

**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: June 10, 2008

SUBJECT: Amendments to FY2007/09 Contracts with Nine Substance Abuse Treatment Providers

ACTION REQUESTED:

Approve amendments to FY2007/09 contracts with the nine substance abuse treatment providers established to provide a continuum of out-client and residential treatment services for Placer County residents for a total award amount of \$3,167,863: Aegis Medical Systems (\$527,500), Community Recovery Resources (\$175,369), Koinonia Foster Homes (\$384,000), New Leaf Counseling Services (\$478,547), Progress House (\$326,637), Rocklin Community Counseling Center (\$152,400), Substance Abuse Growth and Recovery Institute (\$276,759), Sierra Council on Alcoholism and Drug Dependence (\$557,000) and Sierra Family Services (\$289,651), and authorize the Director of Health and Human Services to sign subsequent amendments. The combined County General Fund contribution for these nine contracts is \$241,500.

BACKGROUND:

Your Board approved contracts with ten local substance abuse treatment providers as a result of a Request for Proposals process conducted last year. These providers operate a continuum of care in Placer County which provides a range of services including out-client, detoxification, residential and transitional living services to 1,650 adolescents, women with children, and adults annually in Placer County. These FY 08-09 contract services represent an approximate \$624,000 reduction in services over prior fiscal years resulting from federal and state budget reductions.

These services provide an option to those persons in the community who are unable to pay for necessary substance abuse treatment. They include specialized services for those who are court mandated, services that address both mental health and substance abuse (co-occurring) treatment needs, adolescents, and women with small children.

The criminal justice system mandates about 50% of this population to treatment. Methamphetamine and alcohol are the primary drugs of abuse in Placer County. The treatment programs report that 1,046 of these persons chose recovery as a result of this treatment experience. In those programs established in partnership with the criminal justice system, services lead to a reduction in crime and enhanced public safety as well as generated a potential jail bed day savings of over \$2 million.

Unfortunately, the reduction in state and federal funding will result in fewer residents able to benefit from treatment, and an increase in costs to the community.

These contracts were reviewed and recommended for approval by the Mental Health, Alcohol, and Drug Advisory Board at its regular meeting on May 19, 2008.

FISCAL IMPACT:

The FY 2008/09 funding for these contracts will decrease by \$476,606 (13.1%) from FY2007/08 levels. These treatment services are funded through several state and federal sources, including substance abuse treatment, Child Welfare Services, CalWORKs, Mental Health Services Act, Proposition 36 or Offender Treatment Program, and Drug Medi-Cal, plus client fees, local fines and County General Funds. Some of these sources require matching funds. To meet these match requirements, local fines of \$35,246, client fees of \$67,252, and County General Funds of \$241,500 (a required match for Child Welfare Services) have been appropriately budgeted in the Department's FY 08-09 Proposed Budget.

The following documents:

Amendments for:

- 1. Aegis Medical Systems, Inc.**
- 2. Community Recovery Resources**
- 3. Koinonia Foster Homes, Inc.**
- 4. New Leaf Counseling Services**
- 5. Progress House, Inc.**
- 6. Rocklin Community Counseling Center, Inc.**
- 7. Sierra Council on Alcoholism & Drug
Dependence**
- 8. The Substance Abuse Growth and Recovery
Institute**
- 9. Sierra Family Services, Inc.**

are on file with Clerk of the Board

for BOS meeting:

June 10, 2008