

**MEMORANDUM
PLACER COUNTY HEALTH AND HUMAN SERVICES
Children's System of Care**

TO: Honorable Board of Supervisors

FROM: Richard J. Burton, M.D., M.P.H.
Placer County Health Officer and Director of Health & Human Services
C.B. Bautista, Director, Children's System of Care

DATE: October 10, 2006

SUBJECT: 2006-07 Agreement with Sierra Family Services

ACTION REQUESTED:

Approve the agreement with Sierra Family Services, Inc. in the amount of \$1,604,099 for FY2006-07 for mental health and substance abuse treatment services.

BACKGROUND:

Sierra Family Services (SFS), is a long-standing and important community agency partner with the County, providing a variety of out-client substance abuse, mental health and emergency crisis services. In FY2005-06, Sierra Family Services provided mental health services to 976 Placer County residents and completed 1,158 emergency mental health crisis evaluations. SFS staff is also part of the improved after-hours crisis restructuring located at Sutter Roseville Hospital, to expedite the release of law enforcement officers back to community patrol.

This agreement also represents a restructuring and reprioritization of services consistent with budgeted HHS funding. Due to current HHS and Education successes in reducing the waiting list for mental health services for Emotionally Disturbed students, the agreement with SFS for assistance in this program area has been adjusted. Additionally, this agreement has been adjusted due to the expansion wraparound services for children at risk of group home placement, provided by County Children's System of Care staff. All other coverage levels remain unchanged from the previous contract. The total contract amount has been adjusted from \$1,764,099 in FY2005-06 to \$1,604,099 in FY2006-07.

The substance abuse services portion of this agreement was awarded through a request for proposal (RFP) for out-client services in February 2002. In FY2005-06, SFS provided substance abuse services for 278 persons through both private pay and contract services. A new RFP is currently in process in anticipation of new awards to be effective in FY07/08. The contract includes \$363,696 for out-client substance abuse services in Tahoe, dual diagnosis (substance abuse and mental health problems) and perinatal services for pregnant substance abusers. According to a state research study, for every dollar (\$1) spent on substance abuse treatment and recovery services, there is a \$7.00 cost avoidance/savings related to medical, law enforcement and other social services (U.S. Department of Health and Human Services, 1997).

This contract was delayed as a result of the normal delays in state allocations to counties, evaluating allocations to determine levels of funding and the negotiation for the restructuring and prioritization of contracted mental health services.

FISCAL IMPACT:

The expenditures for this contract have been included in the Proposed Budget for fiscal year 2006-2007.

Funding for alcohol and drug services is provided by approximately: 1) \$190,000 in Federal and State alcohol and drug funding; 2) \$107,000 in Federal and State social services funding; 3) \$35,000 realignment and \$11,000 in County general funds, and; 4) \$20,000 in State mental health funding, grants, fines, and penalties.

Funding for Mental Health Services is provided by approximately: 1) \$470,000 in Federal and State Medi-Cal, EPSDT and SB90 funding; 2) \$250,000 in Federal and State social services funding, and; 3) \$144,000 realignment and \$378,000 in County general funds.

The following Contract for:

Sierra Family Services, Inc.

is on file with the Clerk of the Board
for BOS meeting:

October 10, 2006