the Department of Health Care Services (DHCS) and are recognized as a viable treatment option by DBH.

NRT is an umbrella term that encompasses a variety of pharmacological and non-pharmacological treatments, including therapeutic use of methadone to extinguish drug

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cravings. The result is a continuously maintained state of drug tolerance in which euphoria, intoxication, or withdrawal symptoms are not experienced. The nature of services provided (such as medication dose, level of care, length of service) is determined by the patient's clinical needs but always include regularly scheduled counseling sessions and daily medication within a structured program. These services are provided in accordance with the requirements of Title 9, California Code of Regulations (CCR), Chapter 4, and Title 22 of the CCR and related directives as they pertain to Medi-Cal.

DHCS determines the client capacity of each DBH NTP contract provider and specifies the number of NTP licensed slots based on the recommendation of the DBH Director, as the DBH Alcohol and Drug Administrator. DBH is responsible for ensuring that NTP providers comply with all relevant Federal and State regulations and adhere to DBH service standards including performing fiscal reviews to ensure costs claimed are reasonable, allowable, and in compliance with related financial records and procedures.

Since 2002, Aegis Treatment Centers, LLC (Aegis) has provided substance abuse prevention and treatment services for the County as a contracted service provider. This agency has met DMC requirements and is certified by the State. This is one of two agencies available to, and contracted with, the County providing this required service to Medi-Cal beneficiaries. Aegis will provide NTP services to approximately 1,018 clients annually at an estimated cost of \$7,409 per client.

DBH is requesting retroactive approval of the contract as DBH and Aegis have been in extensive negotiations, reaching agreement on the new contract terms on April 29, 2024. This is the first available Board of Supervisors meeting date after all necessary program, fiscal, and legal reviews. Approval of this item will allow Aegis to continue providing outpatient NTP services to residents of the county.

DBH will establish mechanisms to regularly 1) review client service data and progress, conduct site visits and annual monitoring to ensure performance and compliance standards of the contract are met; 2) review applicable reimbursement claims and claims data to ensure fidelity and accuracy of service billing and optimization of Medi-Cal reimbursement in alignment with contract terms and DHCS billing requirements; and 3) review provider invoices administratively and programmatically to ensure client and bed counts are accurate prior to payment processing.

**PROCUREMENT**

DHCS is responsible for NTP oversight and licensing requirements; therefore, a procurement is not conducted for these SUD services. Aegis is one of two agencies within the county licensed by DHCS to provide the required NTP services. DBH contracts with both of these agencies for NTP services. Purchasing supports the non-competitive justification based on specialized credentials required for these SUD services.

**REVIEW BY OTHERS**

This item has been reviewed by Behavioral Health Contracts (Lisa Rivas-Ordaz, Contracts Supervisor, 386-8264) on May 1, 2024; County Counsel (Dawn Martin, Deputy County Counsel, 387-5455) on May 7, 2024; Purchasing (Jessica Barajas, Supervising Buyer, 387-2065) on May 8, 2024; Finance (Paul Garcia, Administrative Analyst, 386-8392) on May 8, 2024; and County Finance and Administration (Cheryl Adams, Deputy Executive Officer, 388-0238) on May 8, 2024.

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**APPROVED (CONSENT CALENDAR)**

Moved: Curt Hagman   Seconded: Joe Baca, Jr.  
Ayes: Col. Paul Cook (Ret.), Dawn Rowe, Curt Hagman, Joe Baca, Jr.  
Absent: Jesse Armendarez

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: May 21, 2024



cc:    DBH - Barajas w/agree  
      Contractor - c/o DBH w/agree  
      File - w/agree  
CCM   05/24/2024