

Department of Alcohol and Drug Addiction Services

House Human Services Subcommittee

*Holly Wilson, Budget Analyst
Legislative Service Commission*

March 18, 2003

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LSC Redbook
for the
Department of Alcohol and
Drug Addiction Services

House Human Services
Subcommittee

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Attachment: LSC Spreadsheet By Line Item

March 18, 2003

Note: The estimated General Revenue Fund (GRF) spending for FY 2003 used in this LSC Redbook reflects the 2.5% reduction made as a result of the Governor's January 22, 2003 budget cut order. The executive reduction was applied across-the-board to FY 2003 GRF appropriations, subject to certain exceptions. Subsequent to such reductions (and not reflected in the Redbook), state agencies were permitted to reallocate the amount that each of their GRF appropriation line items was reduced, while still absorbing the 2.5% budget cut within the total amount of their GRF appropriations.

Department of Alcohol and Drug Addiction Services

- GRF increases of 10% in each for treatment services
- GRF subsidy funding allocated to ADAMHS/ADAS Boards nearly restored to FY 2001 levels
-

OVERVIEW

The Department of Alcohol and Drug Addiction Services (ODADAS) was created in 1989 with the enactment of Am. Sub. H.B. 317 of the 118th General Assembly. Section 3793.02 of the Revised Code requires the Department to develop and coordinate educational and research programs that aid in the prevention and intervention of addiction to alcohol and other drugs and the coordination of treatment programs for persons who abuse alcohol and other drugs. To meet these requirements ODADAS has organized itself into four distinct program series: 1) Prevention and Intervention, 2) Treatment, 3) Quality Assurance and Improvement, and 4) Administration. Approximately 81% of ODADAS' funding is spent on treatment programs, 16% on prevention and early intervention programs, 3% on administration, and 1% on quality assurance and improvement.

Historically, ODADAS has relied heavily on federal funding. Federal funds account for approximately two-thirds of their total funding. The largest source of federal funds is the Substance Abuse Block Grant. The next largest funding source for ODADAS is the General Revenue Fund (GRF), which accounts for approximately 21% of ODADAS' funding. The remaining 13% in funding comes from sources such as license reinstatement fees from individuals who have been convicted of drunk driving, liquor profits, and liquor permit fees; and a small percentage comes from the General Services Fund.

Ohio has 50 local Alcohol, Drug Addiction, and Mental Health Services (ADAMHS) and Alcohol and Drug Addiction Services (ADAS) boards, which include seven alcohol, drug addiction services (ADAS) boards, seven community mental health (CMH) boards, and forty-three alcohol, drug addiction and mental health boards. These boards contract with local service providers who operate 684 certified community programs.

The Department certifies all alcohol and other drug addiction treatment programs and driver intervention programs. In addition, it operates two therapeutic community treatment units in two of the state's prisons, the Ohio Reformatory for Women and the Pickaway Correctional Institution.

Prevention

Prevention and early intervention programs attempt to reach out to people at the earliest possible age to prevent the onset of addictive behavior. The Department funded prevention and early intervention programs serve people ranging in age from preschool to adulthood and are provided through both state and local initiatives. Approximately 20% of ODADAS' subsidy budget is allocated for alcohol and other drug abuse prevention services. The Department keeps funding for the state-administered programs and sends the remainder of the prevention funds to local ADAS/ADAMHS boards. The majority of all the

prevention and early intervention funding that ODADAS distributes to boards is allocated through a modified per capita subsidy. In FY 2002, the Department provided funding to 12 Urban Minority Alcoholism and Drug Abuse Outreach programs and 13 drug-free community coalitions. The Department also funded 36 providers throughout the state for adult to youth mentoring services that reached nearly 3,000 youth, and provided funding for high-risk drinking prevention and program development at 41 Ohio colleges and universities.

Treatment

Approximately 80% of the Department's subsidy budget supports alcohol and other drug addiction treatment programs. During FY 2002, there were over 80,000 individuals served by Ohio's publicly-funded substance abuse treatment system. The ODADAS provided funding to 90 women's gender-specific programs that provided services for over 60,000 clients and resulted in the birth of 1,408 healthy, drug-free babies to previously addicted or substance abusing mothers. In partnership with the Supreme Court, Office of Criminal Justice Services, Department of Rehabilitation and Correction, Department of Youth Services and local courts and communities, ODADAS has worked to develop fifty drug courts, eighteen Treatment Alternatives to Street Crime programs, five adult therapeutic communities and sixteen offender re-entry programs. Also, beginning in FY 2003, the Department, in conjunction with the Ohio Lottery Commission, began funding four pilot programs that address individuals with gambling and substance abuse problems.

Quality Assurance and Improvement

The Department's Quality Assurance and Improvement program series is responsible for program certification, community planning, quality management, and contract compliance. The Department's Division of Quality Improvement has three primary functions: 1) certification of treatment and driver intervention programs, 2) credentialing of Chemical Dependency Professionals and licensure of methadone treatment programs, and 3) quality assurance. The remainder of quality assurance is provided through the Community Planning Unit in the Division of Program Planning.

Amended Substitute Senate Bill 172 of the 123rd General Assembly delegated responsibility of certifying and credentialing chemical dependency counselors and drug abuse prevention specialists to ODADAS. The bill included a sunset date of July 1, 2002. According to ODADAS, the termination date was included because ODADAS' acquisition of the credentialing function was always viewed only as a temporary solution. Substitute House Bill 496 of the 124th General Assembly created the Chemical Dependency Professionals Board and required licensure or certification of chemical dependency counselors and certification of alcohol and other drug prevention specialists. This bill also appropriated \$100,518 in FY 2003 from the Occupational Licensing and Regulatory Board Fund (Fund 4K9) to fund the new board's operations. Amended Substitute House Bill 40 of the 125th General Assembly allows OBM to transfer cash in an amount not to exceed the FY 2003 appropriation from the Credentialing Fund (Fund 5P1) to Fund 4K9. The FY 2003 appropriation amount is \$450,000. The executive recommended budget appropriates \$225,000 to the Department only in FY 2004 because of the transfer of credentialing services to the newly created Chemical Dependency Professionals Board. According to the Department, the Credentialing Unit will be able to maintain its level of service for the duration of the transfer with the executive recommended funding level.

Administration

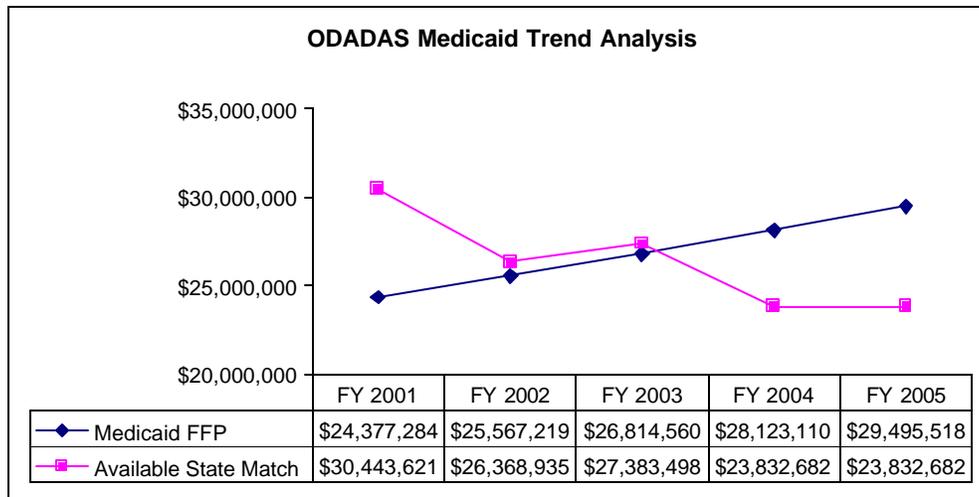
The Administration program series includes the Director’s Office, Fiscal Services, Human Resources, and Management Information Services. The purpose of this program series is to provide guidance, oversight, and coordination for all departmental operations and for Ohio’s extensive system of alcohol and other drug addiction services.

