



**BOARD OF SUPERVISORS
AGENDA LETTER**

Agenda Number:

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

Department Name: ADMHS
Department No.: 043
For Agenda Of: 12/2/14
Placement: Administrative
Estimated Tme: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Takashi Wada, MD, MPH, Interim Director
Director(s) Alcohol, Drug and Mental Health Services
Contact Info: Chris Ribeiro and Lindsay Walters, Interim Co-CFO/Deputy
Director, Finance and Administration, 805-884-1694/805-681-5236

SUBJECT: Zona Seca DUI/PC 1000 Revenue Agreement

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

1. Approve, ratify, and authorize the Chair to execute an amendment to the existing revenue agreement for PC 1000 and Driving-Under-The-Influence (DUI) Program services with Zona Seca, Inc. through June 30, 2017, due to state-approved rate increases for DUI programs, for projected additional revenue of \$2,047 per year from these DUI programs as part of the total annual projected contract revenue of \$36,947.
2. Determine that these activities are exempt from California Environmental Quality Act (CEQA) review per CEQA Guideline Section 15378(b)(4), as government fiscal activities that do not involve commitment to a specific project that may result in a potentially significant physical impact on the environment.

Summary Text:

Driving Under the Influence (DUI) programs assist any California resident in restoring their driving privileges following a conviction for driving under the influence. Clients are required to enroll and complete a state-licensed DUI program when referred by the courts. Programs offered vary in level and are commensurate to the level of offense. Services offered include individual and group counseling, psycho-education of substance abuse, self- help, and relapse prevention strategies.

Providers of PC 1000 and DUI programs collect program fees from clients, as approved by the County and State Alcohol and Drug Program. Pursuant to Penal Code Section 1211, County Alcohol and Drug Program is authorized to assess an administrative charge to help offset costs in administering these program

Approval of the recommended actions will allow ADMHS to comply with the DHCS-approved fee increases for Zona Seca's DUI Programs.

Background:

Penal Code Section 1000 (PC 1000) provides Drug Diversion Program services for clients who are formally charged with first-time alcohol/ drug misdemeanor offenses and who are found eligible for deferred entry of judgment at the discretion of the local courts. Alcohol, Drug, and Mental Health Services (ADMHS) certifies providers of PC 1000 Drug Diversion Programs in Santa Barbara County. Participants referred by the Courts pay a fee of \$1,000 and program fees to the Program provider and receive deferred entry of judgment upon successful completion of the program.

In May 2014, the State of California Health and Human Services Agency, Department of Health Care Services (DHCS) issued new state requirements for DUI Programs providers to complete an additional assessment monitoring form.

In August 2014, Zona Seca requested a fee increase from the state for their DUI Programs under Title 9, Section 9878(c), which allows providers to request a fee increase due to new requirements. Zona Seca submitted justification, a projected budget reflecting the new fee cost per unit of services with the new fees, revised payment agreement and proof that the program fees did not exceed the 10 percent profit if the new fees were approved.

On August 14, 2014 DHCS approved Zona Seca's fee schedule increases for the DUI Programs.

Key Contract Risks:

There is a risk that any provider may have fewer clients than anticipated, resulting in lower fees payable to ADMHS.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Revenue (Projected):</u>	<u>Annualized On-going Revenue (Projected):</u>	
General Fund			
State			
Federal			
Fees PC 1000			
Fees DUI	\$ 36,947.00	\$ 36,947.00	
Total	\$ 36,947.00	\$ 36,947.00	\$ -

Narrative:

No funds are expended by ADMHS as part of this agreement. The anticipated revenue has been included in the FY 2014-15 Adopted Budget. Based on prior year revenue from Zona Seca's DUI programs, the annual revenue from these programs under the new fee schedule is projected to be \$35,947, an increase of \$2,047 from the previous projections, due to the 3% DUI fee increase approved by DHCS.

PC 1000 program rates and anticipated revenue remain unchanged, and the total contract revenue is projected to be \$36,947 per year. Because the fees payable to ADMHS depend on the number of clients eligible to participate in the DUI/PC 1000 program, ADMHS is unable to predict with certainty the amount of revenue to be received, and the actual revenue could be higher or lower than anticipated in any given year.

Special Instructions:

Please email one (1) Minute Order to dmorales@co.santa-barbara.ca.us.

Attachments: Zona Seca FY 16-17 Revenue PC 1000 Amend 7