



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 2/11/2020

Agenda Placement: 6G

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Shelli Brobst for Jennifer Yasumoto - Director
Health & Human Services Administration

REPORT BY: Shelli Brobst, Contracts Manager - 253-4720

SUBJECT: Amendment No. 1 to Agreement with Aldea, Inc. (Outpatient Youth Treatment Services - Drug Medi-Cal Organized Delivery System)

RECOMMENDATION

Director of Health and Human Services requests approval of and authorization for the Chair to sign Amendment No. 1 to Agreement No. 190290B with Aldea, Inc. updating the Contract Administration section to reflect current program contacts for both parties, decreasing the maximum amount by \$207,846 in line with actual utilization, for a new annual maximum of \$565,472, for the term July 1, 2019 through June 30, 2020 and each automatic renewal, and revising the compensation exhibit to increase the rates in line with actual costs qualifying as Drug Medi-Cal Organized Delivery System (DMC-ODS) services for substance use disorder (SUD) treatment.

EXECUTIVE SUMMARY

On April 23, 2019, the Board approved a new agreement with Aldea, Inc. to provide youth substance use disorder (SUD) treatment services at its facility that qualify as Drug Medi-Cal Organized Delivery System (DMC-ODS) services.

Approval of today's action will amend the Agreement to:

1. Update the Contract Administration section to reflect the names and titles of the current program contacts for both parties;
2. Decrease the maximum amount by \$207,846 for a new annual maximum of \$565,472; and
3. Revise the compensation exhibit to increase the rates qualifying as Drug Medi-Cal Organized Delivery System (DMC-ODS) services for substance use disorder (SUD) treatment.

The County is required to provide these services pursuant to Napa County Agreement No. 180182B with the California Department of Health Care Services (DHCS) for the provision of these DMC-ODS Substance Use

Disorder treatment services.

Aldea Inc. is a local vendor.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Health & Human Services Alcohol & Drug Services
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	No
Future fiscal impact:	This agreement is included in the requested Fiscal Year 2019-2020 budget and will be included in future fiscal appropriations accordingly.
Consequences if not approved:	If this agreement is not approved, Napa County Alcohol and Drug Services will not be able to provide youth substance abuse treatment services and may cause Napa County Alcohol and Drug Services to be out of compliance with the State approved ODS-DMC agreement.

County Strategic Plan pillar addressed: Healthy, Safe, and Welcoming Place to Live, Work, and Visit

Additional Information:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

On April 23, 2019, the County, through the Alcohol and Drug Services Division of the Health and Human Services Agency, executed an agreement with Aldea Inc. to provide outpatient treatment services to Napa County youth dealing with substance use disorders. Aldea holds the necessary state certification to provide these services and has been providing similar services through Agreements with both the Probation Department and Health and Human Services Agency. The contract consolidated these services and brought them within the Drug MediCal Organized Delivery System (DMC-ODS) which has higher and more uniform standards. It also enabled the County to receive partial reimbursement for the cost of these services through the Federal Medicaid system. This is a managed care model comprising a range of coordinated services, as specified in the County's contract with the California Department of Health Care Services commencing December 15, 2017 through June 30, 2020 (Napa County Agreement No. 180182B).

When the contract was originally executed, rates were estimated based on the anticipated number of clients/referrals, as well as the costs associated with employing four (4) full-time therapists, plus a clinical supervisor and program director. Since April, utilization of services has been significantly lower than anticipated due to limited referrals. Due to this, Aldea opted not to fill all staffing vacancies, thereby lowering its costs.

In December 2019, Aldea Inc. provided an updated budget to HHSA, which included their actual costs through November 2019 and anticipated costs for the remainder of FY 2019-2020. This updated budget was used to determine the new contract maximum of \$565,472 (a decrease of \$207,846).

While the contract maximum is decreasing, the reimbursement rate is being increased to better align with the contractor's costs. The new proposed rate would be retroactive to July 1, 2019 in order to ensure Aldea is compensated appropriately for the services provided during the entirety of FY 2019-2020.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Ben Guerrieri