

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

731



FROM: Department of Mental Health

SUBMITTAL DATE:
September 2, 2005

SUBJECT: Ratify the Second Amendment for the FY 2004/2005 Negotiated Net Amount (NNA) Drug Medi-Cal (DMC) Contract (County 33) with the State Department of Alcohol and Drug Programs.

RECOMMENDED MOTION: Move that the Board of Supervisors:
Ratify the Second Amendment for the FY 2004/2005 Net Negotiated Amount Drug/Medi-Cal Contract with the State Department of Alcohol and Drug Programs (ADP) and authorize the Chairman of the Board to sign the Amendment.

BACKGROUND: On June 8, 2004, item 3.34, the Board approved a three (3) year contract from FY 2004/2005 through 2007/2008 for the NNA of the Medi-Cal and Non-Medi-Cal funded County Substance Abuse Program. On May 3, 2005, item 3.16, the Board of Supervisors approved the First Amendment to the contract with the State. This is the second amendment to the FY 2004/2005 portion of the contract with the State.

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THIS AMENDMENT HAS BEEN FORM APPROVED BY THE OFFICE OF THE COUNTY COUNSEL

JW:JN

Jerry Wengerd

Jerry Wengerd, Director
Department of Mental Health

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 14,173,437	In Current Year Budget:	YES
	Current F.Y. Net County Cost:	\$ 90,408	Budget Adjustment:	NO
	Annual Net County Cost:	N/A	For Fiscal Year:	2004/05
SOURCE OF FUNDS: Federal 71.07%, State 18.76%, Medi-Cal 9.53%, County 0.64%				Positions To Be Deleted Per A-30 <input type="checkbox"/>
				Requires 4/5 Vote <input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

Dan Martinez

Dept't Recomm.: Consent Policy
Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 3.34 of 6/8/2004
3.16 of 5/3/2005

District: All

Agenda Number:

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

3.55

SUBJECT: Ratify the Second Amendment for the FY 2004/2005 Negotiated Net Amount Drug Medi-Cal Contract (County 33) with the State Department of Alcohol and Drug Programs.

BACKGROUND CONT'D

Beginning in FY 1998/99, a three-year contract through FY 2000/01 was implemented which contains preliminary allocations based on the Governor's Budget. The State's goal is to streamline the contract process to facilitate the implementation of AB 2071 and at the same time, maintain the services and funding level with as little interruption as possible. AB 2071, amended by Chapter AB 1027 on September 29, 1996, provides administrative restructuring of procedural changes imposed upon the State Department of Alcohol and Drug Programs. One of these procedural changes was 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 on each County's actual need for funding.

The Department of Mental Health submitted the estimated V.2 budget for FY 04/05 to the State on May 1, 2005. The State finalized its budget allocations for FY 2004/05 in July 2005 resulting in the Second Amendment that is now being submitted to the Board for approval.

The FY 2004/05 V.2 Amendment reflects a decrease in State General Funds – Drug Medi-Cal of \$27,057 and a decrease in Medi-Cal FFP funds of \$27,057 for a total decrease amount of \$54,114. The decrease is the result of under utilization by two contracted providers.

FY 2004/05 contract amendment comparison is based on the following Federal/State allocation:

Amendments	Maximum Contract Amount
Allocations (04/05) V.1	\$14,137,143
(04/05) V.2	\$14,083,029
Decrease FY 04/05 Allocation (V.1 vs. V.2)	(\$54,114)

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

The total current fiscal year cost is \$14,173,437, which includes the State allocation of \$14,083,029 and the County's cost of \$90,408. There are sufficient funds in the Department's Substance Abuse budget to provide for the required County Match; no additional funds are required.

The period of performance for this contract is July 1, 2004 through June 30, 2005.