

**Substance Abuse and Crime Prevention Act of 2000 (SACPA)
STATEWIDE ADVISORY GROUP MEETING SUMMARY
April 2, 2004**

WELCOME

Director Kathryn Jett gave a brief welcome to all of the members and acknowledged visitors to the Statewide Advisory Group meeting, which included Eileen Cubanski, Assistant Secretary from the Health and Human Services Agency.

Jett also acknowledged new Statewide Advisory Group members Richard Bull, representing the California Police Chief's Association and Henry Serrano, representing the Sacramento County Sheriff's Department.

Jett reported that the Governor's California Performance Review panel will look at State government and talk about improvements that can be made to better serve our constituents. Final recommendations from the panel are expected in June 2004.

Jett discussed the federal Access to Recovery Program, which is a competitive grant process. The State will need to compete with other states for \$15 million dollars per year for three years. This grant requires the State to operate a new voucher program instead of the usual block grant. The proposal is due in June and Director Jett has established an Access to Recovery Advisory Group to finalize the details of the proposal.

Jett reported that she, Judge Manley, and Les Johnson attended the Los Angeles County Sheriff's Winter Management meeting. They presented an overview of Proposition 36 to those in attendance. Attendees asked good questions and showed interest in the Proposition 36 program. Jett talked about her tour of the Impact Program, which is an in-custody treatment program in Los Angeles. Jett was very impressed with their talks on recovery. Jett expressed a similar positive experience on a visit to Orange County.

PROGRAM AND POLICY UPDATE

Del Sayles-Owen, Deputy Director, Office of Criminal Justice Collaboration, highlighted the following policy updates:

- On March 8, 2004, All County Lead Agency (ACLA) Letter #04-02 was issued to the counties on the changes to the allocation methodology. The Fiscal Workgroup and County Alcohol and Drug Program Administrators Association of California (CADPAAC) recommended adjusting the current allocation methodology. Adjustments are to address the issue of distributed funds where client treatment within the county was exceeding current allotment amount and other counties demonstrated the inability to utilize their allotment amount.

- ADP proposes to use the multi-year county plan as a tool to evaluate the level of funds that a county will not be able to spend by the end of the SACPA appropriation. Counties would be notified if ADP determines that the expenditure plan would result in excess funds. They would be given an opportunity to take corrective action before any excess funds are recaptured. Recaptured funds would be redistributed only to counties that can reasonably be expected to expend the funds. Emergency regulations that allow ADP to recapture the funds will be promulgated. In the interim, ADP plans to issue letters to the counties to request voluntary return of excess funds.
- Sayles-Owen also reported that training will be conducted at the next quarterly CADPAAC meeting to assist in making the California Alcohol and Drug Data Systems (CAADS) data consistent and accurate.
- ADP is also working on developing a policy on dedicated capacity.

Member’s comments included:

A member suggested that the counties develop a way to spend the money so that it does not have to be returned. Sayles-Owen stated that options for withholding funds from future allocation are being considered. A member stated that the least protected area is treatment due to the length of time for completion and then suggested that the “give back” of funds be handled with recognition of this. Director Jett stated that the excess funds issue be added to the next meeting’s agenda so that more time and dialogue can be had on this topic.

A member noted that some counties do not understand the proposed methodology. The 50 percent standard methodology has not changed, and therefore, there is concern that there are inequities that continue.

Jett commented that the State’s goal is to put the money where the cases are; however, there are other factors and variances that weigh in the calculation of the proposed methodology.

Senella commented that the changes have taken place mid-stream in the program, and in order to get complete equity, the program would have had to be dismantled and rebuilt.

CHECK IN AND PROGRAM UPDATES

Members engaged in a roundtable discussion and commentary. Comments included:

Collaborative Discussion on Program Changes:

It was reported by Judge Stephen Manley that the Criminal Justice stakeholders met to discuss continued funding of the program. Participants included representatives from the sheriff’s, district attorneys, courts, and probation. A collaborative consensus was reached with criminal justice, which will be shared with members of the Statewide Advisory Group and other

interested parties. The collaborative effort of law enforcement was applauded by the members.

