



# County of El Dorado

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## Legislation Text

File #: 09-1311, Version: 1

Health Services Department recommending the Board authorize the Chairman to sign the following Alcohol/Drug Treatment Services Provider Agreements for a total not-to-exceed amount of \$405,000 for the term July 1, 2009 through June 30, 2010 ~~2009~~:

- 1) Agreement 845-PHD0509 with EDCA Lifeskills, Inc., in the amount of \$70,000;
- 2) Agreement 844-PHD0509 with New Morning Youth & Family Services, Inc., in the amount of \$70,000;
- 3) Agreement 839-PHD0409 with Progress House, Inc., in the amount of \$185,000; and
- 4) Agreement 848-PHD0509 with Tahoe Youth & Family Services, Inc., in the amount of \$80,000.

**FUNDING:** Negotiated Amount (NNA) State Alcohol / Drug treatment services agreement.

BUDGET SUMMARY:		
Total Estimated Cost		\$343,368
Funding		
Budgeted	\$343,368	
New Funding	\$	
Savings	\$	
Other	\$	
Total Funding Available	\$343,368	
Change To Net County Cost		\$0

Fiscal Impact/Change to Net County Cost: Funding is included in the FY 2009-10 Budget for the Alcohol and Drug Treatment Program and is based on the combined provisional compensation amounts of the contracts. There is no net County Cost associated with these agreements.

Background: The Health Services Department receives funding through an agreement with the State to provide alcohol and drug treatment and prevention services. Drug treatment services are then contracted out to local agencies to provide treatment to El Dorado County residents who seek these services. Contracts such as these have historically been amended numerous times to ensure providers are fully compensated as the impact of clients seeking services through any one vendor cannot be accurately predicted at the beginning of any fiscal year. The process of formally amending contracts is time-consuming and costly.

Working with County Counsel, staff developed contract language which allows the Health Services Director to modify provisional compensation amounts (within specified not-to-exceed limits) to ensure vendors receive payment appropriately without necessitating formal contract amendments.

Per this contract language, the Director may increase or decrease the provisional amount of each

contract (based upon the level of service provided by the contractor) as long as the authorized provisional compensation for that contract remains within the applicable not-to-exceed (NTE) amount of that contract. The Director will not authorize total compensation for all contractors combined that exceeds the total of the provisional amounts for all contracts (i.e., \$343,368). Should an NTE amount need to be increased to accommodate service requirements, the Department will return to the Board to request a formal contract amendment.

Historically, the funding received through the NNA Agreement with the State has included Drug Medi-Cal (DMC) funds. However, effective the Board date of October 6, 2009, the County relinquished its DMC agreement with the State and endorsed the individual service providers to contract directly with the State for DMC funding. Therefore, the attached service provider Agreements now brought before the Board exclude Drug Medi-Cal service requirements and funding.

Reason for Recommendation: Approval of these agreements will allow the County to continue providing Alcohol/Drug Treatment and Prevention Program services, and provides the Director authority to modify provisional compensation amounts when needed, while remaining within the NTE amounts established for each agreement.

**Provisional amounts of the Agreements total \$343,368; NTE amounts of the Agreements total \$405,000; as outlined below:**

- 1) Agreement #845-PHD0509 with EDCA Lifeskills, Inc., provisional amount of \$62,967; NTE amount of \$70,000
- 2) Agreement #844-PHD0509 with New Morning Youth & Family Services, Inc., provisional amount of \$65,445; NTE amount of \$70,000
- 3) Agreement #839-PHD0409 with Progress House, Inc., provisional amount of \$146,308; NTE amount of \$185,000; and
- 4) Agreement #848-PHD0509 with Tahoe Youth & Family Services, Inc., provisional amount of \$68,648; NTE amount of \$80,000.

Retroactive Term: The four (4) proposed alcohol and drug treatment service agreements are all retroactive to July 1, 2009. Efforts to develop these FY 09-10 Agreements were initiated in the Spring of 2009 in preparation for the new fiscal year. However, (1) significant uncertainty regarding alcohol and drug program funding at the State level created delays in processing these Agreements, and (2) upon receipt of FY 09-10 funding notification from the State, the plan to relinquish the DMC funding required further collaboration with the State and service providers, and final Board approval (October 6, 2009, Item #7, Legistar file 09-1123). Once these issues were resolved, the attached Agreements were finalized (reflecting State funding amounts, excluding DMC funding) and resubmitted for final County Counsel review. All parties involved in the revision, review, and approval process expedited activities to minimize the retroactive nature of these Agreements. Due to the critical nature of these services, the affected contractors have continued to provide services while these FY 09-10 Agreements were being finalized.

Action to be taken following Board approval:

- 1) Chairman to sign three (3) originals of each of four agreements.
- 2) Board Clerk's Office to return two (2) originals of each of the four agreements to Department.
- 3) Health Services Department to distribute as appropriate.

Contact: Kathy Lang

Concurrences: County Counsel & Risk Management