



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 2/9/2016
Agenda Placement: 9E
Set Time: 10:00 AM PUBLIC HEARING
Estimated Report Time: 5 Minutes

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: JoAnn Melgar for HOWARD HIMES - Director
Health & Human Services Administration

REPORT BY: Shelli Brobst, Contracts Manager - 253-4720

SUBJECT: Public Hearing Considering Adoption of a Resolution establishing a revised Alcohol and Drug Services Fee Schedule

RECOMMENDATION

Director of Health and Human Services requests the Board conduct a public hearing and consider adoption of a resolution establishing a revised Alcohol and Drug Services fee schedule.

EXECUTIVE SUMMARY

The revised fee schedule provides a required element in the County's Health and Human Services Agency's (HHSA) Alcohol and Drug Services program structure—specifically, a schedule of published client fees for each alcohol and drug service that HHSA provides. HHSA's proposed fees are based on the average cost of delivering services to clients. The fees are greater than the reimbursement rates paid by Drug Medi-Cal for alcohol and drug services; thus, for services provided to Drug Medi-Cal clients, HHSA bills Drug Medi-Cal and receives reimbursement for only a portion of the cost of the service. Each year, HHSA will review, update and correspondingly seek Board adoption of an appropriate fee schedule for the delivery of Alcohol and Drug services.

PROCEDURAL REQUIREMENTS

1. Open Public Hearing.
2. Staff reports.
3. Public comment.
4. Close Public Hearing.
5. Motion, second, discussion and vote on the item.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Alcohol & Drug Services
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	No
Future fiscal impact:	None. Each year, HHSA will review, update and seek Board adoption of an appropriate fee schedule for the delivery of Alcohol and Drug services.
Consequences if not approved:	If the resolution is not adopted, HHSA will not have a Board-authorized alcohol and drug services fee schedule based on the current cost of providing services and will not be able to charge appropriate fees to its Alcohol and Drug Services clients.

Additional Information:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: Adoption of the resolution is categorically exempt from the California Environmental Quality Act pursuant to Title 14, California Code of Regulations, section 15273(a)(1) and (2) in that the proposed fees are for the purpose, and do not exceed the reasonable cost to the County, of operating expenses and/or the purchasing of supplies, equipment and materials to provide the services noted.

BACKGROUND AND DISCUSSION

This item is specifically exempt from the voting requirements of Article XIII C of the California Constitution because it is a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to Napa County for providing the service or product.

Approval of the proposed fees will update the required schedule of stated fees for each alcohol and drug service that HHSA provides. Entities that receive federal Substance Abuse Prevention and Treatment (SAPT) block grant funding are required to secure from clients payment for services in accordance with their ability to pay. California Health and Safety Code Sec. 11852.5 requires county alcohol and drug plans to charge fees if they are funded by Drug Medi-Cal, the State "Negotiated Net Amount" contract, or County general funds. The fee requirement does not apply to prevention and early intervention services. The fees, which must be approved by the County Alcohol and Drug Administrator, must be equitable and must not exceed the actual cost of providing services. The County must determine the liability for payment of clients according to their ability to pay. Services may not be denied because of a client's inability to pay. Priority for admission to treatment services must be given (in this order) to: (1) pregnant injecting drug users; (2) pregnant substance abusers; (3) injecting drug users; and (4) all other drug users.

Fee Calculation

HHSA's proposed fees are based on the average cost of delivering these services to clients. Costs include staff salaries and benefits, operating costs, drug testing, and client services (e.g., child care services and transportation). The proposed fee schedule is attached as Exhibit A to the resolution. A detailed description of the

methodology used to determine the proposed fees is on file with the Clerk of the Board.

HHSA's proposed fees (which are based on HHSA's costs) are greater than the reimbursement rates paid by Drug Medi-Cal for alcohol and drug services. Thus, for services provided to Drug Medi-Cal clients, HHSA will bill Drug Medi-Cal and receive reimbursement for only a portion of the cost of the service.

Client Payments

In determining how much each client must pay for services, all funding sources available to HHSA are first taken into account. HHSA receives state and federal substance abuse services funding for three types of services: residential treatment, outpatient treatment, and prevention services. State and federal funding includes: (1) discretionary funds that can be used for a variety of substance abuse services; (2) Drug Medi-Cal funds that support narrowly defined outpatient treatment services for Medi-Cal eligible clients; and (3) categorical funds that can only be spent on specific services and/or clients (prevention services, services for pregnant or parenting women, services for parolees, youth treatment, and HIV early intervention services for clients engaged in treatment). The Alcohol and Drug Services program also utilizes allocated County General Funds.

After all available funding is taken into account, if there is any remaining liability for payment it is the client's responsibility to pay. The client's liability is established on a sliding scale based upon current Federal Poverty Guidelines and family size. A 50% local cost of living factor was added to the Federal Poverty Guideline to adjust for the higher cost of living in Napa County ("Napa County Poverty Guideline"). Clients with incomes at or below the Napa County Poverty Guideline will incur no charges. For clients with incomes above the Napa County Poverty Guideline, the charges will be prorated. For every 50% increase in income above the original Napa County Poverty Guideline, the charges increase by 25% until the liability for charges reaches 100%.

Clients for whom there is no funding source available have to pay the published fees out of pocket based on the sliding scale, but most clients seeking services have some type of funding source that defrays at least a portion of the cost of services. HHSA offers payment plans to clients based on their ability to pay to ensure timely access to treatment. In addition, clients may seek to reduce their liability for payment by requesting a "sliding scale waiver." In some cases, non-financial factors may make it impracticable or impossible for a client to pay his or her liability for payment. For example, an unemployed spouse might have a high liability because of the income of the other spouse, but marital difficulties might make it impossible to access that income. In some cases, the fee structure itself might create a clinical barrier, preventing a particular client from accessing treatment. The waiver process allows HHSA staff to consider these factors in determining a client's liability for payment.

SUPPORTING DOCUMENTS

- A . ADS Fee Schedule Resolution - clean copy
- B . ADS Fee Schedule Resolution - tracked changes

CEO Recommendation: Approve

Reviewed By: Karen Collins