

**ALCOHOL, DRUG ADDICTON AND MENTAL HEALTH SERVICES BOARD
OF CUYAHOGA COUNTY**

RESOLUTION NO. 09-09-09

AMENDMENTS TO FY 2010 NON-MEDICAID CONTRACTS

WHEREAS, on July 1, 2009, in Resolution No. 09-07-02, the Alcohol, Drug Addiction and Mental Health Services Board of Cuyahoga County (ADAMHS Board) Board of Directors approved the Non-Medicaid allocations for the ADAMHS Board Non-Medicaid contract service providers; and,

WHEREAS, on or about July 20, 2009, the ADAMHS Board received notice of the final funding allocations from the Ohio Department of Mental Health (ODMH) and the Ohio Department of Alcohol and Drug Addiction Services (ODADAS), and recently received notice of the allocation from the Cuyahoga County Board of County Commissioners (BOCC), which included significant reductions in funding as specified below:

1. OADADS reduced funding for Treatment and Prevention Services in the amount of \$1,270,225.00, representing a 10.18% reduction; and,
2. ODADAS reduced funding for State Pass-Through grant programming in the amount of \$516,410.00, representing a 12.84% reduction; and,
3. ODMH reduced funding for mental health services in the amount of \$9,834,869.00, representing a 24.30% reduction; and,
4. BOCC will reduce the ADAMHS Board's funding from the Health and Human Services levy for Calendar Year 2010 in the amount of \$720,940.00.

WHEREAS, as a result of these draconian budget cuts on the State level, and in the context of the severe and catastrophic economic conditions that the nation and Ohio is currently suffering, difficult policy decisions regarding the allocation of funding and the utilization of the AOD reserve funds must be made; and,

WHEREAS, as a part of the consolidation process, the expressed vision of the AOD reserve funds was to ensure that those funds would be used for AOD services; however, at this critical time, the ADAMHS Board staff is recommending that the ADAMHS Board use those AOD reserve funds, first, to cover the \$1,786,635 in ODADAS reductions for Treatment, Prevention and State Pass-Through Grant Programming resulting in no reductions to the AOD providers' FY2010 Non-Medicaid Contracts at this time, and, second, to cover \$2,480,402 in mental health services; and,

WHEREAS, even with the utilization of AOD reserve funds to cover \$2,480,402 of mental health services reductions, an additional \$5,580,847 must be reduced in mental health allocations; consequently, the ADAMHS Board staff recommends the following actions:

1. \$1.9 million reimbursement from ODMH for unused Bed Days be used for community mental health services; and,
2. The \$180,231 ADAMHS Board subsidy to the Central Pharmacy Program be eliminated; and,
3. The Adult Rental Assistance Program be reduced by \$331,756; and,

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4. As delineated on the attached schedule, which includes a three-tiered progressive reduction formula, mental health service allocations would be reduced in the following areas:
 - a. Special Programs, such as WRAP, Adult Sex Offender, Project Assist, Day Care Plus, be reduced by \$635,383 (36%); and,
 - b. Fee for Service Programs be reduced by \$2.5 million (13%); and,
 - c. Grant Funded Programs be reduced by \$1.9 million (14%).

WHEREAS, the Finance and Operations Committee has reviewed the ADAMHS Board Staff recommendation and forwards it to the full Board of Directors for consideration.

NOW, THEREFORE, BE IT RESOLVED:

1. As a result of these draconian budget cuts, and in the context of the severe and catastrophic economic conditions that the nation and Ohio is currently suffering, the ADAMHS Board must make difficult policy decisions regarding the allocation of funding and the utilization of the AOD reserve funds; and,
2. As a part of the consolidation process, the expressed vision of the AOD reserve funds was to ensure that those funds would be used for AOD services; however, at this critical time, the ADAMHS Board believes it necessary to use those AOD reserve funds to, first, cover the \$1,786,635 ODADAS reductions for Treatment, Prevention and State Pass-Through Grant Programming, and, second, to be used to cover \$2,480,402 in mental health services, with the full understanding that if additional funds become available, a review of the restoration of the AOD reserve funds will be conducted; and,
3. Even with the utilization of AOD reserve funds to cover \$2,480,402 of mental health services reductions, an additional \$5,580,847 must be reduced in mental health allocations; consequently, the ADAMHS Board approves the following actions:
 - a. \$1.9 million reimbursement from ODMH for unused Bed Days be used for community mental health services; and,
 - b. The \$180,231 ADAMHS Board subsidy to the Central Pharmacy Program be eliminated; and,
 - c. The Adult Rental Assistance Program be reduced by \$331,756; and,
 - d. As delineated on the attached schedule, which includes a three-tiered progressive reduction formula, mental health service allocations would be reduced in the following areas:
 - i. Special Programs, such as WRAP, Adult Sex Offender, Project Assist, Day Care Plus, be reduced by \$635,383 (36%); and,
 - ii. Fee for Service Programs be reduced by \$2.5 million (13%); and,
 - iii. Grant Funded Programs be reduced by \$1.9 million (14%)

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2. The Chief Executive Officer is hereby authorized to make the appropriate contract amendments to the above referenced FY 2010 Non-Medicaid Service Provider Contracts for mental health services, subject to the availability of funding.

On the motion of Bob Fowler, seconded by Lisa Thomas, the foregoing resolution was unanimously adopted.

AYES: R. Blue, C. Brown, E. Cash, B. Fowler, B. Gohlstin, Sr., J. Hnanicek, P. Jones, R. Kemm, A. Leopard, C. Still Noble, L. Thomas, E. Thoms, M. Warr, A. Williams

NAYS: None

ABSTAIN: None

DATE ADOPTED: September 23, 2009

Schedule of Suggested Summary Reduction

SFY 2010 (July 09 - June 10)

(Reductions Effective 10/01/2009)

Program Area	Original \$ Amount	Phase 1 Reductions: State	Revised Total	Phase 2 Reductions: County	Revised Total	Total Reductions	Total Reduction %
Central Pharmacy (1)	180,231	(180,231)	0	0	0	(180,231)	-100.00%
Adult RAP (2)	1,336,781	(200,517)	1,136,264	(131,238)	1,005,025	(331,756)	-24.82%
Special Programs (3)	1,765,613	(599,787)	1,165,826	(35,596)	1,130,230	(635,383)	-35.99%
Fee for Service (4)	19,899,666	(2,054,364)	17,954,772	(446,869)	16,782,021	(2,501,233)	-12.57%
Grants (4)	14,254,953	(1,649,447)	11,967,841	(282,603)	10,837,299	(1,932,051)	-13.55%
Total	37,437,244	(4,684,346)	32,224,703	(896,307)	29,754,576	(5,580,653)	-14.91%

Shortfall:	
Total Required Reduction Amount	5,580,847
Reduction Amount Achieved	(5,580,653)
Variance	194
	0.00%

Note:

1 - Central Pharmacy: 100% Reduction Based on expenditure Trend ODMH funding should sustain area

2 - Adult RAP: 23.93% Overall Reduction.

3 - Special Programs

Adult Prison Re-Entry Programs: 100% Funding Reduction

Adult Access Programs: 25% Overall Funding Reduction

Vendor Initiatives: 37% Overall Funding Reduction

Child Access Programs: 33% Overall Funding Reduction

4 - Fee for Service/Grants

Tier 1: Crisis & Pharm. Mgt: 10.0% Overall Funding Reduction

Tier 2: CPST & Residential: 12.0% Overall Funding Reduction

Tier 3 All Other Services: 18% Overall Funding Reduction