

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



332

FROM: Department of Mental Health

SUBMITTAL DATE:

March 10, 2008

SUBJECT: Ratify seven Drug/Medi-Cal and Negotiated Net Amount Substance Abuse Contract Agreements for FY 07/08.

RECOMMENDED MOTION: Move that the Board of Supervisors:

1. Ratify seven Drug/Medi-Cal (DMC) Substance Abuse contract agreements with providers as specified in Attachment A;
2. Authorize the Chairman of the Board to sign the contract agreements;
3. Increase the annual maximum aggregate amount previously authorized to the Purchasing Agent to contract on behalf of the Department of Mental Health (DOMH) without securing competitive bids in accordance with Ordinance 459.4 from \$8,271,247 to \$9,634,066 for FY 07/08;
4. Authorize the Purchasing Agent to increase, decrease and/or amend Substance Abuse Negotiated Amount (NNA) and DMC contracts up to the approved aggregate amount of \$9,634,066; and
5. Direct the Auditor-Controller to make a budget adjustment as indicated in Attachment "C".

BACKGROUND: On July 3, 2007, Agenda Item 3.22, the Board of Supervisors approved NNA and DMC Substance Abuse contracts for FY 07/08. On October 30, 2007, Agenda Item 3.33, the Board of Supervisors ratified the agreement with Vine Care Center, Inc., and authorized the Purchasing Agent to add new contracts and increase, decrease and/or amend contracts up to the approved aggregate amount of \$8,271,247 for NNA and DMC contracts. (Cont'd Page 2)

FISCAL PROCEDURES APPROVED
ROBERT E. BYRD, Auditor-Controller

JW:SL

BY Samuel Wong 3/10/08
SAMUEL WONG
Deputy

Jerry Wengerd
Jerry Wengerd, Director
Department of Mental Health

FINANCIAL DATA

Current F.Y. Total Cost:	\$1,362,819	In Current Year Budget:	NO
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	YES
Annual Net County Cost:	\$ 0	For Fiscal Year:	2007/2008

SOURCE OF FUNDS: 50% Federal and 50% States as outlined in Attachment C.

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

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

BY Debra Cournoyer
Debra Cournoyer

FORM APPROVED BY COUNTY COUNSEL
 BY: NEAL R. KIPNIS 3/10/08
 DATE: 3/10/08
 Purchasing: Mark Seiler, Assistant Director
 Department of Mental Health

Policy
 Policy
 Consent
 Consent

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

3.28

SUBJECT: Ratify seven Drug/Medi-Cal and Negotiated Net Amount Substance Abuse Contract Agreements for FY 07/08.

BACKGROUND (continued):

The DOMH's, Substance Abuse Program recently performed an evaluation of the Program's utilization of NNA and DMC Substance Abuse contract services. As a result, the DOMH, Substance Abuse Program desires to: increase six (6) DMC Substance Abuse provider contracts; and add one (1) new DMC Substance Abuse contract provider for FY 07/08 as outlined in Attachment A. NNA and DMC services are available to Medi-Cal and non-Medi-Cal clients. These services include: 1) Primary and Secondary Prevention, 2) Out-Patient Drug Free (ODF), 3) Residential, 4) Detox, 5) Narcotic Treatment Program (NTP), and 6) Ancillary services. The DOMH, Substance Abuse Program is required by the State Department of Alcohol and Drug Programs (ADP) to enter into contract agreements with DMC certified providers as long as funding is available to provide Substance Abuse services to DMC qualified clients.

Based upon the Sobkey vs. Smoley lawsuit settlement in 1994, the County is considered an agent of the State with respect to the administration of Medi-Cal services, and must provide reimbursement to any and all State certified Substance Abuse Medi-Cal providers for Medi-Cal specified services who provide services to Riverside County residents. Furthermore, the contractor is required to provide services to all Medi-Cal eligible clients requesting service and is entitled to receive payment for actual State approved Medi-Cal units.

Attachment A provides the funding sources and maximum contract amounts for each qualified contract provider. Attachment B provides justification for any increase or decrease to this year's contractual agreements. Attachment C is the description of the budget adjustment that the DOMH is requesting in order to accommodate the contract increases.

FINANCIAL IMPACT:

The increase for these seven DMC Substance Abuse agreements total \$1,362,819 and are funded with 50% Federal and 50% State funds as listed in Attachment A. A budget adjustment of \$1,362,819 is being requested to cover the increase in Medi-Cal contracts only, and no additional County funds are required. The contracts contain termination provisions in case of unavailability of any Federal, State and/or County funds.

