



# AGENDA STAFF REPORT

Control: 26001153

**MEETING DATE:** 06/23/2026

**LEGAL ENTITY TAKING ACTION:** Board of Supervisors

**BOARD OF SUPERVISORS DISTRICT(S):** All Districts

**SUBMITTING AGENCY/DEPARTMENT:** Social Services Agency

**DEPARTMENT CONTACT PERSON(S):** An Tran, 714-541-7773  
James Cho, 714-245-6268

**SUBJECT:** Approve Amendments for Drug Testing Services

CEO CONCUR	COUNTY COUNSEL REVIEW	CLERK OF THE BOARD
Concur	Approve agreement to form	DISCUSSION
		3 Votes Board Majority

<b>Budgeted:</b> N/A	<b>Current Year Cost:</b> N/A	<b>Annual Cost:</b> FY 2026-27 \$1,600,000
<b>Staffing Impact:</b> No	<b>Funding Source:</b> See Financial Impact	<b>Sole Source:</b> No
<b>Current Fiscal Year Revenue:</b> N/A	Section	<b>County Audit in Last 3 years:</b> No
<b>Levine Act Review Completed?</b> Yes		
<b>Prior Board Action:</b> 3/25/2025 #22, 5/21/2024 #40, 3/9/2021 #24		

**RECOMMENDED ACTION(S):**

1. Approve Amendment Two to Master Agreement for Drug Testing Services to renew and amend the Agreement in the amount of \$1,600,000, effective July 1, 2026, to June 30, 2027, for an aggregate total not to exceed \$9,600,000, for a revised term of July 1, 2021, through June 30, 2027.
2. Authorize the County Procurement Officer or Deputized designee to execute Amendment Five to Agreement with Associates in Counseling and Mediation for Drug Testing Services to renew and amend the Agreement, effective July 1, 2026, to June 30, 2027, for a revised term of July 1, 2021, through June 30, 2027.
3. Authorize the County Procurement Officer or Deputized designee to execute Amendment Five to Agreement with E&J Medical Services for Drug Testing Services to renew and amend the Agreement, effective July 1, 2026, to June 30, 2027, for a revised term of July 1, 2021, through June 30, 2027.
4. Authorize the County Procurement Officer or Deputized designee to execute Amendment Five to Agreement with SCRAM of California, Inc. for Drug Testing Services to renew and amend the Agreement, effective July 1, 2026, to June 30, 2027, for a revised term of July 1, 2021, through June 30, 2027.

5. Authorize the County Procurement Officer or Deputized designee to execute Amendment Two to Agreement with DMS Services, Inc. for Drug Testing Services to renew and amend the Agreement, effective July 1, 2026, to June 30, 2027, for a revised term of July 1, 2021, through June 30, 2027.
6. Authorize the County Procurement Officer or Deputized designee to execute Amendment One to Contract Redwood Toxicology Laboratory, Inc. for Drug Testing Services to renew and amend the Contract, effective July 1, 2026, to June 30, 2027, for a revised term of April 1, 2025, through June 30, 2027.

**SUMMARY:**

Approval of the Amendments to the Drug Testing Services Agreements and Contract will allow the County to continue to provide Drug Testing Services for clients who need to demonstrate sobriety compliance as part of their court-ordered family reunification or family maintenance case plan.

**BACKGROUND INFORMATION:**

The Board of Supervisors (Board) previously approved the following Agreement and Contract with various providers for Drug Testing Services:

<b>Board Date</b>	<b>Contract or Amendment Number</b>	<b>Term</b>	<b>Maximum Obligation</b>	<b>Board Action</b>
3/9/2021	Contracts	7/1/2021 – 6/30/2024	\$4,800,000	Approve Agreements
5/21/2024	One*	7/1/2024 – 6/30/2026	\$8,000,000	Renew Agreements for 2-Years
3/25/2025	Contract	4/1/2025 – 6/30/2026	\$1,600,000	Approve Contract with Redwood

\*Amendment One to the Master Agreement. In addition to the Board Actions above, SSA has executed Administrative Amendments to the Patch Testing Services Subordinate Agreements to update testing rates without modification of the Scope of Work or Maximum Obligations.

The Drug Testing Services Agreements and Contract satisfy drug testing orders by the Orange County Juvenile Court and requests by the County of Orange Social Services Agency (SSA) through one or more of three service components: Patch Testing Services, Random Drug Testing Services and Secure Continuous Remote Alcohol Monitoring Continuous Alcohol Monitoring Testing (SCRAM CAM).

