



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: July 13, 2012
Board Meeting Date: August 14, 2012
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Jean S. Fraser, Chief, Health System
Stephen Kaplan, Director, Behavioral Health and Recovery Services

Subject: Third Amendment to the Agreement with the State Department of Alcohol and Drug Programs

RECOMMENDATION:

Adopt a Resolution authorizing an amendment to the agreement with the State Department of Alcohol and Drug Programs Drug Medi-Cal Program, increasing the amount by \$329,538 to \$17,250,246.

BACKGROUND:

On May 25, 2010, your Board approved an agreement with the State Department of Alcohol and Drug Programs (ADP) with combined Negotiated Net Amount (NNA) and Drug Medi-Cal (DMC) funds for the provision of Prevention Services, Perinatal Treatment, Residential and Non- Residential Treatment, Intensive Day Treatment, Treatment Readiness, and DMC Services. This agreement provides a significant source of funding to Behavioral Health and Recovery Services (BHRS) for drug and alcohol prevention and treatment programs.

On February 14, 2012, your Board approved a first amendment to the agreement deleting the FY 2012-13 State allocation and Federal Financial Participation payments for DMC services from this agreement.

On July 10, 2012, your Board approved a second amendment to the agreement removing DMC State General Funds, and reducing Bay Area Services Network (BASN) funding in FY 2011-12. Drug Medi-Cal services were funded through 2011 Realignment funds for last fiscal year. There was no net reduction in funding for Drug Med-Cal services.

DISCUSSION:

As part of the State's health care reform, effective July 1, 2012, the ADP no longer administers the Drug Medi-Cal Program. The State of California Department of Health Care Services (DHCS) has assumed the contract obligations specified in this agreement. This amendment increases the contract maximum for FY 2012-13 from \$16,920,708 to a new maximum of \$17,250,246 for the Drug Medi-Cal Program. In anticipation of this increase, BHRS has already increased contract services for programs funded through Drug Medi-Cal for FY 2012-13. There is no change to the agreement term of July 1, 2010 through June 30, 2013.

The amendment and Resolution have been reviewed and approved by County Counsel as to form.

The agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by promoting wellness and recovery and by providing support to clients in order to maintain abstinence and sobriety. BHRS provides a range of services to promote wellness and recovery. The provision of funding for substance abuse treatment services provided through this agreement contributes to this measure. It is anticipated that 65% of clients will successfully complete all steps of the alcohol and drug treatment program while maintaining sobriety.

PERFORMANCE MEASURE(S):

Measure	FY 2011-12 Estimate	FY 2012-13 Projected
Percentage of clients who successfully complete all steps of the alcohol and drug treatment program while maintaining sobriety.	65%	65%

FISCAL IMPACT:

The term of the amended agreement remains July 1, 2010 through June 30, 2013. The agreement maximum for FY 2012-13 is being increased by \$329,538 to a new maximum of \$17,250,246. Of that amount, \$164,769 is funded by 2011 Realignment and \$164,769 is Federal Financial Participation for Drug Medi-Cal. This funding has been included in the BHRS FY 2012-13 Recommended Budget. There is no Net County Cost.