



County of El Dorado

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Legislation Text

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Health and Human Services Agency, Public Health Division, recommending the Board approve and authorize the Chair to sign a Budget Transfer reflecting a net increase in revenue and corresponding appropriations of \$586,154 from the Local Revenue Fund 2011 and Federal Financial Participation funding for Drug Medi-Cal services. (4/5 vote required)

FUNDING: California Department of Alcohol and Drug Programs; State Realignment 2011; and Federal Financial Participation (FFP).

BUDGET SUMMARY:		
Total Estimated Cost		\$586,154
Funding		
	\$76,691	Drug Medi-Cal FFP
	\$216,386	Perinatal Drug Medi-Cal FFP
	\$293,077	Realignment 2011
Other	\$	
Total Funding Available	\$586,154	
Change To Net County Cost		\$0

Fiscal Impact/Change to Net County Cost: There is no Net County Cost associated with this budget transfer request.

Background: The County of El Dorado receives funding for their Alcohol and Drug Program (ADP) services from the State of California Department of Alcohol and Drug Programs via a multi-year Net Negotiated Amount (NNA) Agreement. These funds are used to provide alcohol and drug treatment services to eligible clients both by County staff and through contracts with local treatment service providers. The NNA Agreement previously provided State General Funds, Perinatal State General Funds, and Federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funds for ADP services. In addition, Drug Medi-Cal services were also included in the NNA Agreement providing both State and Federal funding (FFP) for Drug Medi-Cal Services.

Effective October 6, 2009 via Board Item 09-1123, the County notified the State that the County was relinquishing the Drug Medi-Cal portion of the then-active NNA Agreement, thus allowing contracted ADP treatment service providers to directly contract with the State. In keeping with these changes, the subsequent NNA Agreement (term 2010 through 2013) did not include Drug Medi-Cal funding.

The State budget for fiscal year 2011-12 changed Drug Medi-Cal funding by eliminating the State

General Fund allocation and incorporating it into the Realignment 2011 funding as part of the State Budget and accompanying law (Chapter 40, Statutes of 2011 [Assembly Bill (AB) 118] and Chapter 13, Statutes of 2011, First Extraordinary Session [ABX1 16]).

Under Realignment 2011, state sales tax will comprise the dedicated revenue to support the following ADP programs:

1. Women's And Children's Residential Treatment Services
2. Various Drug Court Services
3. Non-Drug Medi-Cal Substance Abuse Treatment Services (Perinatal and other)
4. Drug Medi-Cal (DMC)

The revenue for these programs will be deposited into a newly created Local Revenue Fund 2011 that contains several accounts for the realigned funds, one of which is the Health and Human Services Account (HHS). Pursuant to AB 118, a State-designated percentage of the Local Revenue Fund 2011 will be allocated to the HHS Account. The HHS Account contains four subaccounts for the ADP services listed above.

As part of the State budget for fiscal year 2011-12, the Department of Alcohol and Drug Programs also eliminated the ability for treatment service providers to contract directly with the State for Drug Medi-Cal funding. Contracting for Drug Medi-Cal services will revert back to the local governments effective July 1, 2012.

Reason for Recommendation: Approval of this budget transfer request will make funding allocated for Drug Medi-Cal and Perinatal Drug Medi-Cal, and Realignment 2011 funds available for use by the ADP Programs.

Action to be taken following Board approval:

1. Chair to sign attached Budget Transfer.
2. Board Clerk's Office to forward signed Budget Transfer to Auditor-Controller's Office for processing.
3. Department to work with Auditor-Controller's Office to process invoices for payment.

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