

Date Received

**CHIEF ADMINISTRATIVE OFFICE
Procurement and Contracts Division**

NON-COMPETITIVE PURCHASE REQUEST JUSTIFICATION

Required for all (non-emergency) sole source acquisitions in excess of \$5,000.00 and sole source service requests in excess of \$100,000.00.

This justification document consists of three (3) pages. All information must be provided and all questions must be answered. **Department Head approval is required.**

Requesting Department Information

Department:	Org Code:
<input type="text" value="53-Behavioral Health"/>	<input type="text" value="5330"/>
Contact Name:	Subobject:
<input type="text" value="Salina Drennan"/>	<input type="text"/>
Telephone:	User Code:
<input type="text" value="530-621-6207"/>	<input type="text"/>
	Fax:
	<input type="text"/>

Required Supplier / Vendor Information

Vendor / Supplier Name:	Vendor / Supplier Address:
<input type="text" value="Aegis Treatment Centers, LLC"/>	<input type="text" value="7246 Remmet Ave., Canoga Park, CA 91303"/>
Contact Name:	
<input type="text" value="Susan D. Hoeflich"/>	<input type="text"/>
Estimated Purchase Price/Contract Amount:	Vendor / Supplier Email Address:
<input type="text" value="2,475,000"/>	<input type="text" value="susan.hoeflich@pinnacletreatment.com"/>
Telephone:	Fax:
<input type="text" value="Cell (484) 888-8867"/>	<input type="text"/>

Provide a brief description of the request, including all goods and/or services the vendor/supplier will provide and supporting exemption reference from Board Policy C-17 - Procurement Policy:

Aegis Treatment Centers, LLC is a credentialed Drug Medi-Cal Organized Delivery System Network Provider and is contracted with El Dorado County to provide substance use disorder treatment services in the Narcotic Treatment Program modalities. EDC is required to maintain an adequate network of providers for the delivery of SUD treatment services to those beneficiaries who have been determined to have a medical necessity for such services by a licensed physician or other licensed practitioner. On July 1, 2023 the Dept. of Health Care Services mandated a new system for the delivery of BH services, CalAIM. The necessary components to create contracts under CalAIM were not delivered to Counties in a timely manner and it is requested that the procurement be waived in accordance with the exemption below.

Exemption is Policy C-17 3.4.2(f) "the procurement is for goods where the continuity of providers will provide efficiency or critical knowledge, and other providers of the goods cannot provide similar efficiencies or critical knowledge."

Department Head:
Olivia Byron-Cooper (Jul 8, 2023 09:59 PDT)
 Signature

Purchasing Agent:
 Signature

Board of Supervisors:	P&C Assignment:
Date: <input type="text" value="08/15/23"/>	Assigned To: <input type="text"/>
Item: <input type="text" value="23-1370"/>	Date: <input type="text"/>

A. The good/service requested is restricted to one supplier for the reason stated below:

1. Why is the acquisition restricted to this goods/services supplier? (Explain why the acquisition cannot be competitively sourced. Explain how the supplier is the only source for the acquisition.)

EDC BH-SUDS must maintain multiple providers for SUD services due to the requirement to maintain an adequate provider network. Aegis has been a credentialed DMC-ODS Network Provider since 2018. This provider maintains an office within El Dorado County on the West Slope and is the only Narcotic Treatment Program available within county borders. All staff of the facility have been credentialed and approved to bill in the county system and SUDS has invested in the training of Aegis's staff to service El Dorado Co. beneficiaries.

2. Provide the background of events leading to this acquisition.

County has contracted with Aegis for SUD services since approximately 2018, a change in the County's procurement policies in 2022 have led to request to waive the newly required competitive process for this type of contract.

3. Describe the uniqueness of the acquisition. (Why was the goods/services supplier chosen?)

This provider has been determined to have and continues to maintain the appropriate licensing, certifications, staffing conditions and state approvals to deliver SUDS services within the Medi-Cal network.