PERFORMANCE PERIOD:

The provisions of these contract amendments are effective January 1, 2008 to June 30, 2008. On July 3, 2007, Agenda Item 3.22, and October 30, 2007, Agenda Item 3.33, the Board of Supervisors authorized the Purchasing Agent to increase, decrease, renew, add new and/or amend NNA and DMC Substance Abuse contracts through June 30, 2013.

JUSTIFICATION FOR DELAY:

The DOMH received the signed contract agreements back from the providers the week ending February 15, 2008; and is now prepared to go to the Board of Supervisors for approval and signature of the agreements.

ATTACHMENT A

RIVERSIDE COUNTY DEPARTMENT OF MENTAL HEALTH
 SUBSTANCE ABUSE PROGRAM
 FUNDING SOURCE & MAXIMUM CONTRACT AMOUNT

CONTRACT/PROVIDER NAME	CONTRACT FUNDING SOURCE	FY 07/08 ORIGINAL CONTRACT AMOUNT	FY 07/08 CONTRACT INCREASE	FY 07/08 TOTAL CONTRACT AMOUNT
1 Mental Health Systems 10000-4100514186-55600-530280 10000-4100514187-55600-530280 10000-4100514188-55600-530280	Medi-Cal 50%, State 50%	\$180,018	\$50,000	\$230,018
2 Perris Valley Recovery Program 10000-4100514118-55600-530280	Medi-Cal 50%, State 50%	\$21,092	\$23,496	\$44,588
3 Riverside Recovery Resources 10000-4100514119-55600-530280	Federal 45.43%, Medi-Cal 2.74%, State 44.45%, Other 2.79%, County 4.59%	\$560,455	\$50,256	\$610,711
4 So Cal Health Services 10000-4100514202-55600-530280	Medi-Cal 50%, State 50%	\$0	\$133,217	\$133,217
5 Sun Ray Addictions 10000-4100514021-55600-530280	Medi-Cal 50%, State 50%	\$30,000	\$18,762	\$48,762
6 Vine Care Center, Inc. 10000-4100514198-55600-530280	Medi-Cal 50%, State 50%	\$212,658	\$378,784	\$591,442
7 W.C.H.S./CRC Health 10000-4100514137-55600-530280 10000-4100514144-55600-530280 10000-4100514182-55600-530280 10000-4100514192-55600-530280	Medi-Cal 50%, State 50%	\$1,586,905	\$708,304	\$2,295,209
8 Total DMC and NNA Contracts not being increased	Federal, State and County	\$5,680,119	\$0	\$5,680,119
TOTAL CONTRACT AMOUNTS FOR FY 07/08		\$8,271,247	\$1,362,819	\$9,634,066

ATTACHMENT B

RIVERSIDE COUNTY DEPARTMENT OF MENTAL HEALTH NNA and DRUG MEDI-CAL INCREASE CONTRACT JUSTIFICATIONS FY 2007/2008

SUBSTANCE ABUSE

MENTAL HEALTH SYSTEMS, INC.
3576 Arlington Avenue, Suite 102
Riverside, CA 92506

Mental Health Systems, Inc. provides instructional services to participants that teach the participants how to maintain a substance abuse free lifestyle using Outpatient Drug Free (ODF) services for drug medi-cal qualified participants. The contractor's target populations are residents in Riverside, Hemet, and Indio.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY 07/08	\$180,018
Increase or (Decrease)	FY 07/08	\$50,000
FY 07/08 Increased Contract Amount	FY 07/08	\$230,018

*Increase Justification: Increase in Provider's Drug/Medi-Cal Services.

PERRIS VALLEY RECOVERY PROGRAM
236 E. Third Street, Suite B
Perris, CA 92570

Perris Valley Recovery Center provides Drug/Medi-Cal (DMC) Outpatient Drug Free (ODF) Program services. The ODF Program is designed to assist residents of Riverside County, 18 years of age or older, who are experiencing problems due to the use of illegal substances. The contractor's target populations are residents in Perris Valley, Mead Valley, Sun City, Moreno Valley, Homeland, and Romoland.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY 07/08	\$21,092
Increase or (Decrease)	FY 07/08	\$23,496
FY 07/08 Increased Contract Amount	FY 07/08	\$44,588

*Increase Justification: Increase in Provider's Drug/Medi-Cal Services.

