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NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Shelli Brobst for Randolph F. Snowden - Director
Health & Human Services
REPORT BY: Shelli Brobst, Contracts Analyst, 253-4720
SUBJECT: Recommendation of a new Drinking Driver Program service provider

RECOMMENDATION

Director of Health and Human Services requests the Board recommend to the State Department of Alcohol and Drug Programs that Bay Area Community Resources serve as the sole licensee providing Drinking Driver Program (DDP) services within Napa County.

EXECUTIVE SUMMARY

The Health and Human Services Agency (HHS) has been reviewing the operations of the Drinking Driving Program over the past years. The review indicates the program will generate operating losses which are only expected to grow over the coming years. HHS thus requests the Board recommend to the State Department of Alcohol and Drug Programs that Bay Area Community Resources (BACR) become the sole licensee to provide Drinking Driver Program (DDP) services within Napa County. This step is required prior to BACR being able to apply for a state license to serve as the DDP provider for Napa County.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

State law calls for Drinking Driver Programs (DDP) to be fully funded through client fees. HHSA has for many years operated the DDP in Napa County. As the result of gradually rising labor and other operating costs, it became apparent, commencing with Fiscal Year 2004-2005, that the program was no longer self-sufficient and additional measures needed to be taken to determine whether the program could be self-sustaining. HHSA considered closing the program as a part of its budget planning process for Fiscal Year 2005-2006. In an effort to preserve the jobs of the staff assigned to DDP, HHSA instead implemented a number of measures to bring the program to a fiscal break-even point.

During Fiscal Year 2005-2006, HHSA eliminated vacancies, trimmed services to statutory minimums, and moved the program to HHSA's Old Sonoma Road campus to reduce facility overhead. Client fees were increased to levels that are among the highest in the state.

Notwithstanding these measures, the DDP continued to experience significant operating losses. In response, HHSA retained a consultant specializing in the design and operation of DDPs. The consultant advised that the staff caseloads and productivity were appropriate, that further fee increases were not feasible, and that HHSA would not be able to make the program self-sustaining. The consultant noted that a similar scenario is playing out in most of the counties still attempting to directly provide DDP services. Losses to the Substance Abuse Services Division budget are projected to be approximately \$165,000 in Fiscal Year 2006-2007. The consultant advised that losses can be expected to steadily increase in future years.

Against this background, HHSA reluctantly determined to discontinue the program at the end of the current fiscal year. This decision will result in the elimination of ten staff positions. HHSA is working to mitigate the situation for the employees whose jobs are being eliminated. HHSA provided notice in November of the Agency's intention to close the program so that staff would have as much notice as possible. HHSA has met regularly with staff, both individually and in groups, to discuss job opportunities within and outside the Agency, to explain separation benefits, and to explore other options that might be available. HHSA is exploring options as they arise that might result in DDP employees moving into other appropriate jobs within the Agency. So far, arrangements have been made to move one employee into a vacant position elsewhere within the Substance Abuse Services Division, and two other employees are interviewing for another vacancy within the same Substance Abuse Services Division. All DDP positions will be deleted June 30, 2007, except for one position wherein the incumbent is retiring on August 1, 2007. As other potential positions become available within the Agency or the larger County, DDP staff are being notified. The Request for Qualifications (RFQ) for a new DDP provider in Napa County calls for applicants to state their willingness to prioritize the recruitment of existing DDP staff into their new program.

If a county does not directly provide DDP services, the county does not contract for these services with other providers. Under state law, a provider wishing to offer the services here applies to HHSA to become the DDP provider in Napa County. HHSA may recommend one or more qualified providers to the Board of Supervisors, which in turn may recommend to the State Department of Alcohol and Drug Programs that the provider(s) be licensed to provide DDP services within Napa County.

To maximize the likelihood of attracting a qualified program that will remain viable once established, HHSA solicited applications through a competitive process. This solicitation resulted in ten applications, most from well qualified organizations with extensive experience in the provision of DDP or other substance abuse services.

HHSA is requesting the Board of Supervisors recommend to the State Department of Alcohol and Drug Programs that Bay Area Community Resources become the sole licensee to provide DDP services in Napa County. If the Board recommends this provider to the State Department of Alcohol and Drug Programs, the provider will then make a formal application to the State for licensure. HHSA will develop a service transition plan with the new provider. This will likely call for joint services to be provided by the County program and the new provider in May and

June. If requested by the vendor, HHSA may seek authorization to allow the vendor to use existing County office space as part of the transition until the vendor can secure suitable program facilities in the community. HHSA will discontinue direct operation of DDP services by June 30, 2007, at which time the vendor will be expected to be ready for full, independent operation.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita