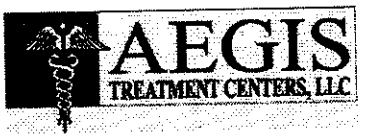

January 28, 2015

Jill Teagardin
Clinic Manager
Aegis Treatment Centers, LLC
614 W. Manchester Blvd
Inglewood, 90301

Angela Garner
Deputy Director
Division of State Demonstrations and Waivers
Center for Medicaid and CHIP Services, CMS
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, MD 21244-1850

Re: Proposed California Amendment to Bridge to Health Reform Demonstration (No. 11-W-00193/9), Drug Medi-Cal Organized Delivery System Waiver

Dear Ms. Garner:

I write on behalf of the 108 patients who receive substance use disorder treatment services at our opiate treatment program located at 614 W. Manchester Blvd, Inglewood. We are strongly opposed to sections of the California Bridge to Reform Demonstration (No. 11-W-00193/9) Amendment for Drug Medi-Cal Organized Delivery System Waiver, submitted by the California Department of Health Care Services. Our concern, based on sixteen years in operation, is that waiving federal access protections and granting Los Angeles County authority to establish reimbursement rates will result in decreased access to critical, life-saving treatment services.

Specifically, the current proposal will waive beneficiary freedom of choice, equality in amount, duration and scope, state wideness and reasonable promptness, some of which form the basis of a lawsuit 20 years ago called Sobky Vs. Smoley. As a result, significantly more people have entered treatment and beneficiaries can access medically-necessary treatment on demand, without the waiting lists that were standard practice before the lawsuit. This waiver is likely to overturn that lawsuit and cause the California and Los Angeles County to regress back more than 20 years. We ask that CMS ***NOT*** do anything that may undermine the permanent injunction that was based on overwhelming evidence of county efforts to limit access. Instead, we suggest CMS require California to carve-out opiate treatment providers from this waiver. Such carve-out will not preclude Los Angeles County from contracting with our program and offering OTP services to residents of Los Angeles County.

The history with county administration and funding control has not been a good one for methadone treatment providers or for Drug Medi-Cal beneficiaries desperately in need of methadone maintenance treatment. Any further delegation of power to the 58 counties of California will result in more problems, and many patients will simply fall through the cracks as counties attempt to construct and administer their own programs, resulting in overdose, disease, incarceration and the death of some patients from the denial or delay of treatment and the effects of opioid addiction.

Despite the acknowledgment as the best treatment for opioid dependence,

very few Prop 36 opiate users receive placement in NTP. In fact, as has been reported in the previous Prop 36 evaluation reports, NTPs have been used infrequently in Prop 36. Very few Prop 36 opiate users receive placement in NTP. Prop 36 opiate users who received NTP maintenance had the greatest reductions in their opiate use from treatment intake to discharge when compared to opiate users who received outpatient drug-free or non-NTP detoxification treatment. In contrast, across the same years, individuals seeking treatment for opioid use disorders outside of the criminal justice system received NTP between 75% and 85% of the time.

Substance use disorders, especially drug addiction, carry a stigma. There is an uninformed belief that drug addicts are not deserving of scarce government resources and that methadone treatment simply substitutes one drug for another. The reality is that stereotypes, fear, and speculation will affect county control of narcotic treatment programs and administration of the Drug Medi-Cal system.

The proposed appeals process for providers whose contract are terminated is superficial and extremely limited, only allowing appeals when a county determines they have an adequate network, but not in the case of a county that simply wants to limit funding or a county that simply wants to use a pretext to reduce access. Moreover, there are no metrics for determining network adequacy.

In 2013 Merced County refused to increase the amount of Aegis's contract so that it could serve more Drug Medi-Cal patients for whom methadone maintenance was medically necessary. This issue was resolved when the California

Department of Alcohol and Drug Programs convinced the County to allow the increase. Aegis experienced a similar problem with Stanislaus County in 2010-2011, when the County initially refused to renew Aegis's Drug Medi-Cal contract at all and, instead, put the contract process out to bid by other providers.

In summary, Aegis Treatment Centers' clinic in Inglewood requests that narcotic treatment programs be exempted from the Organized Delivery System waiver for the above stated reasons.

If you would like more information, please do not hesitate to contact me. Thank you for your consideration.

Sincerely,

Jill Teagardin
Clinic Manager