Medicaid

The Department’s community alcohol and drug Medicaid program has experienced moderate growth since FY 2001 (5% annually compared to double-digit growth for all of Ohio’s Medicaid services). This growth can be attributed to several factors: Ohio expanded the number of clients eligible for Medicaid through the implementation of the State Children’s Health Insurance Program (SCHIP); the Department began the implementation of the Multi Agency Community Services Information System (MACSIS) during FY 2000 to assist ADAMHS/ADAS boards and providers to identify Medicaid-eligible clients more readily; the economic recession in Ohio created a larger pool of Medicaid-eligible citizens; and inflation has increased costs for healthcare coverage across all areas.

The increased demand for Medicaid match, coupled with a decrease in state funding since FY 2001, has resulted in a lack of available funds to address non-Medicaid eligible populations in need of alcohol and other drug treatment services.

As the chart below illustrates, the inverse relationship between Medicaid growth and diminishing state funds available for Medicaid match is a trend that is expected to continue. Even with some increased funding in FYs 2004 and 2005, it will be difficult to serve non-Medicaid eligible populations.



Executive Recommendations

The Executive has recommended General Revenue Fund (GRF) appropriations of \$33,671,614 in FY 2004 and \$36,922,487 in FY 2005 for ODADAS. This represents a 9.2% increase in FY 2004 from estimated FY 2003 expenditures (before any executive order reductions) and a 9.7% increase in FY 2005 from FY 2004 recommended appropriations.

The executive recommended budget plan for ODADAS includes some relatively significant changes. First, the Executive has recommended a General Services Fund appropriation of \$60,000 in FY 2004 and FY 2005. This appropriation will support the four pilot programs under line item 038-616, Problem Gambling Services. This pilot program started in FY 2002 with funding from an interagency agreement with the Ohio Lottery Commission. Second, line items 038-629, TANF Transfer–Treatment and 038-630, TANF Transfer–Mentoring are eliminated from the TANF spending plan under the Governor’s recommendations. The TANF Treatment line item had a \$3,500,000 appropriation in FY 2003. The TANF Mentoring line item had a \$1,500,000 appropriation in FY 2003. These TANF dollars are transferred to the Department from the Ohio Department of Job and Family Services (ODJFS). These funds are used to provide substance abuse prevention and treatment to children, or their families, whose income is at or below 200% of the official income poverty guideline. The Department will no longer receive this funding from ODJFS under the Governor’s recommended budget proposal. Instead, increased liquor permit fee revenue will be used to fund these treatment and mentoring services. The Department and the Office of Budget and Management estimate the increased liquor permit fees will generate approximately \$5 million annually; an amount equal to the TANF transfer. Section 4301.30 of the Revised Code authorizes an amount equal to 21% of the undivided liquor permit fund to be transferred into Fund 475, Statewide Treatment and Prevention. The executive budget proposes altering the fee schedule to double all liquor permit fees under \$300, and increase fees over \$300 by 25%. In addition, the executive budget recommends changing the revenue distribution formula such that ODADAS will receive 32.5% of the profits collected.

The executive recommended budget increases appropriations in GRF line item 038-401, Treatment Services (formerly Alcohol and Drug Addiction Services), by \$2.9 million in FY 2004 and \$3.1 million in FY 2005. This is an increase of approximately 10% in each year of the biennium. This increase is slated to be used as subsidy moneys and go directly to county boards for treatment services. Specifically, the funding will be distributed on a per capita basis. These programs are discussed in more detail in the Analysis of the Executive Proposal.

ANALYSIS OF EXECUTIVE PROPOSAL

Prevention/Intervention

Program Series 1

Purpose: To prepare guidelines, review and recommend state funded prevention grants and programs, and monitor prevention standards. To facilitate public awareness of the consequences of alcohol and other drug addiction.

The following table shows the line items that are used to fund the Prevention/Intervention program series, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2004	FY 2005
GRF	038-404	Prevention Services	\$1,108,000	\$1,163,000
GRF Subtotal			\$1,108,000	\$1,163,000
3G3	038-603	Drug Free Schools	\$3,500,000	\$3,500,000
689	038-604	Education and Conferences	\$280,000	\$280,000
Non-GRF Subtotal			\$3,780,000	\$3,780,000
Total funding: Prevention/Intervention			\$4,888,000	\$4,943,000

Specific initiatives and programs within the Prevention/Intervention program series that this analysis will focus on include:

- **DRUG-FREE COMMUNITY COALITIONS**
- **ADAS/ADAMHS BOARD SUBSIDY**
- **STATE AND LOCAL PREVENTION/INTERVENTION PROJECTS**
- **FEDERAL SAFE DRUG-FREE SCHOOLS AND COMMUNITIES ACT (SDFSCA)**

Drug-Free Community Coalitions

Program Description: Coalitions involve all segments of a community working together to strengthen healthy youth development and prevent substance abuse. There are presently 13 Community coalitions representing 12 counties: Athens, Butler, Cuyahoga, Gallia, Geauga, Hamilton, Lorain, Montgomery, Morgan, Paulding, Sandusky and Wayne. Coalitions provide many services, including training of youth leaders as drug-free role models, development of alternative drug-free activities for youth and their families, and collaboration between community systems that affect youth and life skills development.

Funding Source: GRF and federal Substance Abuse Block Grant

Line Items: GRF 038-404, Prevention Services; Fund 3G4 038-614, Substance Abuse Block Grant

Implication of the Executive Recommendation: The Department will be able to maintain current services for Drug-Free Community Coalitions under the executive recommended proposal.

Earmarking: None

Permanent and Temporary Law: None

ADAS/ADAMHS Board Subsidy

Program Description: The Department allocates state funds to the 50 ADAMHS/ADAS boards on an annual basis. Boards utilize these funds to contract with local agencies to provide alcohol and other drug treatment and prevention services. The Department allocates about half of all prevention program funding to ADAS/ADAMHS boards using a modified per capita formula. Under the formula, additional weight is given to the ten largest urban areas in the state. Boards spend per capita funds according to their community plan.

Anyone may receive prevention and early intervention services. However, the Department targets children, youth, high-risk populations, women of childbearing years, elderly, disabled, and people at-risk of becoming infected with HIV.

The federal government requires that a minimum of 20% of federal Substance Abuse Block Grant moneys be spent on primary prevention services. Similarly, the Department requires boards to spend a minimum of 20% of their state per capita subsidy on primary prevention services.

Funding Source: GRF, federal Substance Abuse Block Grant, license reinstatement fee revenues paid by individuals convicted of drunk driving, liquor profits, liquor permit fees

Line Items: GRF 038-401, Treatment Services; GRF 038-404, Prevention Services; Fund 475 038-621, Statewide Treatment and Prevention; Fund 3G4 038-614, Substance Abuse Block Grant

Implication of the Executive Recommendation: The Department received a 5% increase in the prevention line item and a 10% increase in the treatment line item under the executive recommended budget proposal. The Department plans to pass this increased funding on to the 50 boards for prevention and treatment services. Comparing numbers across fiscal years is somewhat misleading. Over the past three years, ODADAS has reduced the amount of state board allocations by over 9% due to budget reductions. Due to these reductions, ODADAS requested \$7,847,961 in FY 2004 and \$11,103,343 in FY 2005 in supplemental funding to restore the boards funding to FY 2001 levels. The executive recommended levels will provide for most of the supplemental funding. The small difference (approximately \$82,000 in FY 2004 and \$145,000 in FY 2005) will most likely require the Department to seek other ways to make up the full amount.

