



**Contra
Costa
County**

To: Board of Supervisors
From: William Walker, M.D., Health Services Director
Date: February 2, 2016

Subject: Payment for Services Provided by Addiction Research and Treatment, Inc. dba Bay Area Addiction Research and Treatment (BAART)

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Auditor-Controller to pay \$24,216.38 to Addiction Research and Treatment, Inc., for the provision of methadone treatment services to Medi-Cal beneficiaries over the age of eighteen through its Methadone Maintenance Clinics Program (Medi-Cal Drug Abuse Treatment Services) in East and West County for the period July 1, 2013 through June 30, 2014.

FISCAL IMPACT:

This is funded 50% Federal Drug Medi-Cal and 50% State Drug Medi-Cal. No County Match required. (No rate increase)

BACKGROUND:

On September 10, 2013, the County Board of Supervisors approved Contract #24-979-25 (as amended by Amendment Agreement #24-979-26) with Addiction Research and Treatment, Inc. for the provision of methadone treatment services to Medi-Cal beneficiaries over the age of eighteen through its Methadone Maintenance Clinics Program (Medi-Cal Drug Abuse Treatment Services) in East and West County for the period July 1, 2013 through June 30, 2014. Services were requested and provided beyond the payment limit of

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **02/02/2016** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Mary N. Piepho, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: February 2, 2016

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Chris Heck, Deputy

Contact: Fatima Matal Sol,
335-3307

the contract. At the end of the contract period, charges of \$3,449,485.38

BACKGROUND: (CONT'D)

had been incurred, of which \$3,425,269 had been paid pursuant to the contract limits. The additional services were provided from July 1, 2013 through June 30, 2014 and amounted to \$24,216.38.

This requested payment is to fund the final fiscal year 2013-2014 cost report settlement for Addiction Research and Treatment, Inc. for Contract 24-979-25 (as amended by Amendment Agreement #24-979-26). Due to higher than anticipated utilization over the course of that fiscal year, the final cost settlement was \$24,216.38 greater than the payment limit for that contract. The reason for the delay of this requested action is due to the time lag in the California Department of Health Care Services cost report settlement process.

Because the contract payment limit has been reached and the contract term has expired, the Department cannot pay the provider under the contract for the additional services provided during the original contract term. The provider is nonetheless entitled to payment for the reasonable value of its services under the equitable relief theory of quantum meruit. That theory provides that where a person has been asked to provide services without a valid contract, and the provider does so to the benefit of the recipient, the provider is entitled to recover the reasonable value of those services. Because the Health Services Department requested additional services from Addiction Research and Treatment, Inc., and the contractor provided the services in good faith, with the full expectation and understanding that it would receive payment for those services, the contractor has the right to claim the reasonable value of the services provided above the contract limit. As such, the Department recommends that the Board authorize the Auditor-Controller to issue a one-time payment to Addiction Research and Treatment, Inc. in the amount of \$24,216.38.

CONSEQUENCE OF NEGATIVE ACTION:

The Contractor will not be paid for services rendered in good faith to the Health Services Department.

CHILDREN'S IMPACT STATEMENT:

Not applicable.