**Patch Testing Services**

Patch Testing Services consists of affixing a specialized patch to a client's skin for the purpose of detecting five different substances, excluding alcohol. SSA executed Patch Testing Services Subordinate Agreements with Associates in Counseling and Mediation (ACM), E&J Medical Services (E&J) and SCRAM of California, Inc. (SCRAM of CA).

Goals and Outcomes for Patch Testing Services for the renewal term of July 1, 2024, through June 30, 2026, are as follows:

**ACM Patch Testing Services Outcomes**

<b>Outcome Objectives</b>	<b>FY 24-25</b>	<b>FY 25-26*</b>
Apply Patches within 10 business days of receiving referrals a minimum of 80% of the time.	100%	100%
Remove Patches within 14 days for a minimum of 90% of the time.	92%	85%**
Mail used Patches within one business day of collection a minimum of 90% of the time.	100%	100%

\* Includes data from July 1, 2025, through February 28, 2026.

**E&J Patch Testing Services Outcomes**

<b>Outcome Objectives</b>	<b>FY 24-25</b>	<b>FY 25-26*</b>
Apply Patches within 10 business days of receiving referrals a minimum of 80% of the time.	100%	86%
Remove Patches within 14 days for a minimum of 90% of the time.	91%	85%**
Mail used Patches within one business day of collection a minimum of 90% of the time.	92%	93%

\* Includes data from July 1, 2025, through February 28, 2026.

**SCRAM of CA Patch Testing Services Outcomes**

<b>Outcome Objectives</b>	<b>FY 24-25</b>	<b>FY 25-26*</b>
Apply Patches within 10 business days of receiving referrals a minimum of 80% of the time.	100%	100%
Remove Patches within 14 days for a minimum of 90% of the time.	83%**	83%**
Mail used Patches within one business day of collection a minimum of 90% of the time.	96%	99%

\* Includes data from July 1, 2025, through February 28, 2026.

\*\*Contractors will reach out when it is time to remove patches for testing. Clients will commonly not have voicemail setup or will otherwise be slow to respond, if at all. SSA has asked Contractors to use emails and text messages to attempt contact.

**SCRAM CAM Services**

SCRAM CAM Services consist of 24 hours a day, seven days per week transdermal alcohol monitoring/testing through a secured bracelet placed on the client's ankle that reads alcohol emissions approximately every 30 minutes. The data is transmitted to a base station that automatically uploads data to the testing laboratory for analysis. The data transmitted detects both alcohol consumption and evidence of device tampering. SSA executed SCRAM CAM Services Subordinate Agreements with DMS Services, Inc., and SCRAM of CA.

Goals and Outcomes for SCRAM CAM Testing Services for the renewal term of July 1, 2024, through June 30, 2026, are as follows:

**DMS SCRAM CAM Testing Services Outcomes**

<b>Outcome Objectives</b>	<b>FY 24-25</b>	<b>FY 25-26*</b>
90% of referred clients shall be contacted and have an intake appointment date scheduled within five business days of initial referral.	92%	65%**

80% of referred clients shall have SCRAM CAM bracelets installed within seven business days of successful client contact.	94%	62%**
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\* Includes data from July 1, 2025, through February 28, 2026.

**SCRAM of CA SCRAM CAM Testing Services Outcomes**

<b>Outcome Objectives</b>	<b>FY 24-25</b>	<b>FY 25-26*</b>
90% of referred clients shall be contacted and have an intake appointment date scheduled within five business days of initial referral.	95%	90%
80% of referred clients shall have SCRAM CAM bracelets installed within seven business days of successful client contact.	82%	97%

\* Includes data from July 1, 2025, through February 28, 2026.

\*\*The Contractor reports that clients have not been responsive to contact attempts to schedule intake appointments, or do not attend their appointment if one is scheduled. SSA has instructed DMS to make three attempts and reach out to the assigned Social Worker for assistance in scheduling appointments in addition to following up over text and email.

**Random Drug Testing Services**

Random Drug Testing Services consist of randomly selecting clients to report for urinalysis drug testing up to two times per week, and/or same-day on-demand testing of clients that appear to be under the influence of drugs or alcohol. Random Drug Testing detects alcohol and illicit substances in urine specimens submitted for drug analysis. SSA contracted with Avertest, LLC, DBA Averhealth, for Drug Testing Services from July 1, 2021, through December 31, 2025. Due to Avertest having difficulty adhering to the terms of the Agreement, SSA ended that Agreement on December 31, 2024. To avoid disruption in services, SSA leveraged OC Probation's existing Contract with Redwood Toxicology Laboratory, Inc., for the term of January 1, 2025, through March 31, 2025, thereafter receiving Board approval to execute a Contract for the term of April 1, 2025, through June 30, 2026.

