

# 404060000—Substance Abuse Services

## Health Services

Greg Diederich, Health Care Services Director

Special Revenue Fund	2017-2018 Actual	2018-2019 Adjusted	2019-2020 Requested	2019-2020 Recommended	Increase/ (Decrease)
<b>Expenditures</b>					
Salaries & Benefits	\$6,670,898	\$9,356,261	\$9,070,141	\$9,070,141	(\$286,120)
Services & Supplies	14,219,701	16,284,533	17,064,262	17,064,262	779,729
Centrally-Budgeted Expenses	345,143	388,781	290,406	290,406	(98,375)
Fixed Assets	70,783	856,050	74,000	74,000	(782,050)
<b>Total Expenditures</b>	<b>\$21,306,525</b>	<b>\$26,885,625</b>	<b>\$26,498,809</b>	<b>\$26,498,809</b>	<b>(\$386,816)</b>
Expenditure Reimbursements	(2,014,925)	(1,407,119)	(1,231,802)	(1,231,802)	175,317
<b>Total Appropriations</b>	<b>\$19,291,600</b>	<b>\$25,478,506</b>	<b>\$25,267,007</b>	<b>\$25,267,007</b>	<b>(\$211,499)</b>
<b>Earned Revenues By Source</b>					
Fines/Forfeitures/Penalties	\$0	\$60,427	\$60,427	\$60,427	\$0
Aid From Other Governments	11,928,045	11,386,588	10,771,493	10,771,493	(615,095)
Charges For Services	9,053,490	12,893,473	13,658,799	13,658,799	765,326
Miscellaneous Revenues	518,443	361,730	0	0	(361,730)
Operating Transfers In	554,276	776,288	776,288	776,288	0
Fund Balance	(2,762,654)	0	0	0	0
<b>Total Revenues</b>	<b>\$19,291,600</b>	<b>\$25,478,506</b>	<b>\$25,267,007</b>	<b>\$25,267,007</b>	<b>(\$211,499)</b>
<b>Net County Cost</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Staffing</b>					
Allocated Positions	89.0	93.0	92.0	92.0	(1.0)
Temporary (Full-Time Equivalent)	33.9	40.3	32.8	32.8	(7.5)
<b>Total Staffing</b>	<b>122.9</b>	<b>133.3</b>	<b>124.8</b>	<b>124.8</b>	<b>(8.5)</b>

- Includes Alcohol/Drug Alternative Program budget (#2021201000), which was consolidated into the Substance Abuse Services budget beginning July 1, 2018.
- Operating Transfers In includes a General Fund Contribution of \$776,288 for 2019-2020.

## Purpose

Substance Abuse Services (SAS) provides a range of drug and alcohol prevention and treatment services for County residents, including outpatient, residential, and narcotic treatment services. SAS plays a significant role in the community's effort to reduce the harmful effects of alcohol and drug addiction.

In partnership with its health care and criminal justice system partners, SAS uses a variety of funding streams in an effort to reduce the number of individuals requiring the use of high-cost jail beds, and medical and psychiatric emergency services, as a result of untreated substance abuse.

## Major Budget Changes

### Salaries & Employee Benefits

- \$155,762 Salary and benefits adjustments.
- (\$144,368) Transfer an Accountant position to Behavioral Health Administration (BHA).
- (\$297,514) Decrease in extra-help.

# 404060000—Substance Abuse Services

## Health Services

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### Services & Supplies

- \$945,918 Increase in Narcotics Treatment Program (NTP) provider contracts.
  - \$138,415 Increase in security services for residential programs.
  - \$115,362 Increase in capacity to provide client services.
  - \$58,500 Increase in food costs for residential programs.
  - (\$144,288) Decrease in BHA overhead costs.
  - (\$141,639) Decrease in minor equipment costs.
  - (\$126,500) Decrease in facility maintenance costs.
  - (\$50,381) Decrease in training costs.
  - (\$46,892) Decrease in reimbursement to Mental Health Services (MHS) for staffing costs.
- (\$361,730) Elimination of State funding for parolee services.
  - (\$113,857) Decrease in transfers from SAS trust funds.
  - (\$88,265) Decrease in funding for Medi-Cal Administration.

### Fixed Assets/Capital Improvement

- \$24,000 Paint building exterior.
- \$20,000 Landscape irrigation.
- \$9,000 Replace windows.
- \$6,000 Remodel counselor's office.
- \$5,000 Replace front door.
- \$5,000 Remodel group room.
- \$5,000 Privacy wall.

### Centrally-Budgeted Expenses

- (\$92,098) Cost Allocation Plan adjustment.

### Expenditure Reimbursements

- \$80,446 Increase in reimbursement from San Joaquin General Hospital.
- (\$115,900) Decrease in reimbursement from Human Services Agency.
- (\$70,000) Decrease in reimbursement from Community Corrections Partnership.
- (\$69,863) Decrease in reimbursement from MHS.

### Revenues

- \$967,504 Increase in Federal Funding for Drug Medi-Cal (DMC).
- \$157,127 Increase in State realignment funds for DMC.
- \$22,089 Increase in Proposition 172 funds.
- (\$798,990) Decrease in Substance Abuse Block Grant funds.

### Program Discussion

The 2019-2020 recommended SAS budget totals \$26,498,809, which is a decrease of \$386,816 from the 2018-2019 adjusted budget. The change primarily reflects the transfer of an Accountant position to the BHA budget, a decrease in extra-help, reduction in departmental overhead charges, and a decrease in equipment purchases and capital expenditures, offset by salary and benefits adjustments and increases in NTP costs.

