

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

2167



FROM: Director of Mental Health

SUBMITTAL DATE:
May 28, 2004

SUBJECT: Approval of the State Substance Abuse (COUNTY 33) Combined Negotiated Net Amount and Drug/Medi-Cal Agreement For FY 2004/05 through 2007/08

RECOMMENDED MOTION: Move that the Board of Supervisors:

1. Approve the State Substance Abuse (COUNTY 33) Combined Negotiated Net Amount and Drug/Medi-Cal Agreement For FY 2004/05 through 2007/08;
2. Authorize the Chairman of the Board to sign the Agreement

BACKGROUND: On June 23, 1998, Agenda Item 3.45, the Board authorized the Department to initiate negotiations with the State Department of Alcohol and Drug Programs (ADP) for a Negotiated Net Amount (NNA) agreement for the non-Medi-Cal funded Substance Abuse Program services for a three-year period. On June 19, 2001, Agenda Item 3.36, the Board approved the second three-year service agreement with the ADP. This is the third time the state is entering into a three-year service agreement, from FY 2004/05 to FY 2006/07. The ADP provides an additional 12-months, to June 30, 2008, to ensure all service expenses have been captured from the previous fiscal year. The NNA contract sets the cost per unit rate for State funding of Alcohol and Drug services and includes the required county match. Continue on page 2....

THIS AGREEMENT HAS BEEN FORM APPROVED BY COUNTY COUNSEL

JJR:KDS

for *Jed J. Kubota*
John J. Ryan, Director
Department of Mental Health

FINANCIAL DATA	Current F.Y. Total Cost:	\$14,106,662	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 90,408	Budget Adjustment:	No
	Annual Net County Cost:	\$90,408	For Fiscal Year:	2004/05

SOURCE OF FUNDS:	Federal 71.30%	State 18.76%	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Medi-Cal 9.30%	County 0.64%		Requires 4/5 Vote

C.E.O. RECOMMENDATION:
APPROVE

County Executive Office Signature
Dan Martinez

Prev. Agn. Ref.: 3.45 of 06/23/98
3.36 of 06/19/01

District: All

Agenda Number:

**ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD**

3.34

FORM APPROVED COUNTY COUNSEL
MAY 25 2004
BY *JJR*

Departmental Concurrence

Dep't Recomm.: Consent Policy

Per Exec. Ofc.: Consent Policy

COUNTY OF RIVERSIDE
CLERK OF THE BOARD
MAY 28 2004

SUBJECT: Approval of the State Substance Abuse (COUNTY 33) Combined Negotiated Net Amount and Drug/Medi-Cal Agreement For FY 2004/05 through 2007/08

The state has streamlined the contract process as a result of the implementation of AB 2071. This bill provided for the administrative restructuring of procedural changes imposed upon the ADP. One of these procedural changes is to process the initial contract by July 1st of each year. After the initial contract, the State issues subsequent contract amendments, which contain the detailed budget at the modality, service code, and provider level. Amendments are based upon each County's actual need for funding and are identified as V.1, V.2, etc.

The DOMH received a total allocation of \$14,078,428 in FY 03/04. The DOMH will receive an initial allocation of \$14,016,254 in FY 2004/05. The initial allocation is for the first fiscal year of the three-year contract. Each fiscal year, the State will notify the County of the fiscal year allocation, which is based on actual usage and funding availability.

Services will be provided to Medi-Cal beneficiaries and consumers of Riverside County's Substance Abuse Program. Eligible services include: Prevention, Outpatient Drug Free, Narcotic Treatment Program, Day Care Habilitative, and Residential Service.

Performance Period

The performance period for this agreement is July 1, 2004 through June 30, 2007, however, the ADP provides an additional 12-months, to June 30, 2008, to ensure all expenses have been captured from the previous fiscal year.

There are sufficient funds in the Department's budget to provide for the required County Match; no additional County funds are required.