4. What are the consequences of not purchasing the goods/services or contracting with the proposed supplier?

County will face non-compliance for failure to maintain an adequate network of providers to deliver services to County Medi-Cal beneficiaries in accord with the Intergovernmental Agreement between County and DHCS as well as Federal Managed Care Regulations. County residents in need of narcotic treatment program services will experience barriers to receive medically necessary health services, including transportation barriers. Those medi-cal beneficiaires already receiving services will have their services interrupted and since there is a daily pharmacological component to treatment, this will place clients at risk for withdrawal if medication is discontinued.

5. What market research was conducted to substantiate no competition, including the evaluation of other items or service providers? (Provide a narrative of your efforts to identify other similar or appropriate goods/services, including a summary of how the department concluded that such alternatives are either inappropriate or unavailable. The name and addresses of suppliers contacted and the reasons for not considering them must be included OR an explanation of why the survey or effort to identify other goods/services was not performed.)

Aegis Treatment Centers is the only NTP provider who has desired to establish an office in the County and has maintained their presence here for the past five years. Aegis is one of the largest providers of NTP services in California.

B. Price Analysis:

1. How was the price offered determined to be fair and reasonable? (Explain what basis was used for comparison and include cost analysis as applicable.)

The rates were determined by a rate negotiation process using CA Dept. of Health Care Services designated County rates for our network. Analysis by HHSF Fiscal Budget and Accounting team determine the allowable range of rates for the negotiation process and the BH Director reviewed and approved all negotiated rates before finalizing.

2. Describe any cost savings or avoidance realized (one-time or ongoing) by acquiring the goods/services from this supplier.

Due to federal managed care requirements if the County does not maintain an adequate network of providers to deliver services to Medi-Cal beneficiaries, then County cannot claim reimbursement from Medi-Cal for the payment to the provider for services. The County is still required to provide services for the beneficiary with an out of network provider and can use only County funds (no state or federal funds) to pay for the service for as long as the network cannot provide the Medi-Cal service.

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Requesting Department Information



Department: 53-Behavioral Health	Org Code: 5330	
Contact Name: Salina Drennan	Subobject: 	User Code:
Telephone: 530-621-6207	Fax: 	

Required Supplier / Vendor Information

Vendor / Supplier Name: Bi-Valley Medical Clinic, Inc. DBA BAART	Vendor / Supplier Address: PO Box 650002, Dallas, TX 75265
Contact Name: Melissa Develey	
Estimated Purchase Price/Contract Amount: 120,000	Vendor / Supplier Email Address: mdeveley@baartprograms.com
Telephone: (916) 649-6793	Fax:

Provide a brief description of the request, including all goods and/or services the vendor/supplier will provide and supporting exemption reference from Board Policy C-17 - Procurement Policy:

BAART is a credentialed Drug Medi-Cal Organized Delivery System Network Provider and is contracted with El Dorado County to provide substance use disorder treatment services in the Narcotic Treatment Program modalities. EDC is required to maintain an adequate network of providers for the delivery of SUD treatment services to those beneficiaries who have been determined to have a medical necessity for such services by a licensed physician or other licensed practitioner. On July 1, 2023 the Dept. of Health Care Services mandated a new system for the delivery of BH services, CalAIM. The necessary components to create contracts under CalAIM were not delivered to Counties in a timely manner and it is requested that the procurement be waived in accordance with the exemption below.
Exemption is Policy C-17 3.4.2(f) "the procurement is for goods where the continuity of providers will provide efficiency or critical knowledge, and other providers of the goods cannot provide similar efficiencies or critical knowledge."

Department Head:	 <small>Olivia Byron-Cooper (Jul 21, 2023 16:15 PDT)</small> Signature
Purchasing Agent:	 Signature

Board of Supervisors:	P&C Assignment:
Date:	Assigned To:
Item:	Date:

A. The good/service requested is restricted to one supplier for the reason stated below:

1. Why is the acquisition restricted to this goods/services supplier? (Explain why the acquisition cannot be competitively sourced. Explain how the supplier is the only source for the acquisition.)