Earmarking: None

Permanent and Temporary Law: None

State and local Prevention/Intervention Projects

Program Description: The Department funds the following state and local prevention/intervention projects:

Urban Minority Alcoholism and Drug Abuse Outreach Program (UMADAOP) - The goal of the Urban Minority Alcoholism and Drug Abuse Outreach Program (UMADAOP) is to provide culturally specific and bilingual alcohol, tobacco, and other drug prevention services to African-American and Hispanic-American communities in Ohio.

There are 12 UMADAOP programs throughout the state in the following locations: Akron, Cincinnati, Cleveland (two programs), Columbus, Dayton, Lima, Lorain, Mansfield, Toledo, Warren, and Youngstown.

UMADAOP programs provide services addressing all six primary prevention strategies to target populations including: pregnant women; infants, toddlers, and preschool age children; elementary, middle and senior high school youth; college students; parents, adults, and senior citizens.

HIV/AIDS Early Intervention and Outreach – The Department oversees two HIV Early Intervention Outreach programs, which are funded by the Substance Abuse Block Grant. Eleven ADAS/ADAMHS boards provide early intervention services to individuals at high-risk for HIV/AIDS, sexually transmitted diseases, and tuberculosis.

Women’s Prevention Grants - Funds for women’s programs are distributed annually through a competitive grant process. The programs are available to all women, but target both pregnant women and women with dependent children, specifically. Prevention services include, for example, information and referral lines, Alcoholics and Narcotics Anonymous, Al-Anon, peer leadership training, and youth mentoring.

Ohio Violence Protection Process (OVPP) – This program teaches individuals strategies on how to resist, prevent, and change violent and abusive situations. In FY 2002, this program trained over 6,000 individuals who work in the criminal justice system and in at-risk communities to be violence prevention specialists. Each year, approximately 700 adults and 100 young persons participate in the OVPP workshop, seminar, or training session.

Drug-Free Workplace – This program assists small businesses to develop comprehensive drug free work place programs through group meetings and individual consultations. Both Battelle Memorial Institute and Proctor and Gamble provided technical assistance and seed money for this program. The primary geographic areas served are: Cincinnati, Cleveland, Columbus, Dayton, Lisbon, and Athens.

The Drug Free Workplace is a voluntary workers’ compensation premium discount program that was jointly developed by ODADAS and the Bureau of Workers’ Compensation. The program provides premium discounts ranging from 6% to 20% to Ohio businesses that implement drug free workplace programming. Approximately 1,400 businesses participate in the program.

Ohio Teen Institute/Teen Institute Community Grants –The Ohio Teen Institute is a six-day, annual prevention training event held each summer on an Ohio college or university campus. Up to 500 teen and adult advisors are trained. Ohio Teen Institute utilizes a research-based training model of peer and cross peer prevention programming. The 37th annual Ohio Teen Institute was held in July 2002 at Bowling Green State University. There are over 6,000 teens in the volunteer network. The ODADAS monitors implementation of Teen Institute programs through county coordinators, who are designated by ADAS and ADAMHS boards.

Tobacco Prevention – The federal government requires states to include tobacco prevention strategies in their overall alcohol and other drug prevention programming. This is an unfunded federal mandate. To meet this requirement, ODADAS contracts with the Ohio Department of Health to conduct random, unannounced inspections of tobacco vendors. The ODADAS is required to provide the federal government with results of the compliance check program.

Parents’ Resource Institute for Drug Education (PRIDE) – The Department provides scholarships to youth and adults to attend the annual three-day World PRIDE Conference. In FY 2002, ODADAS awarded scholarships to 51 teams: 120 adults and 450 youth, from 17 Ohio counties, to attend the World PRIDE Conference in Cincinnati. The World PRIDE Conference is held once every two years.

Higher Education – The Department provides funding to ten Ohio colleges and universities to implement prevention and early intervention programs to address binge drinking. ODADAS also provides funding to the Ohio Parents for Drug-Free Youth organization to provide similar programs at Ohio colleges and universities.

Youth Mentoring – In FY 2002, there were 44 ODADAS-funded youth mentoring programs in Ohio. Funds were allocated through a competitive grant process, with an average grant award of \$38,000. (see Implication of the Executive Recommendation below.)

Funding Source: GRF, federal Substance Abuse Block Grant, license reinstatement fee revenues paid by individuals convicted of drunk driving, liquor profits, liquor permit fees

Line Items: GRF 038-401, Treatment Services; GRF 038-404, Prevention Services; Fund 3G4 038-614, Substance Abuse Block Grant; Fund 475 038-621, Statewide Treatment and Prevention

Implication of the Executive Recommendation: The Executive has recommended a small increase (5% in each FY 2004 and FY 2005) in funding for line item 038-404. At this point in time, it appears that the small increase will most likely restore funding to host the Ohio Teen Institute Conference. However, the Department is always reviewing its programs to reprioritize as necessary. While funding will most likely remain stable for these programs, some programs may become a higher priority and therefore receive more funding than others in the next biennium. At the time of this writing, however, LSC has no ability to predict which programs may experience changes in funding because of reprioritization.

It should be noted that the Substance Abuse and Mental Health Services Administration (SAMHSA) instituted a change a few years ago in the funding formula that would have adversely affected Ohio's share of federal block grant funding. However, due to concerted state efforts, a hold harmless provision was added to protect Ohio from a cut in SAPT block grant funds. Although this provision has protected the state from reduced funding, Ohio's allocation of the block grant funding has not increased for the past several years nor kept pace with inflation. Consequently, the publicly-funded alcohol and other drug addiction system has become more reliant on state resources to maintain current levels of services. The FY 2004 federal block grant represents about 41% of ODADAS' annual funding.

Earmarking: Temporary law also earmarks \$30,000 in each year of the biennium in GRF line item 038-404, Prevention Services, to be used to support the functions of the Task Force.

Permanent and Temporary Law: Temporary law requires the Parent Awareness Task Force to study ways to engage more parents in activities, coalitions, and educational programs in Ohio relating to alcohol and other drug abuse prevention.

Federal Safe Drug Free Schools and Communities Act (SDFSCA)

Program Description: The Safe and Drug Free Schools and Communities (SDFSCA) is a federally-funded program (100%) to be used by states to establish and expand prevention programs for high-risk youth. No other government entities perform these services in Ohio. Ohio targets these dollars to special needs populations including preschoolers, youth in juvenile detention facilities, runaway or homeless youth, pregnant youth, youth with children, and school dropouts. The Department currently funds 43 programs.

Funding Source: federal Safe Drug Free and Communities Act funds, license reinstatement fee revenues paid by individuals convicted of drunk driving, liquor profits, liquor permit fees

Line Items: Fund 3G3 038-603, Drug-Free Schools; Fund 475 038-621, Statewide Treatment and Prevention

Implication of the Executive Recommendation: The Executive assumed full funding of the Department's federal SDFSCA for the next biennium. The SDFSCA grant amount is \$3.5 million for each fiscal year. This grant has remained relatively constant over the last several fiscal years.

