



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: May 15, 2013
Board Meeting Date: June 18, 2013
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: Amendment to the agreement with the State Department of Alcohol and Drug Programs

RECOMMENDATION:

Adopt a Resolution authorizing the Director of Behavioral Health and Recovery Services to execute an amendment to the agreement with the State Department of Health Care Services Drug Medi-Cal Program, extending the term through June 30, 2014, and increasing the amount by \$5,641,729 to an amount not to exceed \$22,891,975.

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 Medi-Cal services.

On August 14, 2012, your Board approved a third amendment to the agreement increasing the contract maximum for the Drug Medi-Cal Program for FY 2012-13 from \$16,920,708 to a new maximum of \$17,250,246.

DISCUSSION:

Effective July 1, 2012, ADP no longer administers the Drug Medi-Cal and Non Medi-Cal programs. 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 the Drug Medi-Cal Program in FY 2012-13 by \$163,003 to a new maximum of \$17,413,249. In addition, this amendment includes the Non Drug Medi-Cal Program for FY 2013-14 increasing the contract maximum by \$5,478,726 to a new maximum of \$22,891,975, and extending the term of the agreement through June 30, 2014. BHRS has increased contract services for programs funded through Drug Medi-Cal for FY 2012-13 and plans to increase Non Drug Medi-Cal services for FY 2013-14 in anticipation of the additional funding.

BHRS requests your Board to authorize the Director of BHRS to execute this fourth amendment to the agreement and any additional amendments thereto and on behalf of the County.

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

The amendment 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 2012-13 Estimate	FY 2013-14 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 is July 1, 2010 through June 30, 2014. The agreement maximum is being increased by \$5,641,729 to a new maximum of \$22,891,975.

\$163,003 of the increase is for FY 2012-13. Federal Financial Participation for Drug Medi-Cal will fund \$152,146 and Federal Substance Abuse Prevention and Treatment

(SAPT) HIV will fund \$10,857. These funds have been included in the BHRS FY 2012-13 Adopted Budget. There is no Net County Cost.

The maximum for FY 2013-14 is \$5,478,726. The (SAPT) Federal Block Grant Allocation will fund \$4,556,702, Federal Financial Participation for Drug Medi-Cal will fund \$481,684 and the State General Funds from the BASN program will fund \$440,340. There is no Net County Cost. These funds will be included in the BHRS FY 2013-14 Recommended Budget.

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