Bill Zimmerman announced that he will meet with treatment stakeholders on May 7, 2004, to work towards a consensus on continued funding strategies for Proposition 36. This meeting will be similar to the criminal justice stakeholder meeting.

Martin Martinez representing the Native American Constituent Committee reported that he spoke with the 37 Indian Health clinics and they all expressed concern over the lack of Proposition 36 funding even though they are certified to provide services. Martinez relayed that all of the 109 federally recognized Native American tribes want to be a part of Proposition 36 and wanted the issue brought to the attention of the Statewide Advisory Group since substance abuse is the number one problem on the Federal reservations.

Budget Issues:

Some members reported that the possibility exists that local discretionary funds used for treatment could be cut and that some counties may not have the funding for all that is needed to administer the program.

A law enforcement representative commented that due to budget issues, their county has initiated an early release program. The number of inmates processed through reception is increasing since last fiscal year; however, there are no beds for them and no deputies to supervise them.

Another member reported that Temporary Assistance for Needy Families (TANF), which allocated funds for youth camps and ranches, has been taken out of the budget closing a large number of beds statewide.

A member requested that the State capture the story that is being told in the counties regarding counties having to use additional funds to operate the Proposition 36 program. Some counties are overmatching their allocation to run the Proposition 36 program.

County Data:

Los Angeles County continues to refine its program. Budget issues impact the overall system of care. Los Angeles has 13,000 participants in the Proposition 36 program, with the bulk of clients receiving out-patient treatment. The demographics of clients served are Latino and African-American males between the ages of 25 to 35 years old.

Santa Clara County, reported there are over 6,000 participants in the Proposition 36 program and to date that 1,000 participants have completed the program. Adequate funding continues to be an issue.

Sacramento County commented that the county's Fiscal Year 02/03 evaluation is still in the process. Probation is working on gathering the data and the mental health portion of the report is new.

Mental Health:

Members discussed the issue of mental health patients taking up treatment beds when they are found incompetent to stand trial and have to wait in a county facility until State beds are available.

Additional member concerns regarding mental health include counties that are unable to sustain services leaving a tremendous impact on uninsured adult males who cannot receive services.

General Comments:

Some counties are focusing on the new allocation methodology and sorting through audit issues especially on how to repay audits.

Members discussed Senate Bill 2136, which addresses medical treatment in the jails for persons exhibiting withdrawal symptoms. The sponsors want this treatment in the jails to also include methadone.

The parole referral rate is steady, with the California Department of Corrections (CDC) sending 5,000 clients annually to Proposition 36. CDC has begun roll out on the various initiatives that are funded in this year's budget, which includes programs designed to engage parolees in community treatment.

CHALLENGES OF PROPOSITION 36 IN SMALL/RURAL COUNTIES

William Demers with County Alcohol and Drug Program Administrators Association of California gave a presentation on the challenges that small/rural counties are facing.

Demers stated that the smaller/rural counties have different needs and concerns than the medium and larger counties, and that the Proposition 36 rules do not provide the flexibility smaller/rural counties need.

Smaller/rural counties are finding that they have available resources to administer Proposition 36; however the minimal client base contributes to the county not being able to support the expense of program administration. Additionally, the county is unable to retain Public Health nurses, because the county is unable to compete with larger areas for more competitive salaries. Demers reported that counties with minimal client counts are still mandated to provide treatment services. In addressing this requirement, clients are limited in available options for successful program completion and are many times required to travel long

distances (some up to 100 miles) for treatment services with partnering providers. Many of these clients are without vehicles, driver's licenses, and insurance.

Demers reported that the outer perimeter areas of the smaller counties are in trouble primarily because they are so isolated and treatment services are not easily accessible due to the remoteness of the residency. This situation lends itself to clients suffering from alcohol abuse; domestic violence and child abuse.

Demers shared that another major concern for the smaller/rural counties is the potential audit findings in regards to dedicated capacity.

Demers commented that there are several recommendations that the small/rural counties would like to be considered by the State. Those recommendations include the need for more flexibility in order for the counties to run the Proposition 36 program by asking that the State to step in and develop policies that are more specific to the needs of the smaller/rural counties. Demers stated that smaller/rural counties need to operate under different guidelines that take into consideration the complications in smaller/rural county areas.