Earmarking: None

Permanent and Temporary Law: None

Treatment

Program Series 2

Purpose: To coordinate and improve the quality of alcohol and other drug services in Ohio

The following table shows the line items that are used to fund the Treatment program series, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2004	FY 2005
GRF	038-401	Treatment Services	\$31,364,000	\$34,500,000
GRF Subtotal			\$31,364,000	\$34,500,000
5T9	038-616	Problem Gambling Services	\$60,000	\$60,000
3H8	038-609	Demonstration Grants	\$7,093,000	\$7,093,000
3J8	038-610	Medicaid	\$30,000	\$30,000
Non-GRF Subtotal			\$37,153,000	\$37,153,000
Total funding: Treatment			\$68,517,000	\$71,653,000

Specific programs within the Treatment program series that this analysis will focus on include:

DIVISION OF TREATMENT AND PLANNING

- **ADAS/ADAMHS BOARD SUBSIDY**
- **MEDICAID PROGRAM AND MEDICAID ADOLESCENT REHABILITATION PROGRAM (MARP)**
- **SPECIAL POPULATIONS SERVICES AND GRANTS**
- **COMMUNITY PLANNING**

DIVISION OF JUSTICE SERVICES

- **DRUG COURTS**
- **TREATMENT ALTERNATIVES TO STREET CRIME (TASC)**
- **THERAPEUTIC COMMUNITIES (TC)**

ADAS/ADAMHS Board Subsidy

Program Description: The ADAS/ADAMHS board subsidy program supports publicly-funded treatment programs for alcohol and other drug treatment by distributing funds to local ADAS/ADAMHS boards who then contract with local treatment agencies to provide services. These funds are distributed based on a per capita formula. Additional weight is given to the ten largest urban areas in the state. State per capita funds are used by the ADAS/ADAMHS boards to match federal Medicaid funds.

According to ODADAS, 88,000 individuals were served by publicly-funded treatment programs in FY 2001. General per capita and treatment capacity board allocations provide alcohol and other drug treatment funding for the indigent, uninsured, underinsured, and Medicaid eligible. House Bill 484 funds provide \$4 million in treatment service funding for individuals involved in the child welfare system. TANF maintenance of effort (MOE) allocations provide funding for treatment services for members of a family at or below 200% of the federal poverty level. Local treatment agencies offer a range of services that include: individual and group counseling, detoxification, rehabilitation, methadone treatment, case management, drug screening, assessment, crisis intervention, referral, information, training, and telephone hotlines.

State per capita funds are used to match federal Medicaid funds. State funding for ADAMHS/ADAS board allocations has decreased significantly since the beginning of FY 2001. The ODADAS initially allocated \$40,045,708 in FY 2001 to state boards. The FY 2003 state board allocation was \$36,267,428 (a \$3,778,290 reduction). Approximately 49% of state board allocations may have been utilized for Medicaid match in FY 2001. The Department is projecting that 71% of the state board allocations in FY 2004 and 75% in FY 2005 may need to be utilized for Medicaid match. Thus, the percentage of state funds available to serve clients not eligible for Medicaid is going down each year.

Funding Source: GRF, federal Substance Abuse Prevention and Treatment Block Grant, federal Medicaid reimbursement, license reinstatement fee revenues paid by individuals convicted of drunk driving, liquor profits, and liquor permit fees

Line Items: GRF 038-401, Treatment Services; Fund 3G4 038-614, Substance Abuse Block Grant; Fund 3J8 038-610 Medicaid; Fund 475 038-621, Statewide Treatment and Prevention

Implication of the Executive Recommendation: The Department estimates that under the Executive's recommended plan, approximately \$30,000,000 in federal Medicaid reimbursement will pass through ODADAS and the ADAS/ADAMHS boards to local treatment providers in FYs 2004 and 2005.

The Department received a 10% increase in funding for treatment under the executive recommended budget proposal. The Department plans to pass this increased funding on to the 50 Boards for treatment services. Comparing numbers across fiscal years is somewhat misleading. Over the past three years ODADAS has reduced the amount of state board allocations by over 9% due to budget reductions. Due to these reductions, ODADAS requested \$7,847,961 in FY 2004 and \$11,103,343 in FY 2005 in supplemental funding to restore the boards funding to FY 2001 levels. The executive recommended levels will provide for most of the supplemental funding. The small difference (approximately \$82,000 in FY 2004 and \$145,000 in FY 2005) will most likely require the Department to seek other ways to make up the full amount.

Earmarking: Temporary law requires that up to \$8,190,000 in line item 038-401, Treatment Services, be used for program grants for priority populations in each fiscal year.

Permanent and Temporary Law: Temporary law earmarks \$4 million in each fiscal year in GRF line item 038-401, Treatment Services, for services to families, adults, and adolescents pursuant to the requirements of Am. Sub. H.B. 484 of the 122nd General Assembly.

Temporary law requires that \$5 million in line item 038-621, Statewide Treatment and Prevention, be used in each fiscal year to provide substance abuse prevention and treatment services to children, or their families, whose income is at or below 200% of the official income poverty guidelines.

These services were previously appropriated in line items 038-629, TANF Transfer–Treatment, and 038-630, TANF Transfer–Mentoring. The TANF Treatment line item had an appropriation of \$3,500,000 in FY 2003. The TANF Mentoring line item had an appropriation of \$1,500,000 in FY 2003. These TANF dollars were allocated to the Department from the Ohio Department of Job and Family Services (ODJFS). Funds were used to provide substance abuse prevention and treatment to children, or their families, whose income is at or below 200% of the official income poverty guideline. Because ODADAS will no longer receive funding from ODJFS under the Governor’s recommended budget proposal, increased liquor permit fee revenue will to be used to pay for these treatment and mentoring services instead. The Department and the Office of Budget and Management estimate the increased liquor permit fees will generate approximately \$5 million annually; an amount equal to the TANF transfers.

Medicaid/Medicaid Adolescent Rehabilitation Program (MARP)

Program Description: Medicaid is a program in which the state and federal government share the cost of alcohol and other drug treatment for the poor, aged, blind, and disabled. The federal government reimburses approximately 59% of Medicaid costs in Ohio. State and local participation in the program is approximately 41%.

The Medicaid Adolescent Rehabilitation Program (MARP) is a Medicaid reimbursable program that began as a pilot program to evaluate the cost effectiveness to Medicaid and the rehabilitation benefits of the case management approach to drug and alcohol treatment for adolescents.

Funding Source: GRF and federal Medicaid reimbursement

Line Items: GRF 038-401, Treatment Services; Fund 3J8 038-610, Medicaid

Implication of the Executive Recommendation: Under the executive recommended budget, the Department should be able to restore funding allocated to the 50 ADAS/ADAMHS boards to FY 2001 levels. The Department estimates that over 97% of the treatment budget appropriation will be disbursed to the alcohol and other drug treatment field as subsidy to purchase treatment services. The remaining 3% will be used for ODADAS program administration.

Earmarking: None

Permanent and Temporary Law: None

Special Populations Grants and Services

Program Description: Grants are awarded to boards and providers that focus on the following special populations: women, pregnant women, adolescents, and HIV/AIDS at-risk individuals. The Department funded 93 women’s programs and four adolescent programs in FY 2002, and allocated funds to 11 ADAMHS/ADAS boards for HIV/AIDS programming.

Funding Source: GRF and federal Substance Abuse Block Grant

Line Items: GRF 038-401, Treatment Services; Fund 3G4 038-614 Substance Abuse Block Grant

Implication of the Executive Recommendation: Under the executive recommended budget, the Department received full funding for the SAPT Block Grant and Maintenance of Effort (MOE). The state MOE is equal to the prior two-year average of state funds expended for alcohol and other drug treatment and prevention services. The Department will be able to maintain current service levels for the special population grants and services.

