



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

BOARD OF SUPERVISORS

Gloria Molina
First District

Yvonne Brathwaite Burke
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

November 18, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL BY COUNTY TO DECLINE TO CONTRACT WITH DEVELOPMENT
SPECIALTY PROJECTS, INC., DBA HEALTH CARE DUAL DIAGNOSIS CLINICS II**
(All Districts) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Chairman to sign the attached letter to the State Department of Alcohol and Drug Programs (State ADP), advising of the County's decision declining to contract for Drug Medi-Cal services with Development Specialty Projects, Inc., dba Health Care Dual Diagnosis Clinics II (DSP).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

In approving this action, the Board is declining to contract with DSP. DSP is State ADP-certified to provide Drug Medi-Cal (DMC) services. DSP is not requesting a service contract with the County but wants to contract directly with the State ADP. State ADP has been advised of DSP's request. If the Board declines to contract with DSP, the State ADP will contract with DSP.

FISCAL IMPACT/FINANCING:

This action has no fiscal impact. Funding for the program is not included in the Fiscal Year 2004-05 Adopted Budget or the Negotiated Net Amount/DMC Agreement with the State ADP.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On August 19, 1994, as a result of the case Sobky v. Smoley, the Federal court ordered the State ADP to: 1) ensure availability of Medi-Cal methadone maintenance treatment services throughout the State, either through direct contracts or through subcontracts with various counties where licensed methadone maintenance treatment programs are available to non-Medi-Cal patients; 2) expedite certain requests for licensed methadone maintenance treatment providers for DMC provider certification; 3) ensure that all DMC eligible persons receive methadone maintenance treatment services with "reasonable promptness;" and 4) ensure that no DMC eligible person be put on a waiting list to receive services due to budgetary constraints. While the court's judgment specifically focused on methadone maintenance treatment services, the State ADP applied the judgment to all drug abuse treatment programs supported by DMC funding.

As a result, Health and Safety Code Section 11758.43 requires the State ADP to contract directly with certified providers when the County declines to contract with the provider. However, before it can do so, the State ADP requires that the County Board of Supervisors inform the State ADP, in writing, stating its intent not to contract with the provider.

DHS' Alcohol and Drug Program Administration has reviewed the matter and recommends that the County decline to contract with DSP. DSP does not object to this action.

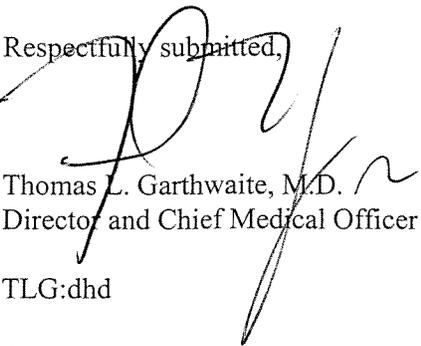
Attachment A is a letter to the State ADP, for the Board Chairman's signature, stating the County's intent not to contract with DSP. County Counsel has reviewed and approved the letter.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

There is no impact on current services.

When approved, this Department requires three signed copies of the Board's action and three signed and certified copies of the letter to the State ADP for transmittal to the State.

Respectfully submitted,



Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

TLG:dhd

Attachment

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

November 30, 2004

Kathryn P. Jett, Director
California Department of Alcohol and Drug Programs
1700 K Street
Sacramento, California 95814

Dear Ms. Jett:

**APPROVAL BY COUNTY TO DECLINE TO CONTRACT WITH DEVELOPMENT
SPECIALTY PROJECTS, INC., DBA HEALTH CARE DUAL DIAGNOSIS CLINICS II**

Upon motion of Supervisor _____, seconded by Supervisor _____, the County of Los Angeles declines to contract with Development Specialty Projects, Inc., dba Health Care Dual Diagnosis Clinics II.

Attached is an executed copy of our Board's order.

Very truly yours,

Don Knabe, Chairman
Board of Supervisors

DK:dhd

Attachment

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors