

**MEMORANDUM  
PLACER COUNTY HEALTH AND HUMAN SERVICES  
Adult 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  
Maureen F. Bauman, Director of Adult System of Care

**DATE:** May 23, 2006

**SUBJECT:** Amendment to multi-year contract with the State of California, Department of Alcohol & Drug Programs (ADP), Negotiated Net Amount (NNA) & Drug Medi-Cal (D/MC) for Fiscal Year 2005/06.

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**ACTION REQUESTED:**

Approve Amendment 11809-C to the multi-year contract with the State of California, Department of Alcohol & Drug Programs (ADP), Negotiated Net Amount (NNA) & Drug Medi-Cal (D/MC) for Fiscal Year 2005/06, increasing the funding by \$31,988 for a revised total of \$2,724,531 and authorize the Chairman of the Board to sign the amendment and future amendments on behalf of Placer County.

**BACKGROUND:**

The State Department of Alcohol and Drug Programs utilizes the Negotiated Net Amount (NNA) and Drug Medi-Cal (DMC) contracts in order to obligate funds including State General Funds, Federal Substance Abuse, Prevention and Treatment (SAPT), Safe and Drug Free Schools, Mentoring, Community Block Grant funding, and Federal Medicaid reimbursement (FFP).

The current multi-year contract for FY04/07 is initially based upon the State General Fund (SGF) and D/MC funding set forth in the Governor's preliminary budget allocation and amended each fiscal year to reflect the finalized budget allocation. This current amendment was recently provided to Placer County by the State Department of Alcohol and Drug Programs to amend year two (FY05/06) of the multi-year contract.

Placer County has established a continuum of care with this funding to best meet the substance abuse treatment and prevention needs of residents of Placer County. This contract amendment includes increased funding, based on actual utilization, to Federal Drug Medi-Cal of \$15,994 and State General Fund Drug Medi-Cal of \$15,994, for a total increase of \$31,988.

The Drug Medi-Cal increase provides additional 50% matching State General Funds, which is already part of the County allocation. The increases have been budgeted in the current continuum of programs for FY05/06. The Federal Financial Participation (FFP) reimbursement is 50% of the SGF DMC.

The Placer County Mental Health, Alcohol & Drug Advisory Board has reviewed and approved this amendment at its last meeting on May 22, 2006.

**FISCAL IMPACT:**

This amendment for FY2005/06 represents an increase of \$31,988 with no increase in County match. There will be no impact to the County General fund.

The following contract for:

**Dept of Alcohol & Drug Programs  
(ADP), Negotiated Net Amount  
(NNA) & Drug Medi-Cal (D/MC)  
Contract Amendment for FY  
2005/06**

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

**May 23, 2006**