Earmarking: None

Permanent and Temporary Law: None

Community Planning

Program Description: The ADAS/ADAMHS boards are required to submit community plans for the delivery of local services to ODADAS every year. The Community Planning Unit, within the Division of Program Planning, provides guidance, technical assistance, and support to ADAS/ADAMHS boards in their local planning efforts.

Under Revised Code section 3793.04, ODADAS is required to prepare a Five-Year State Plan. This plan is written every five years, and updated annually.

Funding Source: GRF, federal Substance Abuse Block Grant, license reinstatement fee revenues paid by individuals convicted of drunk driving, liquor profits, and liquor permit fees

Line Items: GRF 038-401, Treatment Services; Fund 3G4 038-614, Substance Abuse Block Grant; Fund 475 038-621, Statewide Treatment and Prevention

Implication of the Executive Recommendation: The executive recommendations will allow for the current level of service in the Community Planning unit to be continued in the next biennium.

Drug Courts

Program Description: Drug courts allow nonviolent offenders who are substance abusers to undergo judicial-supervised treatment rather than serve time. The design and structure of drug court programs are developed at the local level to reflect the unique strengths, circumstances, and capacities of each community. Many sectors of the community are involved in the planning and implementation process of a drug court system including: criminal justice, substance abuse treatment, law enforcement, educational, and vocational entities, as well as community anti-drug organizations.

Under such programs, treatment progress is monitored closely. Terms and conditions of the program usually include mandatory periodic drug testing. Drug courts are designed to reduce drug use, incarceration costs, recidivism rates, and the number of cases on court dockets. Another goal is to increase the obtaining and retention of employment for this population.

The first drug court in Ohio began operations in 1995. Ohio has gained recognition for having more drug courts per capita than any other state. There are currently 50 drug court programs statewide: 25 adult drug courts; 17 juvenile drug courts, and eight family drug courts. In FY 2002, 2,398 offenders were served in ODADAS-funded drug courts; 61% have successfully completed treatment and 2% were incarcerated.

Family drug courts are relatively new and deal with cases involving parental rights in which an adult is the party litigant who comes before the court through either the criminal or civil process. Amended Substitute House Bill 484 of the 122nd General Assembly prioritized ODADAS treatment for addicted parents with children who are at imminent risk of being abused or neglected due to their parents' addiction. Family courts are perceived to be part of the requirement to implement the mandates of this bill.

Funding Source: GRF

Line Item: 038-401, Treatment Services

Implication of the Executive Recommendation: Drug courts currently receive approximately \$2.2 million annually. The executive recommendations will allow for the current level of service for drug courts.

Earmarking: None

Permanent and Temporary Law: None

Treatment Alternative To Street Crime (TASC)

Program Description: The TASC program provides linkages between courts and treatment providers to ensure adherence to court-mandated treatment. This is accomplished through referral to substance abuse treatment, drug and alcohol testing, and case management. The Department reports that 10,137 juvenile and adult offenders in both urban and rural settings received services from the TASC program in FY 2002. These programs operate in 17 counties throughout Ohio. Clients come from every stage of the criminal justice system – arrest, arraignment, pre-trial, conviction, probation, and parole. Individuals charged with drunk driving are not eligible for TASC services.

Funding Source: GRF, federal, license reinstatement fee revenues paid by individuals convicted of drunk driving, liquor profits, liquor permit fees, and federal grants

Line Items: GRF 038-401, Treatment Services; Fund 475 038-621, Statewide Treatment and Prevention; 3G4 038-614, Substance Abuse Block Grant

Implication of the Executive Recommendation: Unlike drug courts, which receive funding from other sources, TASC has no other federal or state funding stream. The TASC program currently receives approximately \$4.6 million annually. The executive recommendations will allow ODADAS to continue the current level of service for TASC for FYs 2004 and 2005.

Earmarking: None

Permanent and Temporary Law: None

Therapeutic Community

Program Description: Therapeutic Community is a treatment model operating in 15 sites: five state prisons, five community facilities, four halfway houses, and one juvenile institution. The TC program provides a segregated housing unit within a correctional facility to rehabilitate drug abusers. The length of treatment is six to nine months. The goals of the program are to maintain sobriety, decrease recidivism, and to increase employment opportunities for inmates when they leave prison.

Funding Source: GRF, license reinstatement fee revenues paid by individuals convicted of drunk driving, liquor profits, liquor permit fees, and federal grants

Line Items: GRF 038-401, Treatment Services; Fund 475 038-621, Statewide Treatment and Prevention

Implication of the Executive Recommendation: Therapeutic Community currently receives approximately \$550,000 annually. The executive recommendations will allow ODADAS to continue the current level of service for TC for FYs 2004 and 2005.

Earmarking: None

Permanent and Temporary Law: None

Women's Services Grants

Program Description: Funds set aside for women's programs are distributed annually through a competitive grant process. The programs are available to all women, but target both pregnant women and women with dependent children specifically.

Funding Source: GRF, federal Substance Abuse Prevention and Treatment Block Grant, and federal demonstration grants

Line Items: GRF 038-401, Treatment Services; Fund 3G4 038-614, Substance Abuse Block Grant; Fund 3H8 038-609, Demonstration Grants

Implication of the Executive Recommendation: The executive recommendations will allow for the same level of service for Women's Service Grants to be provided in the next biennium.

Earmarking: None

Permanent and Temporary Law: None

Quality Assurance and Improvement

Program Series 3

Purpose: To provide regulatory oversight, technical assistance, planning, program research and evaluation, and training to Alcohol, Drug Addiction, and Mental Health Services boards, Alcohol and Drug Addiction Services Boards, and local service providers.

The following table shows the line items that are used to fund the Quality Assurance and Improvement program series, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2004	FY 2005
5P1	038-615	Credentialing	\$225,000	\$0
Non-GRF Subtotal			\$225,000	\$0
Total funding: Quality Assurance and Improvement			\$225,000	\$0

Specific programs within the Quality Assurance and Improvement program series that this analysis will focus on include:

■ **CREDENTIALING**

Credentialing

Program Description: The Credentialing unit performs the following services:

- Maintains records of all Ohio Certified Chemical Dependency Counselors and Certified Prevention Specialists;
- Tracks all applications for certification status and communicates with candidates regarding status and training opportunities; and
- Provides testing, scoring, and notification for counselors and prevention specialist certification.

The certification of Chemical Dependency Professionals and Prevention Specialists ensures that alcohol and other drug treatment and prevention staff meet educational, training, and experience requirements to provide alcohol and other drug treatment services. The credentialing process certifies over 9,000 Chemical Dependency Professionals and Prevention Specialists in Ohio.

Substitute House Bill 496 of the 124th General Assembly created the Chemical Dependency Professionals Board and required licensure or certification of chemical dependency counselors and certification of alcohol and other drug prevention specialists. This bill also appropriated \$100,518 in FY 2003 from the Occupational Licensing and Regulatory Board Fund (Fund 4K9) to fund the new board’s operations. Amended Substitute House Bill 40 of the 125th General Assembly allows OBM to transfer cash in an amount not to exceed the FY 2003 appropriation from the Credentialing Fund (Fund 5P1) to Fund 4K9. The FY 2003 appropriation amount is \$450,000.

Funding Source: Credentialing fees

Line Item: 038-615, Credentialing

Implication of the Executive Recommendation: The executive recommended budget for Credentialing appropriates \$225,000 to the Department only in FY 2004 because of the transfer of Credentialing services to the newly created Chemical Dependency Professionals Board. According to the Department, the executive recommended funding level will allow the Credentialing Unit to maintain its level of service until the transfer. Once the transfer is completed, the Department estimates they will lose three FTEs.

