

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



856

**FROM:** Department of Mental Health

**SUBMITTAL DATE:**

**SUBJECT:** The Second Amendment (V.2) to 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. 2007-383.

**RECOMMENDED MOTION:** Move that the Board of Supervisors:

1. Ratify the Second Amendment to 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. 2007-383 authorizing the Chairman of the Board to sign the Standard Agreement Amendment.

**BACKGROUND:** On June 8, 2004, item 3.34, the Board approved a three (3) year contract from FY 2004/2005 through FY 2007/2008 for the Net Negotiated Amount (NNA) of the Medi-Cal and Non-Medi-Cal funded County Substance Abuse Program. On April 24, 2007, Agenda Item 3.21, the Board of Supervisors approved the First FY 2006/2007 Amendment (V.1) to the aforementioned contract. This document is the Second 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

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	YES
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	NO
	Annual Net County Cost:	N/A	For Fiscal Year:	2006/2007

**SOURCE OF FUNDS:** Federal 67.84%, State 20.30%, Medi-Cal 11.24%, County 0.62%

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

APPROVE

**C.E.O. RECOMMENDATION:**

County Executive Office Signature

BY *Debra Cournoyer*  
\_\_\_\_\_  
Debra Cournoyer

- Policy
- Policy
- Consent
- Consent

Dep't Recomm.:  
Per Exec. Ofc.:

Prev. Agn. Ref.: 3.34 of 6/8/04, 3.21, 04/24/07

District: All

Agenda Number:

3.74

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

FORM APPROVED  
COUNTY COUNSEL  
Larisa R. Wickert  
JUL 23 2007

**SUBJECT:** The Second Amendment (V.2) to 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. 2007-383.

**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 contains 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 the 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 1<sup>st</sup> of each year. After the initial contract, the State issues subsequent contract 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, Out-Patient Drug Free, Narcotic Treatment Program, Day Care Habilitative, Detoxification, Perinatal and Residential Services.

**FINANCIAL IMPACT**

FY 2006/2007 contract amendment comparison is based on Federal/State allocation:

<b>Allocations</b>	<b>Amounts</b>
(06/07) Preliminary V.1	\$14,627,028
(06/07) V.2	\$14,602,224
<b>Decrease FY 06/07 Allocation (V.1 vs. V.2)</b>	<b>(\$24,804)</b>

The FY 2006/2007 Second Amendment (V.2) reflects a decrease of (\$12,402) in State General Funds; and a decrease in Medi-Cal FFP Funds of (\$12,402), for a total net decrease amount of (\$24,804). No Additional county funds are required.

**PERIOD OF PERFORMANCE**

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.2 budget for FY 2006/2007 to the State on June 1, 2007. The State finalized its budget allocations for FY 2006/2007 in July 2007, resulting in the Second Amendment (V.2) that is now being submitted to the Board of Supervisors for approval.