Finally, Demers suggested that the State consider the option of issuing the smaller counties their funding via a block grant.

Member's comments included:

A member suggested that the smaller/rural counties develop a concrete, tangible proposal with a list of items that can be presented to the legislature that addresses their issues and concerns. It was also recommended that the counties develop a task force to work on the proposal to the legislature.

It was noted that federal Substance Abuse Prevention and Treatment (SAPT) block grant requires that portions be set aside for certain categories of individuals. These requirements are passed on to the counties and result in limited flexibility for small counties. A member commented that the large counties could be asked to meet the statewide set aside requirements so that small counties would have a true block grant. It was also noted that the small counties need to determine what it costs to do business.

Members noted the Legislative Analyst Office (LAO) recommendation in the Drug Medi-Cal Report stated that more flexibility is needed and that a block grant process would better meet local needs. Demers commented that the county is in support of the recommendation.

Senella commented that the small county issues can be explored in the Fiscal Workgroup.

Director Jett commented that there is a Rural Policy Council, where Departments get together to share information. Jett suggested that if a proposal is developed, it can be shared with the Rural Policy Council.

SHIFTING FUNDING AND PROGRAMS TO LOCAL CONTROL

Dan Carson, LAO, gave a brief overview of the report on the Drug Medi-Cal Program which is California's program for substance abuse services to Medi-Cal beneficiaries.

Carson pointed out that methadone and narcotics treatment has grown significantly over the past ten years. Narcotic treatment is now a much larger share of Drug Medi-Cal spending. Drug Medi-Cal spends almost three-fourths of its General Fund on the 43 percent of its caseload that is in narcotic treatment programs.

The report states that hospital data demonstrates the growing treatment demand. Funding amounts in the ADP budget has increased over the years and the resources allocated for Drug Medi-Cal services has not expanded significantly overall since 1994-95. This situation has significant consequences for state expenditure levels because the state often bears the cost of health problems experienced by Medi-Cal Beneficiaries who have substance abuse problems.

The LAO report recommended keeping the funding and responsibility of narcotic treatment with the State. Issues with illegal trafficking make it difficult to delegate program authority to counties and a program shift here could run afoul due to the federal injunction which requires several steps to ensure services are available in all counties with available treatment providers. Cost containment strategies to consider include: review program requirements; revise rate-setting system; examine treatment extensions; and integrate buprenorphine treatment.

The LAO report supports the block grant approach for large and small counties.

Carson shared that the report to the legislature was commissioned due to the interest in perception that women and children were not receiving a fair share of services through the Drug Medi-Cal program. The Drug Medi-Cal report suggested potential alternatives for remodeling the current program:

- Shifting the responsibility for providing treatment services for children and youth from ADP and the Drug Medi-cal Program to a separate new outreach and treatment program administered by the Managed Risk Insurance Board as part of the Healthy Families Program.
- Administratively consolidate Drug Medi-Cal services with regular Medi-Cal Health coverage or with mental health programs.
- Consolidating operational and financial responsibility for the Drug Medi-Cal Program at the county level could have positive outcomes. Review of the 1991 realignment of mental health programs indicated that increased authority within the counties improved delivery of services including better coordinated, more flexible and less costly community programs.

- Gradual integration of buprenorphine into Drug Medi-Cal narcotic treatment programs could hold down the increasing cost of methadone and involve more “mainstream” physicians in addiction medicine.

Dan Carson noted that a copy of LAO’s report can be found on their website at www.lao.ca.gov.

THE NEXT STEPS FOR THE STATEWIDE ADVISORY GROUP
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Members agreed that the next Statewide Advisory Group meeting, scheduled June 18, 2004, would be extended in length to include the following topics:

- Parolee Subcommittee Update
- California Performance Review Update
- Recapture of Excess Funds
- Co-Occurring Disorders
- Small/Rural County Proposal
- Report on Draft UCLA Evaluation Report

The meeting was adjourned at 11:45 a.m.