Earmarking: None

Permanent and Temporary Law: None

Administration

Program Series 4

Purpose: To provide ODADAS with leadership and internal support enabling program divisions to carry out the mission and vision of the Department.

The following table shows the line items that are used to fund the Administration program series, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2004	FY 2005
GRF	038-321	Operating Expenses	\$1,200,000	\$1,259,000
3N8	038-611	Administrative Reimbursement	\$500,000	\$500,000
Total funding: Administration			\$1,700,000	\$1,759,000

Specific programs within the Administration program series that this analysis will focus on include:

■ **ADMINISTRATION**

Administration Program

Program Description: The Administration program contains the Director’s Office, Fiscal Services, Human Resources, and Management Information Systems (MIS).

The Director’s Office leads, manages, plans, coordinates, and evaluates all Department operations, and works with ADAS/ADAMHS boards and local service providers to meet the needs of their customers.

Fiscal Services provides fiscal support to the Department, ADAS/ADAMHS boards, and local service providers. Fiscal Services is responsible for, among other duties, preparation and monitoring of ODADAS’ operating and capital budgets, coordination of the development of the Department’s federal Substance Abuse Block Grant application, and coordination of other federal grants.

The Division of Human Resources develops and administers ODADAS’ personnel program including labor relations, equal employment opportunity, education and training coordination, payroll, benefits administration, health and safety activities, fleet management, purchasing, records management and retention, forms management and reduction, mail services, and facility coordination.

The Division of MIS collects, maintains, and reports data for ODADAS. The MIS, among other things, monitors driver intervention programs, distributes license reinstatement fees to county and municipal courts for the Indigent Drivers Alcohol Treatment Account, compiles the data set for all certified and funded programs, coordinates and writes ODADAS’ information technology plan, and operates ODADAS’ Medicaid reimbursement system.

The MIS implemented a new statewide data collection system that began Medicaid billing on July 1, 1999. The system is called MACSIS, or the Multi-Agency Community Services Information System. The system was developed jointly with the Department of Mental Health and links these state agencies electronically with ADAS, ADAMHS, and Mental Health boards. The new system allows for centralized client data collection and more efficient processing of client treatment and billing. Since the implementation of MACSIS, more Medicaid eligible clients have been identified and served.

Funding Source: GRF, Administrative Reimbursement

Line Items: GRF 038-321, Operating Expenses; Fed 038-611, Administrative Reimbursement

Implication of the Executive Recommendation: The executive recommendations maintain the status quo for administration, but do not reflect increases for inflation. The Department requested and received supplemental funding (\$163,297 in FY 2004 and \$222,427 in FY 2005) to be compliant with the Health Insurance Portability and Accountability Act (HIPAA).

Earmarking: None

Permanent and Temporary Law: None

Multi-Program Items

Program Series 999

Purpose: To provide ODADAS with leadership and internal support enabling program divisions to carry out the mission and vision of the Department.

The following table shows the line items that are used to fund the multi-program items series, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2004	FY 2005
3G4	038-614	Substance Abuse Block Grant	\$67,335,000	\$68,079,000
475	038-621	Statewide Treatment and Prevention	\$20,191,000	\$20,191,000
Total funding: Multi-Program Items			\$87,527,000	\$88,270,000

Specific programs within the multi-programs items programs series that this analysis will focus on include:

- **MULTI-PROGRAM ITEMS**
- **CERTIFICATION/LICENSURE**
- **QUALITY ASSURANCE AND IMPROVEMENT**

Multi-Program Items

Program Description: These two line items provide funding across all three program series; Prevention, Treatment, and Quality Assurance and Improvement. For purposes of line item budgeting, the Office of Budget and Management (OBM) has grouped these lines into a program series.

Funding Source: federal Substance Abuse Block Grant, license reinstatement fee revenues paid by individuals convicted of drunk driving, liquor profits, and liquor permit fees

Line Items: 3G4 038-614, Substance Abuse Block Grant; Fund 475 038-621, Statewide Treatment and Prevention

Implication of the Executive Recommendation: Overall, these funding levels will allow the Department to continue current service levels. The appropriations in Fund 475 are increased in this biennium because of the loss of TANF transfer moneys, and because of the Governor’s recommendations regarding liquor permit fee revenue increases, as mentioned in the section “Permanent and Temporary Law.”

Earmarking: None

Permanent and Temporary Law: None

Certification/Licensure

Program Description: Section 3793.06 of the Revised Code requires ODADAS to certify all alcohol and other drug treatment programs in the state, including outpatient, halfway house, residential, and hospital programs. The ODADAS inspects each certified treatment program once every two years. As of February 2003, ODADAS-certified programs include:

- 495 outpatient treatment programs;
- 57 halfway house treatment programs;
- 82 residential treatment programs; and
- 50 hospital treatment programs.

Section 3793.11 of the Revised Code requires all treatment programs that use methadone to be licensed by ODADAS before they can provide that type of treatment. The Department must inspect these methadone programs once every year. As of FY 2000, there were nine licensed methadone programs in the state.

Section 3793.10 of the Revised Code requires that ODADAS certify all driver intervention programs. The Department must inspect each driver intervention program once every three years. As of October 2000, there were 119 certified driver intervention programs in Ohio. During FYs 2003 and 2004, the Department will promulgate standards under Section 119.03 of the Revised Code for prevention, therapeutic community, and Treatment Alternatives to Street Crime programs. This additional responsibility will expand the number of program sites that require certification/licensure from over 700 to approximately 1,150.

Funding Source: license reinstatement fee revenues paid by individuals convicted of drunk driving, liquor profits, and liquor permit fees

Line Item: Fund 475 038-621, Statewide Treatment and Prevention

Implication of the Executive Recommendation: It appears that the Division of Quality Improvement can maintain current levels of service with the executive recommended budget levels.

Earmarking: None

Permanent and Temporary Law: None

Quality Assurance and Improvement

Program Description: The Quality Assurance Unit in ODADAS serves several functions. For example, they are responsible for monitoring each ADAS/ADAMHS board's Continuous Quality Improvement (CQI) plan, which boards must submit to ODADAS annually. They are also responsible for developing levels of care protocols for treatment populations and for training the ADAS/ADAMHS boards how to implement the protocols. Furthermore, they are responsible for administration of all federal contracts related to program evaluation, client outcomes, and cost containment.

Funding Source: license reinstatement fee revenues paid by individuals convicted of drunk driving, liquor profits, and liquor permit fees

Line Item: Fund 475 038-621, Statewide Treatment and Prevention

Implication of the Executive Recommendation: The Executive has recommended funding for continued service levels in the Quality Assurance and Improvement Division.