EDC BH-SUDS must maintain multiple providers for SUD services due to the requirement to maintain an adequate provider network. BAART has been a credentialed DMC-ODS Network Provider since 2020. This provider is the only Narcotic Treatment Program available within the region who serves adolescents for narcotic treatment programs. This contract was entered into in order to resolve a Network Adequacy non-compliance finding from the state because we had not maintained this level of service for the adolescent population. All staff of the facility have been credentialed and approved to bill in the county system and SUDS has invested in the training of BAART's staff to service El Dorado Co. beneficiaries.

2. Provide the background of events leading to this acquisition.

County has contracted with BAART for SUD services since approximately 2020 in order to resolve a finding of non-compliance with DHCS. County is required to have this level of care for the adolescent population. A change in the County's procurement policies in 2022 have led to request to waive the newly required competitive process for this type of contract.

3. Describe the uniqueness of the acquisition. (Why was the goods/services supplier chosen?)

This provider has been determined to have and continues to maintain the appropriate licensing, certifications, staffing conditions and state approvals to deliver SUDS services within the Medi-Cal network. This provider is the only provider who provides NTP for adolescents referred.

4. What are the consequences of not purchasing the goods/services or contracting with the proposed supplier?

County will face non-compliance for failure to maintain an adequate network of providers to deliver services to County Medi-Cal beneficiaries in accord with the Intergovernmental Agreement between County and DHCS as well as Federal Managed Care Regulations. County adolescent residents in need of narcotic treatment program services will experience barriers to receive medically necessary health services, including service availability barriers. Those medi-cal beneficiaires already receiving services will have their services interrupted and since there is a daily pharmacological component to treatment, this will place clients at risk for withdrawal if medication is discontinued.

5. What market research was conducted to substantiate no competition, including the evaluation of other items or service providers? (Provide a narrative of your efforts to identify other similar or appropriate goods/services, including a summary of how the department concluded that such alternatives are either inappropriate or unavailable. The name and addresses of suppliers contacted and the reasons for not considering them must be included OR an explanation of why the survey or effort to identify other goods/services was not performed.)

BAART is the only NTP provider who is willing to deliver adolescent NTP services. Aegis Treatment Centers does not offer this service.

B. Price Analysis:

1. How was the price offered determined to be fair and reasonable? (Explain what basis was used for comparison and include cost analysis as applicable.)

The rates were determined by a rate negotiation process using CA Dept. of Health Care Services designated County rates for our network. Analysis by HHS Fiscal Budget and Accounting team determine the allowable range of rates for the negotiation process and the BH Director reviewed and approved all negotiated rates before finalizing.

2. Describe any cost savings or avoidance realized (one-time or ongoing) by acquiring the goods/services from this supplier.

Due to federal managed care requirements if the County does not maintain an adequate network of providers to deliver services to Medi-Cal beneficiaries, then County cannot claim reimbursement from Medi-Cal for the payment to the provider for services. The County is still required to provide services for the beneficiary with an out of network provider and can use only County funds (no state or federal funds) to pay for the service for as long as the network cannot provide the Medi-Cal service.

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Requesting Department Information



Department: 53-Behavioral Health	Org Code: 5330	
Contact Name: Salina Drennan	Subsubject: 	User Code:
Telephone: 530-621-6207	Fax: 	

Required Supplier / Vendor Information

Vendor / Supplier Name: Wellspace Health	Vendor / Supplier Address: 777 12th St., Suite 250, Sacramento, CA 95814
Contact Name: DeAnna Lopez	Divisional Operations Manager
Estimated Purchase Price/Contract Amount: 1,965,000	Vendor / Supplier Email Address: delopez@wellspacehealth.org
Telephone: (916) 473-5764 ext. 2227	Fax:

Provide a brief description of the request, including all goods and/or services the vendor/supplier will provide and supporting exemption reference from Board Policy C-17 - Procurement Policy:

