



Edwin M. Lee  
Mayor

Barbara A. Garcia, MPA  
Director of Health

TO: Angela Calvillo, Clerk of the Board of Supervisors

FROM: Colleen Chawla, Director of Policy and Planning *CWC*  
Deputy Director of Health

THROUGH: Barbara A. Garcia, MPA  
Director of Health

DATE: November 14, 2014

SUBJECT: Contract for Substance Use Disorder Services for FY 2014-15 though FY 2016-17

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**Purpose of this memorandum:**

This memorandum provides an explanation of the Substance use Disorder Services (SUDS) Multi-year Contract between San Francisco and the California Department of Health Care Services (DHCS), a contract that is handled by the San Francisco Department of Public Health, Behavioral Health Services.

**Changes in wording from previous such contracts:**

The Department of Healthcare Services (DHCS), is part of Health and Human Services and oversees all of Medi-Cal in California, and now includes what used to be the Department of Alcohol and Drug Programs (ADP). For the last 30 or so years, ADP was the state agency that contracted with us for substance use services, and called this contract the Negotiated Net Amount (NNA). Wording is changed to bring SUDS contracts into line with other DHCS contracts.

**Mandatory nature, and type of contract:**

- This is a mandatory contract between the State and each of the counties. It includes Federal pass-through dollars (Substance Abuse Prevention and Treatment grant, or SAPT grant). It is also the payment mechanism for Drug Medi-Cal Services (please see attachment).
- This is not a budget document, and does not interfere with the usual budget process. The contract has a variety of items, including budgeted, allocated and fee for service items.
- This contract requires us to comply with both State and Federal regulations that pertain to SUDS.

**Retroactivity:**

Retroactivity of this contract only refers to the fact that the County is receiving State and Federal funds retroactively. The County has responded to everything in a timely fashion. The contract is late because the State is late in releasing it, and it covers services the County has been providing since July of 2014.