

SANTA BARBARA COUNTY
BOARD AGENDA LETTER



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:

Prepared on: 10/18/01
Department Name: Alcohol, Drug & Mental Health
Department No.: 043
Agenda Date: 2/5/02
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Dr. James L. Broderick, Ph.D., Director
Alcohol, Drug and Mental Health Services (ADMHS)

STAFF CONTACT: Al Rodriguez, ADMHS-Alcohol and Drug Program, Manager
(805) 681-5442

SUBJECT: State Revenue Contract Amendment for Alcohol and Drug Program Services

Recommendation(s):

That the Board of Supervisors:

Approve recommendations, as follows:

- (a) Execute amendment No. 1 to contract number SCC42 (00/01) with the California Department of Alcohol and Drug Programs, increasing the total amount for FY 00/01 (Year Three) by \$1,885,840, from \$5,166,633 to \$7,052,473, and incorporate amended contract provisions for the Combined Negotiated Net Amount/Drug Medi-Cal County/State contract.

Alignment with Board Strategic Plan:

The recommendation is primarily aligned with Goal No. 2. A Safe and Healthy Community in Which to Live, Work, and Visit.

Executive Summary and Discussion:

The State Department of Alcohol and Drug Programs (ADP) allocates state and federal revenue to counties for the provision of substance abuse prevention and treatment services. This contract amendment between the County of Santa Barbara and State ADP increases and adjusts the revenue allocated for Negotiated Net Amount (non Medi-Cal) and Drug Medi-Cal (D/MC) services for FY 00-01 (Year Three), based on actual service levels.

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While this increased revenue is significant in the overall budget, the revenue remains provisional until the final contract amendment is executed by the State ADP for the year-end FY00-01 Cost Report, at which time ADMHS will return to your board for budget revision.

Each year, ADMHS is required to prepare multiple amendments to its fiscal plan with the State due to fluctuations in funding from the State and the utilization in local services by county residents. The proposed contract amendment increases the FY 00-01 and FY 01-02 revenue by \$1,885,840 to a new total of \$7,052,473. The increased funding is comprised of: \$172,111 in State General Funds (SGF) including Youth Treatment; \$71,601 Federal Drug Medi-Cal (DMC) funds, and \$1,642,128 in Substance Abuse Prevention and Treatment (SAPT) Block Grant funds (federal).

The increase in SGF is entirely unexpended funds from FY 99/00, while the increase for Federal D/MC is from reported prior year expenditures, based on actual service delivery in the county. The federal SAPT funds, which are discretionary and categorical in nature, are used to support alcohol and drug services throughout the county. The substantial increase, of \$1,642,128, in SAPT funds is directly related to changes in the methodology for tracking federal funds.

Based upon the February 1999 letter from the Federal Department of Health and Human Services, the State is required to track the obligations and expenditures by individual grant awards and set-asides. Subsequently, the State initiated a process to track federal grant funds in FY 99/00, with full-implementation in FY 00/01. The tracking process for federal grant funds changes the prior carry-over process by allowing counties a 21 month time frame (over two state fiscal years) to expend the federal funds. This bifurcated funding tracking system requires the county to submit quarterly federal funding reports and annual state reports.

Approval of this contract amendment will increase funding, incorporate the new NNA/DMC County/State Contract language, and will include the County Prevention and Treatment Programs Fiscal Summary and budget detail.

Mandates and Service Levels:

In accepting state or federal funds earmarked for alcohol and drug program services, counties are obligated to comply with federal and state laws, regulations, and administrative policies specified as a condition for the receipt of funds.

The NNA (non Medi-Cal) provisions are mandated by §1758 (a) and (b) and §1758.10 et seq. of the California Health and Safety Code. By expending D/MC funds, the County of Santa Barbara is mandated to comply with the provisions of: 1) §1915b of the Social Security Act; 2) Health and Safety Code, §11758.46 (e) (AB2071) requiring the contract between county and state to be executed by July 31, 2001; 3) "Order for Permanent Injunction" in Sobky v. Smoley, United States District Court, Eastern District of California, relative to ensuring client access to services, and; 4) various provisions of the preliminary FY 01/02 California Budget Act.

The proposed contract amendment recognizes adjustments in FY 00/01, for funding alcohol and drug

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prevention and treatment services. Services are currently provided by county community based organizations (CBO's) under three-year contacts approved by your Board in FY 00-01. The increase in D/MC for FY00-01 represents an increase in overall treatment utilization and for services to minors (Minor Consent). In order to expend these funds, ADMHS-Alcohol and Drug Program will continue to work with local providers and county partner agencies to develop strategies that will maximize utilization of funding and promote a collaborative effort that will allow for expansion of services.

Fiscal and Facilities Impacts:

The recommended action does not change the current General Fund Contribution of \$76,404 that is a portion of the mandated local match for the State Perinatal Treatment Expansion Program funds. This amount has also been incorporated into the Alcohol and Drug Program budget for FY 00-01. The Alcohol and Drug Program operates under a capped budget supported by annual subvention of state and federal revenue. This amendment will increase the total revenue amount from FY 00-01 from \$5,166,633 to \$7,052,473.

This action does not result in a need for any additional facilities.

Special Instructions:

Please return a certified copy of the minute order and 9 copies of the Standard Agreement signed by the Chair of the Board of Supervisors to the Alcohol, Drug and Mental Health Services, Attn., Carolyn Sellers (Ext: 5443), 300 N. San Antonio Rd., Santa Barbara, California 93110.

Concurrence:

Auditor-Controller

County Counsel