#### *Narcotic Treatment Programs (NTP)*

As a result of the 2011 State Realignment, counties are responsible for using realigned State sales tax revenue as a match for Federal DMC reimbursements to treatment providers. Most DMC contracts are for NTPs, the most costly of DMC services. In San Joaquin County, there are two NTP providers that operate seven clinics in Lodi, Manteca, and Stockton. These services are a Federal entitlement and counties have very little ability to modify services to achieve cost savings. In 2019-2020, the cost of NTP contracts is expected to increase by \$945,918 from the 2018-2019 budget.

#### *DMC Organized Delivery System (DMC-ODS)*

The State Department of Health Care Services is continuing to implement a Federal Section 1115 Medi-Cal "Bridge to Reform" Demonstration Waiver. One component of the Waiver includes major changes to the DMC service delivery system, transforming it into a continuum of care modeled after the American Society of Addiction Medicine criteria for

# 404060000—Substance Abuse Services

## Health Services

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substance use disorder treatment services. The County's DMC-ODS was implemented in 2018-2019 and includes a focus on timeliness of services and enhanced access to treatment.

In 2019-2020, SAS will continue efforts to increase its DMC-ODS provider network through a variety of means, including issuing a Request for Qualifications for service providers through the Purchasing Department. Ultimately, the Department hopes to increase the capacity of residential treatment and outpatient treatment throughout the County.

### *Residential Treatment*

SAS operates two residential substance use disorder treatment programs, Recovery House (licensed for men and women) and the Family Ties Program (perinatal program for women and their children). Funding is provided by DMC-ODS, Federal substance abuse block grants, and State funds. Referrals are received from criminal justice agencies, social service agencies, and families. Implementation of the DMC-ODS in 2018-2019 allowed DMC billing for non-perinatal residential treatment services provided at Recovery House.

SAS continues to address deferred maintenance concerns at the Recovery House facility in collaboration with the General Services Department. In 2018, the bed capacity of the Recovery House was temporarily reduced from 69 to 32 clients due to operating concerns of the aging facility.

### *Potential Residential Services for Co-Occurring Substance Use and Mental Health Disorders*

Many Recovery House participants suffer from co-occurring substance use and mental health disorders (COD); however, the Program was not specifically designed to serve these individuals. The County currently has no specialized

residential programs available to treat those with COD, which reduces the likelihood of successful recovery. To close this gap in its system of care, Behavioral Health Services (BHS) applied to the California Health Facilities Financing Authority (CHFFA) for potential funding of a 16-bed COD treatment facility that could be located adjacent to the existing Recovery House. If awarded, CHFFA funds could pay for a new building, while funding from the Mental Health Services Act and Medi-Cal would support the COD treatment services. BHS will coordinate with the General Services Department should project funding become available for a facility.

### **Substance Abuse Problem Assessment Fund**

The Substance Abuse Problem Assessment Fund (#20604) receives funds collected by the Court from individuals ordered to participate in a County Alcohol and Drug problem assessment program. Fund balance as of March 31, 2019, was \$716,876. The 2019-2020 budget includes \$60,427 in transfers from this fund.

### **Alcohol/Drug Abuse Education Funds**

The Alcohol Abuse Education Fund (#20605) and Drug Abuse Education Fund (#20607) support the County's alcohol and drug abuse education and prevention efforts. Fund balances as of March 31, 2019, were \$467,829 and \$201,914, respectively. The 2019-2020 budget includes \$73,195 in transfers from these funds.

### **Statham Drunk Driving Fund**

The Statham Drunk Driving Fund (#20609) is for treatment of clients with alcohol dependency in certified residential programs. Fines are collected by the County from Driving while Under the Influence offenses. Fund balance as of March 31, 2019, was \$1,120,696.

# 4040600000—Substance Abuse Services

## Health Services

### Workload Data

	-----Actual-----			Est./Act. 2018-2019	Projected 2019-2020
	2015-2016	2016-2017	2017-2018		
<b><i>Prevention Activities</i></b>					
<i>Schools Contacted</i>	264	71	135	150	300
<i>Students Contacted</i>	6,701	7,640	8,623	4,012	6,000
<i>Organizations Contacted</i>	59	72	200	150	300
<i>Individuals Contacted</i>	986	2,453	3,514	3,000	7,500
<b><i>Treatment Services</i></b>					
<i>Recovery House-Admissions</i>	567*	640*	709	652	692
<i>Average Cost per Client</i>	\$4,277	\$4,325	\$3,853	\$3,959	\$5,592
<i>Recovery House-Client Days</i>	18,921	20,501	18,767	20,492	18,017
<i>Family Ties-Admissions</i>	98*	108*	110	119	125
<i>Average Cost per Client</i>	\$16,491	\$16,508	\$16,623	\$16,753	\$14,655
<i>Family Ties-Client Days</i>	9,498	8,425	8,836	7,893	8,450
<b><i>Central Intake Referrals</i></b>					
<i>Average Cost per Client</i>	\$112	\$180	\$207	\$185	\$210
<b><i>Chemical Dependency Counseling Center</i></b>					
<i>Intakes</i>	677*	655*	593	717	720
<i>Average Cost Per Client</i>	\$1,613	\$2,003	\$2,455	\$1,909	\$2,009
<b><i>Narcotic Treatment Program</i></b>					
<i>Admissions</i>	2,624	2,782	2,510	2,241	2,539
<i>Average Cost Per Client</i>	\$3,856	\$3,921	\$4,589	\$4,639	\$5,187

\*Restated