Outcome Objectives for Random Drug Testing Services for the term of January 1, 2025, through June 31, 2026, are as follows:

<b>Outcome Objectives</b>	<b>FY 24-25*</b>	<b>FY 25-26**</b>
Clients who fail to report for testing shall be identified with 100% accuracy within 24 hours.	100%	100%
100% of clients providing urine specimens at in-county collection sites shall be observed by a same-gender identity collector.	100%	100%

\* Includes data from January 1, 2025, through June 30, 2025.

\*\* Includes data from July 1, 2025, through February 28, 2026.

SSA has verified there are no concerns that must be addressed with respect to the Contractors' ownership/name, litigation status or conflict with County interests. These Contractors' performances have been confirmed as satisfactory. The Orange County Preference Policy is not applicable to these Amendments.

**Non-Standard Insurance Provisions**

The Agreements and Contract require Per Occurrence Sexual Misconduct Liability (SML) Insurance. Effective January 1, 2024, new state law eliminated the existing time limit for the statute of limitations on childhood sexual assault. Under the new law, a civil claim for a child sexual abuse event that occurs after

January 1, 2024, can be brought at any time. Due to the significant potential liability the new law poses, many insurance providers are either unwilling to issue Per Occurrence SML or issue Per Occurrence policies at an affordable premium. Per Occurrence SML does not have a timeline limitation when a claim is filed and coverage applies, if the policy was active at the time of the incident. With Claims-Made SML, there is a specific, limited period when a claim filed would be covered. If the Contractors are unable to find an insurance carrier to provide Per Occurrence SML due to the type of services provided, the Contractors will carry Claims-Made SML Insurance and will be required to maintain this insurance throughout the term of the Contract in lieu of Per Occurrence SML Insurance. Risk Management has approved Claims-Made SML, and the ability to carry Claims-Made SML in lieu of Per Occurrence SML. See Attachment G for the Risk Assessment Form.

SSA now requests the Board's approval to execute the Amendment to Master Agreement and individual providers to renew and amend for an additional year, for the term of July 1, 2026, through June 30, 2027, in an amount not to exceed \$1.6 million. These Amendments are being brought to the Board with less than 30 days' notice due to delays in negotiations. Renewal and amendment of the Agreements and Contract will allow SSA to meet the Orange County Juvenile Court's mandate for clients to participate in court-ordered drug testing services and allow time for SSA to participate in a County Procurement Office solicitation for multiple County Agencies for a new term beginning July 1, 2027.

#### Subcontract

The Patch Testing and SCRAM CAM Agreements do not currently include subcontractors or pass through to other providers. However, due to the nature of the services, these Agreements could require the addition of subcontractors. To add subcontractor(s) to these Agreements, the contractor must seek express consent from SSA. Should the addition of a subcontractor affect the scope of work and/or contracts budget, SSA will bring the item back to the Board for approval.

The Random Drug Testing Contract includes subcontractors. Subcontractors are utilized to provide greater accessibility for these services. See Attachment H for information regarding subcontractors and Contract Summary Form.

#### **FINANCIAL IMPACT:**

Appropriations for these Agreements will be included in Budget Control 063, Social Services Agency FY 2026-27 Budget.

These Agreements are funded eight percent federal, 80 percent state and 12 percent County. Federal and state dollars are comprise of Child Welfare Services and CalWORKs Family Stabilization. County General Funds will be used towards the required match to access federal and state funding.

#### Contingency of Funds

The proposed Contracts includes provisions that the Contract is contingent upon the availability of funds and inclusion of sufficient funds in the budget approved by the Board for each fiscal year the Contract remains in effect or operation. In the event such funding is terminated or reduced, the County may terminate the Contract, reduce the County's maximum obligation or modify the Contract, without penalty.

#### **STAFFING IMPACT:**

N/A

**REVIEWING AGENCIES/DEPARTMENTS:**

N/A

**ATTACHMENTS:**

Attachment A – Master Agreement CPS0221-00

Attachment B – CPS0221-01 with ACM

Attachment C – CPS0221-02 with E&J

Attachment D – CPS0221-03 with SCRAM of CA

Attachment E – CPS0221-05 with DMS

Attachment F – MA 063-25011169 with Redwood

Attachment G – Risk Assessment Form

Attachment H – Contract Summary Form