ATTACHMENT B

RIVERSIDE COUNTY DEPARTMENT OF MENTAL HEALTH NNA and DRUG MEDI-CAL INCREASE CONTRACT JUSTIFICATIONS FY 2007/2008

SUBSTANCE ABUSE

RIVERSIDE RECOVERY RESOURCES
3757 Elizabeth Street
Riverside, CA 92506

Riverside Recovery Resources provides a residential and Out Patient Drug-Free (ODF) Drug/Medi-cal (DMC) Adolescent program services. The residential program, with an emphasis on the homeless population of Riverside County, provides food, shelter, and other services in a supportive non-drinking environment for recovering Substance Abusers. The DMC, ODF Adolescent program provides group and individual counseling regarding the use and abuse of alcohol and other drugs. The contractor's target populations are residents in Perris and Lake Elsinore.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY 07/08	\$560,455
Increase or (Decrease)	FY 07/08	\$50,256
FY 07/08 Increased Contract Amount	FY 07/08	\$610,711

*Increase Justification: Increase in Provider's Drug/Medi-Cal Adolescent Services.

SO CAL HEALTH SERVICES, INC.
1485 Spruce Street
Riverside, CA 92507

So Cal Health Services, Inc. provides Drug/Medi-Cal (DMC) certified Outpatient Drug Free (ODF) and Day Care Habilitative (DCH) Program services. The programs are designed to assist residents of Riverside County, who are experiencing problems due to the use and abuse of alcohol and other drugs. The contractor's target population is residents in the City of Riverside and some surrounding areas.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY 07/08	\$0
Increase or (Decrease)	FY 07/08	\$133,217
FY 07/08 Increased Contract Amount	FY 07/08	\$133,217

*New Contract Justification: Provider became Drug/Medi-cal in FY 07/08.

ATTACHMENT B

RIVERSIDE COUNTY DEPARTMENT OF MENTAL HEALTH NNA and DRUG MEDI-CAL INCREASE CONTRACT JUSTIFICATIONS FY 2007/2008

SUBSTANCE ABUSE

SUN RAY ADDICTIONS
980 North State Street
Hemet, CA 92534

Sun Ray Addictions provides Drug/Medi-Cal (DMC) Outpatient Drug Free (ODF) program services on a priority basis to pregnant addicts, women who are addicted and who have dependent children, injecting drug addicts, and substance abusers infected with HIV or who have tuberculosis. The contractor also provides DMC, ODF Adolescent program services that include group and individual counseling regarding the use and abuse of alcohol and other drugs. The contractor's target population is residents in Hemet and San Jacinto and some surrounding areas.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY 07/08	\$30,000
Increase or (Decrease)	FY 07/08	\$18,762
FY 07/08 Increased Contract Amount	FY 07/08	\$48,762

* Increase justification: Increase in Provider's Drug/Medi-Cal Services.

VINE CARE CENTER, INC.
26413 Jefferson Avenue, Suite H
Murrieta, CA 92562

Vine Care Center, Inc. provides Drug/Medi-Cal (DMC) certified Outpatient Drug-Free (ODF) and Day Care Habilitative (DCH) Program services. The programs are designed to assist residents of Riverside County, who are experiencing problems due to the use and abuse of alcohol and other drugs. The contractor's target population is residents in the City of Murrieta and some surrounding areas.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY 07/08	\$212,658
Increase or (Decrease)	FY 07/08	\$378,784
FY 07/08 Increased Contract Amount	FY 07/08	\$591,442

* Increase justification: Increase in Provider's Drug/Medi-Cal Services.

ATTACHMENT B

**RIVERSIDE COUNTY DEPARTMENT OF MENTAL HEALTH
NNA and DRUG MEDI-CAL INCREASE
CONTRACT JUSTIFICATIONS
FY 2007/2008**

SUBSTANCE ABUSE

**W.C.H.S./CRC HEALTH, INC.
1201 La Cadena
Riverside, CA 92504**

W.C.H.S., Inc. provides Narcotic Treatment Program (NTP) Services that include: dispensing of the drug Methadone, examinations, laboratory work, urinalysis, and counseling. The goal of the program is to achieve stabilization and to prevent withdrawal symptoms caused by stopping the use of opiates. The contractor's target populations are residents in the Riverside, Murrieta and Indio.

	FISCAL YEAR	AMOUNT
Contract Maximum	FY 07/08	\$1,586,905
Increase or (Decrease)	FY 07/08	\$708,304
FY 07/08 Increased Contract Amount	FY 07/08	\$2,295,209

* Increase justification: Increase in Provider's Drug/Medi-Cal Services.

ATTACHMENT C

RIVERSIDE COUNTY DEPARTMENT OF MENTAL HEALTH BUDGET ADJUSTMENT REQUEST FY 07/08

	Fund-Dept ID Acct.	Account Description	Amount
Increase in Appropriation	10000-4100500000-530280	Private Care Provider	\$ 1,362,819
		TOTAL	\$ 1,362,819
Increase in Estimated Revenue	10000-4100500000-751400	CA - Medi-Cal Match	\$ 681,409
	10000-4100500000-767180	FED - Medi-Cal FFP	\$ 681,410
		TOTAL	\$ 1,362,819