Earmarking: None

Permanent and Temporary Law: None

ADDITIONAL FACTS AND FIGURES

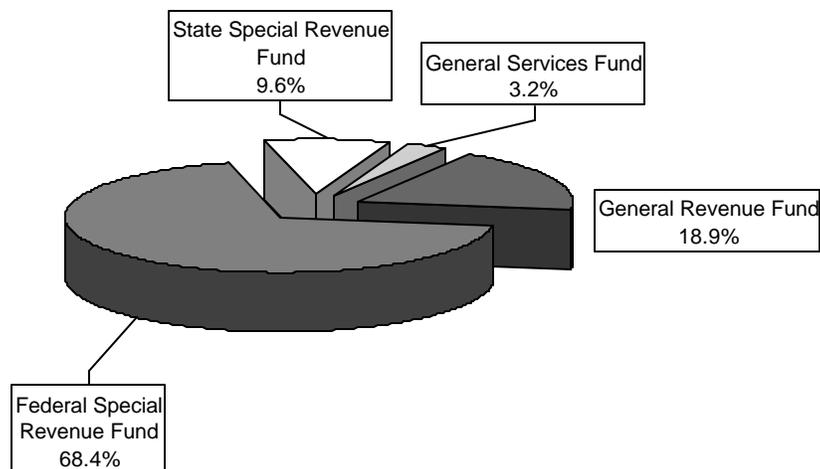
Department of Alcohol and Drug Addiction Services Staffing Levels				
Division	2002	2003*	2004*	2005*
Director's Office	12	12	13	13
Treatment and Planning	14	14	14	14
Justice Services	19	19	20	20
Quality Improvement	14	13	13	10
Human Resources	7	7	7	7
MIS	15	15	15	15
Fiscal	16	17	17	17
Prevention	8	8	10	10
Totals	105	105	109	106

*Estimates

The FY 2003 staffing levels for ODADAS include six vacancies. The additional four FTEs in FY 2004 are supported by increased grant funding the Department has already received.

The Department expects the number of FTEs in the Quality Improvement Division to decrease from 13 to 10 between FYs 2003 and 2004 when ODADAS loses three positions as a result of the transfer of the process of certification and credentialing of chemical dependency counselors to the new board.

ODADAS SFY 2003 Appropriations by Budget Fund Group



PERMANENT AND TEMPORARY LAW

This section describes permanent and temporary law provisions contained in the executive budget that will affect the Department's activities and spending decisions during the next biennium.

Permanent Law Provisions

Increase in liquor permit fees (R.C. sections 4303.02, 4303.021, 4303.03, 4303.04, 4303.05, 4303.06, 4303.07, 4303.08, 4303.09, 4303.10, 4303.11, 4303.12, 4303.121, 4303.13, 4303.14, 4303.141, 4303.15, 4303.151, 4303.16, 4303.17, 4303.171, 4303.18, 4303.181, 4303.182, 4303.183, 4303.184, 4303.19, 4303.20, 4303.201, 4303.202, 4303.203, 4303.204, 4303.21, 4303.22, 4303.23, and 4303.231)

Increases by 100% all current liquor permit fees of \$300 or less, and increases all such fees of more than \$300 by 25%. This is new language affecting the FY 2004–2005 biennium. The Department estimates that the changes in liquor permit fees and the increased percentage of undivided liquor permit fund should provide approximately \$5 million in each fiscal year.

Increase in percentage of Undivided Liquor Permit Fund paid to Statewide Treatment and Prevention Fund (R.C. sections 4301.30)

Increases from 21% to 32.5% the percentage of the Undivided Liquor Permit Fund that must be paid to the Statewide Treatment and Prevention Fund. This is new language affecting the FY 2004–2005 biennium. The Department estimates that the changes in liquor permit fees and the increased percentage of undivided liquor permit fund should provide approximately \$5 million in each fiscal year.

Temporary Law Provisions

Treatment Services (Section 14)

Temporary law requires that up to \$8,190,000 in GRF line item 038-401, Treatment Services, be used for program grants for priority populations in each fiscal year.

Am. Sub. H.B. 484 of the 122nd General Assembly (Section 14)

Temporary law earmarks \$4 million in each fiscal year in line item GRF 038-401, Treatment Services, for services to families, adults, and adolescents pursuant to the requirements of Am. Sub. H.B. 484 of the 122nd General Assembly.

Similar temporary law was included in the previous budget bill.

Services for TANF-eligible individuals (Section 14)

Temporary law requires that \$5 million in line item 038-621, Statewide Treatment and Prevention in each fiscal year, be used to provide substance abuse prevention and treatment services to children, or their families, whose income is at or below 200% of the official income poverty guidelines.

These services were previously appropriated in line items 038-629, TANF Transfer–Treatment, and 038-630, TANF Transfer–Mentoring. The TANF Treatment line item had an appropriation of \$3,500,000 in FY 2003. The TANF Mentoring line item had an appropriation of \$1,500,000 in FY 2003. These

TANF dollars were allocated to the Department from the Ohio Department of Job and Family Services (ODJFS). Funds were used to provide substance abuse prevention and treatment to children, or their families, whose income is at or below 200% of the official income poverty guideline. Because ODADAS will no longer receive funding from ODJFS under the Governor's recommended budget proposal, increased liquor permit fee revenue will be used to pay for these treatment and mentoring services instead. The Department and the Office of Budget and Management estimate the increased liquor permit fees will generate approximately \$5 million annually; an amount equal to the TANF transfers.

Parent Awareness Task Force (Section 14)

Temporary law requires the Parent Awareness Task Force to study ways to engage more parents in activities, coalitions, and educational programs in Ohio relating to alcohol and other drug abuse prevention. Temporary law also earmarks \$30,000 in each year of the biennium in GRF line item 038-404, Prevention Services, to be used to support the functions of the Task Force.

Similar temporary law was included in the previous budget bill.

REQUESTS NOT FUNDED

GRF: Operating Expenses and Prevention Services						
Fund Line Item	FY 2004 Requested	FY 2004 Recommended	Difference	FY 2005 Requested	FY 2005 Recommended	Difference
GRF 038-321	\$1,425,863	\$1,200,293	(\$225,570)	\$1,568,450	\$1,259,423	(\$309,027)
GRF 038-404	\$1,190,294	\$1,107,784	(\$82,510)	\$1,309,323	\$1,163,174	(\$146,149)

The table above indicates that the Department received all but a small amount requested in GRF line item 038-321, Operating Expenses. The Department plans to limit filling staff vacancies in the next biennium and limit travel and maintenance expenses. Roughly 90% of the appropriation in GRF line item 038-404, Prevention Services, is subsidy. The small difference in funding should have no discernable fiscal effects on any programs or services.

GRF AND SSR: Treatment and Prevention Subsidy to Boards						
Fund Line Item	FY 2004 Requested	FY 2004 Recommended	Difference	FY 2005 Requested	FY 2005 Recommended	Difference
GRF 038-401	\$7,128,076	\$7,315,451	(\$82,510)	\$10,264,429	\$10,507,194	(\$146,149)
GRF 038-404	\$269,885	\$0	(\$269,885)	\$388,914	\$0	(\$388,914)
475 038-621	\$450,000	\$450,000	\$0	\$450,000	\$450,000	\$0

As the table above shows, the Department requested funding to restore the boards to FY 2001 levels. The executive did not provide the requested funding for GRF line item 038-404, Treatment. However, the Department did receive enough supplemental funding that it should be able to restore all but a small amount of funding to the boards.

GRF and SSR: Ohio Teen Institute Conference						
Fund Line Item	FY 2004 Requested	FY 2004 Recommended	Difference	FY 2005 Requested	FY 2005 Recommended	Difference
GRF 038-321	\$160,000	\$0	(\$160,000)	\$170,000	\$0	(\$170,000)
689 038-604	\$35,000	\$35,000	\$0	\$35,000	\$35,000	\$0

GRF line item 038-321 – The Department requested \$160,000 in FY 2004 and \$170,000 in FY 2005 in GRF and \$35,000 in each FYs 2004 and 2005 in non-GRF funding (total, \$195,000 in FY 2004 and \$205,000 in FY 2005) to host the Ohio Teen Institute Conference. The Department did not receive any GRF for this request. However, they plan to use Fund 475, Statewide Treatment and Prevention moneys to host the conference.

