

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA 327**



FROM: Department of Mental Health

SUBMITTAL DATE:

April 16, 2007

SUBJECT: Ratify the First Amendment (V.1) for the FY 2006/2007 Negotiated Net Amount Drug/Medi-Cal Agreement with the State Department of Alcohol and Drug Programs and adoption of Resolution No. 2007-186.

RECOMMENDED MOTION: Move that the Board of Supervisors:

1. Ratify the First Amendment (V.1) for the FY 2006/2007 Net Negotiated Amount Drug/Medi-Cal Agreement with the State Department of Alcohol and Drug Programs (ADP); and
2. Adopt Resolution No. 2007-186, authorizing the execution of the Standard Agreement Amendment.

BACKGROUND: On June 8, 2004, Agenda Item 3.34, the Board of Supervisors approved a three year contract from FY 2004/2005 through 2007/2008 for the Net Negotiated Amount (NNA) of the Medi-Cal and Non-Medi-Cal funded County Substance Abuse Program. On August 29, 2006, Agenda Item 3.51, the Board of Supervisors approved the Second FY 05/06 Amendment (V.2) to the aforementioned contract. This document is the First Amendment to the FY 2006/2007 portion of the agreement with the State.

Continue on page 2....

JW:SL

Jerry Wengerd

 Jerry Wengerd, Director
 Department of Mental Health

FINANCIAL DATA

Current F.Y. Total Cost:	\$ 610,774	In Current Year Budget:	YES
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	NO
Annual Net County Cost:	N/A	For Fiscal Year:	2006/07

SOURCE OF FUNDS: 57.30% State; 42.70% Federal

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 *Debra Coungas*

FORM APPROVED
COUNTY COUNSEL

APR 16 2007
BY *Debra Coungas*
Departmental Concurrence

Policy Policy
 Consent Consent

Dept's Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: 3.34 of 6/8/04 and 3.51 of 8/29/06 | District: All | Agenda Number:

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

3.21

SUBJECT: Ratify the First Amendment (V.1) for the FY 2006/2007 Negotiated Net Amount Drug Medi-Cal Agreement with the State Department of Alcohol and Drug Programs and adoption of Resolution No. 2007-186.

BACKGROUND CONT'D

Beginning with FY 1998/1999, a three-year contract through FY 2000/2001 was implemented by the State Department of Alcohol and Drug Programs, which contained preliminary allocations based on the Governor's proposed Budget. The State's goal was to streamline the contract process, to facilitate the implementation of AB 2071, and at the same time, maintain services. AB 2071 provided administrative restructuring and procedural changes for 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 issued subsequent amendments, which contain the detailed budget. Amendments are based on each County's actual need for funding.

Services are provided to Medi-Cal beneficiaries and uninsured consumers of Riverside County's Substance Abuse Program. Covered services include: Prevention, Outpatient Drug Free, Narcotic Treatment Program, Day Care Habilitative, Detoxification, Perinatal and Residential Services.

FINANCIAL IMPACT

FY 2006/07 contract amendment comparison is based on Federal/State allocation:

Allocations	Amounts
(06/07) Preliminary V.1	\$14,016,254
(06/07) V.1	\$14,627,028
Increase FY 06/07 Allocation (V.1 vs. V.1)	\$610,774

The FY 2006/07 V.1 Amendment reflects an increase in State General Funds of \$349,963; a decrease in Federal Block Grant Funds of \$89,152; and an increase in Medi-Cal FFP funds of \$349,963, for a total net increase amount of \$610,774. No additional county funds are required.

The period of performance for this amendment is July 1, 2006 through June 30, 2007.

JUSTIFICATION FOR DELAY

The Riverside County Department of Mental Health submitted the estimated V.1 budget for FY 06/07 to the State on October 11, 2006. The State finalized its budget allocations for FY 2006/07 in March of 2007, resulting in the First Amendment that is now being submitted to the Board of Supervisors for approval.

2 RESOLUTION No. 2007-186

3 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
4 RIVERSIDE AUTHORIZING THE EXECUTION OF THE FIRST AMENDMENT (V.1)
5 TO THE FY 2006/2007 DRUG/MEDI-CAL AGREEMENT WITH THE STATE
6 DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS.

7 WHEREAS, in FY 2004/2005, the State Department of Alcohol and Drug
8 Programs (ADP) issued to the Department of Mental Health a three (3) year contract
9 for FY 2004/2005 through FY 2007/2008 for the Negotiated Net Amount (NNA) of the
10 Medi-cal and Non-Medi-cal funded Riverside County Substance Abuse Program.

11 WHEREAS, on June 8, 2004, Agenda Item 3.34, the Riverside County Board of
12 Supervisors approved the three-year State ADP contract;

13 WHEREAS, the State Department of Alcohol and Drug Programs has made the
14 annual allocation for FY 2006/2007 in the First Amendment (V.1) of the NNA
15 Agreement provided for the funding of the County of Riverside Department of Mental
16 Health, Substance Abuse Program;

17 WHEREAS, The County of Riverside Department of Mental Health has received
18 an increase in their funding allocation for FY 2006/2007 of \$610,774;

19 NOW, THEREFORE, BE IT RESOLVED, FOUND, DETERMINED AND
20 ORDERED by the Board of Supervisors of the County of Riverside, in regular session
21 assembled on April 24, 2007, does hereby, resolve, find, determine and order as
22 follows:

23 Section 1. The County of Riverside Board of Supervisors approves and
24 authorizes execution of this First Amendment (V.1) to the NNA Agreement for FY
25 2006/2007.

26 Section 2. The County of Riverside accepts an increase in Medi-cal and Non-
27 Medical funds in the amount of \$610,774 from the State Department of Alcohol and

1 Drug Programs for FY 2006/2007 for the NNA of the Medi-cal and Non-Medi-cal for the
2 County of Riverside Department of Mental Health, Substance Abuse Program.

3 Section 3. The County agrees to the terms and conditions for receipt of the
4 funds.

5 ADOPTED, SIGNED AND APPROVED this 24th day of April 2007, by the Board
6 of Supervisors of the County of Riverside.

7

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Chairman of the Board of Supervisors

9

10 ATTEST:

11 Nancy Romero

12 Clerk to the Board of Supervisors

13

FORM APPROVED
COUNTY COUNSEL

14

APR 16 2007

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By: BY *[Signature]*

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Deputy