Wellspace Health is a credential Drug Medi-Cal Organized Delivery System Network Provider and is contracted with El Dorado County to provide substance use disorder treatment services in the residential and residential withdrawal management modalities. EDC is required to maintain an adequate network of providers for the delivery of SUD treatment services to those beneficiaries who have been determined to have a medical necessity for such services by a licensed physician or other licensed practitioner. On July 1, 2023 the Dept. of Health Care Services mandated a new system for the delivery of BH services, CalAIM. The necessary components to create contracts under CalAIM were not delivered to Counties in a timely manner and it is requested that the procurement be waived in accordance with the exemption below.
Exemption is Policy C-17 3.4.2(f) "the procurement is for goods where the continuity of providers will provide efficiency or critical knowledge, and other providers of the goods cannot provide similar efficiencies or critical knowledge."

Department Head:	 <small>Olivia Byron-Cooper (Jul 21, 2023 16:15 PDT)</small> Signature
Purchasing Agent:	 Signature

Board of Supervisors:	
Date:	
Item:	

P&C Assignment:	
Assigned To:	
Date:	

A. The good/service requested is restricted to one supplier for the reason stated below:

1. Why is the acquisition restricted to this goods/services supplier? (Explain why the acquisition cannot be competitively sourced. Explain how the supplier is the only source for the acquisition.)

EDC BH-SUDS must maintain multiple providers for SUD services due to the requirement to maintain an adequate provider network. Wellspace Health has been a credentialed DMC-ODS Network Provider since 2018 and before that has been a contract provider with the county since 2008. All staff of the facility have been credentialed and approved to bill in the county system and SUDS has invested in the training of Wellspace staff to service El Dorado Co. beneficiaries.

2. Provide the background of events leading to this acquisition.

County has contracted with Wellspace for SUD services since approximately 2008, a change in the County's procurement policies in 2022 have led to request to waive the newly required competitive process for this type of contract.

3. Describe the uniqueness of the acquisition. (Why was the goods/services supplier chosen?)

This provider has been determined to have and continues to maintain the appropriate licensing, certifications, staffing conditions and state approvals to deliver SUDS services within the Medi-Cal network.

4. What are the consequences of not purchasing the goods/services or contracting with the proposed supplier?

County will face non-compliance for failure to maintain an adequate network of providers to deliver services to County Medi-Cal beneficiaries in accord with the Intergovernmental Agreement between County and DHCS as well as Federal Managed Care Regulations. County residents in need of residential treatment services and withdrawal management will experience long waitlists to receive medically necessary health services.

5. What market research was conducted to substantiate no competition, including the evaluation of other items or service providers? (Provide a narrative of your efforts to identify other similar or appropriate goods/services, including a summary of how the department concluded that such alternatives are either inappropriate or unavailable. The name and addresses of suppliers contacted and the reasons for not considering them must be included OR an explanation of why the survey or effort to identify other goods/services was not performed.)

Before the policy change in 2022, the SUDS Division had failed RFPs in an attempt to secure additional residential and withdrawal management services in order to expand our network beyond what was already contracted (Wellspace and another residential provider.)

B. Price Analysis:

1. How was the price offered determined to be fair and reasonable? (Explain what basis was used for comparison and include cost analysis as applicable.)

The rates were determined by a rate negotiation process using CA Dept. of Health Care Services designated County rates for our network. Analysis by HHSA Fiscal Budget and Accounting team determine the allowable range of rates for the negotiation process and the BH Director reviewed and approved all negotiated rates before finalizing.

2. Describe any cost savings or avoidance realized (one-time or ongoing) by acquiring the goods/services from this supplier.

Due to federal managed care requirements if the County does not maintain an adequate network of providers to deliver services to Medi-Cal beneficiaries, then County cannot claim reimbursement from Medi-Cal for the payment to the provider for services. The County is still required to provide services for the beneficiary with an out of network provider and can use only County funds (no state or federal funds) to pay for the service for as long as the network cannot provide the Medi-Cal service.