GSF: TANF–Transfer Treatment and TANF Transfer Mentoring						
Fund Line Item	FY 2004 Requested	FY 2004 Recommended	Difference	FY 2005 Requested	FY 2005 Recommended	Difference
5B7 038-629	\$3,500,000	\$0	(\$3,500,000)	\$3,500,000	\$0	(\$3,500,000)
5E8 038-630	\$1,500,000	\$0	(\$1,500,000)	\$1,500,000	\$0	(\$1,500,000)

Line item 038-629, TANF Transfer–Treatment, and line item 038-630, TANF Transfer–Mentoring, are eliminated from the TANF spending plan under the Governor’s recommendations. The TANF Treatment line item had an appropriation of \$3,500,000 in FY 2003. The TANF Mentoring line item had an appropriation of \$1,500,000 in FY 2003. Because ODADAS will no longer receive this funding from ODJFS under the Governor’s recommended budget proposal, the plan is to use the increased liquor permit fee revenue to pay these program costs. The Department and the Office of Budget and Management estimate the increased liquor permit fees will generate approximately \$5 million annually; an amount equal to the TANF transfer.

SSR - Credentialing						
Fund Line Item	FY 2004 Requested	FY 2004 Recommended	Difference	FY 2005 Requested	FY 2005 Recommended	Difference
5P1 038-615	\$450,000	\$225,000	(\$225,000)	\$450,000	\$0	(\$450,000)

The executive recommended budget for Credentialing appropriates \$225,000 for Credentialing only in FY 2004 because of the transfer of Credentialing services to the newly created Chemical Dependency Professionals Board. According to the Department, the Credentialing Unit will be able to maintain its level of service until the transfer.

General Revenue Fund

GRF 038-321 Operating Expenses

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$1,549,614	\$1,517,078	\$1,403,185	\$1,263,834	\$1,200,293	\$1,259,423
	-2.1%	-7.5%	-9.9%	-5.0%	4.9%

Source:

Legal Basis: ORC 3793

Purpose: This line item provides funding for general administration for the Department.

GRF 038-401 Treatment Services

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$31,670,710	\$32,068,502	\$28,529,628	\$28,512,306	\$31,363,537	\$34,499,890
	1.3%	-11.0%	-0.1%	10.0%	10.0%

Source:

Legal Basis: Section 19 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Am. Sub. H.B. 317 of the 118th G.A.)

Purpose: Funds are allocated on a modified per capita basis to the 50 ADAS/ADAMHS boards for a range of alcohol and drug addiction prevention, intervention, treatment, counseling, residential, community support services, and special projects. The boards then contract individually with local service agencies to provide services.

GRF 038-404 Prevention Services

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$1,553,397	\$1,486,042	\$1,278,663	\$1,055,033	\$1,107,784	\$1,163,174
	-4.3%	-14.0%	-17.5%	5.0%	5.0%

Source:

Legal Basis: Section 19 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Am. Sub. H.B. 117 of the 121st G.A.)

Purpose: This line item is used to fund Community Prevention, Teen Pregnancy Prevention, and Higher Education Prevention programs administered by the Department.

General Services Fund Group

5B7 038-629 TANF Transfer-Treatment

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$1,500,000	\$3,180,060	\$4,361,087	\$3,500,000	\$0	\$0
	112.0%	37.1%	-19.7%	-100.0%	N/A

Source: GSF: Transfer from TANF State MOE in Department of Job and Family Services

Legal Basis: (originally established by Am. Sub. H.B. 283 of the 123rd G.A.)

Purpose: Funds are to be used to provide substance abuse prevention and treatment to children, or their families, whose income is at or below 200% of the official income poverty guideline (TANF eligibles). Under the Executive's budget proposal, this line item would be discontinued and the services would be paid for out of Fund 475, Statewide Treatment and Prevention.

5E8 038-630 TANF Transfer-Mentoring

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$114,268	\$917,915	\$1,052,024	\$1,500,000	\$0	\$0
	703.3%	14.6%	42.6%	-100.0%	N/A

Source: GSF: Transfer from TANF State MOE in Department of Job and Family Services

Legal Basis: (originally established by Am. Sub. H.B. 283 of the 123rd G.A.)

Purpose: Funds are used for adolescent youth mentoring programs for children, or their families, whose income is at or below 200% of the official income poverty guideline (TANF eligibles). Under the Executive's budget proposal, this line item would be discontinued and the services would be paid for out of Fund 475, Statewide Treatment and Prevention.

5T9 038-616 Problem Gambling Services

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$0	\$0	\$0	\$60,000	\$60,000	\$60,000
	N/A	N/A	N/A	0.0%	0.0%

Source: GSF: Funds from an interagency agreement with the Ohio Lottery Commission

Legal Basis: (originally established by Controlling Board on March 11, 2002)

Purpose: This line item is used to fund four pilot outpatient programs to treat individuals with both alcohol and/or other drug addictions and gambling addictions. The four pilot programs are located in the following counties: Athens, Hamilton, Mahoning and Lucas. Each program will receive \$15,000 in each fiscal year of the biennium.

Federal Special Revenue Fund Group

3G3 038-603 Drug Free Schools

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$3,821,947	\$3,346,068	\$3,003,665	\$3,500,000	\$3,500,000	\$3,500,000
	-12.5%	-10.2%	16.5%	0.0%	0.0%

Source: FED: CFDA 84.186, Safe and Drug Free Schools (Federal Drug Free Schools and Communities Act)

Legal Basis: Section 19 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Controlling Board on November 6, 1989)

Purpose: Funds in this line item are used to establish programs of youth drug abuse education and prevention through development, training, technical assistance and coordination of activities for grants to, and contracts with, community-based organizations. Programs are evaluated on a statewide basis by the Department. After a competitive funding process, funds for selected programs are distributed through the 50 Boards of Alcohol, Drug Addiction and Mental Health Services, and Alcohol and Drug Addiction Services Boards.

3G4 038-614 Substance Abuse Block Grant

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$65,990,110	\$71,732,025	\$68,376,728	\$72,000,000	\$67,335,499	\$68,079,223
	8.7%	-4.7%	5.3%	-6.5%	1.1%

Source: FED: CFDA 93.959, Block Grants for Prevention and Treatment of Substance Abuse (Federal Substance Abuse Block Grant through the U.S. Department of Health and Human Services)

Legal Basis: Section 19 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Controlling Board on November 6, 1989)

Purpose: These federal funds are used for a wide variety of alcohol and other drug services. The minimum federal priorities are 20% for prevention and early intervention and a percentage for women's set-aside programs. Administrative costs are limited to not more than 5% of the grant. Most of the funds are allocated to the 50 ADAS/ADAMHS on a modified per capita basis. Other funds may be awarded as competitive grants or for special projects or programs. The SAPT block grant requires a state Maintenance of Effort (MOE). The state MOE for the SAPT block grant is equal to the prior two-year average of state funds expended for alcohol and other drug treatment and prevention services.

3H8 038-609 Demonstration Grants

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$2,582,767	\$2,422,419	\$1,347,070	\$3,093,075	\$7,093,075	\$7,093,075
	-6.2%	-44.4%	129.6%	129.3%	0.0%

Source: FED: CFDA 16.579, Drug Control and System Improvement - Byrne Formula Grant (Campus Alcohol and Crime, Therapeutic Community Halfway House, Systems Partnership and Therapeutic Coordinator); CFDA 93.230, Consolidated Knowledge Development and Application (KD &A) program; CFDA 16.727, Enforcing Under Aged Drinking Law program; and 93.643, Children's Juvenile Justice Grant to States (Family Drug Court)

Legal Basis: Section 19 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Controlling Board on November 13, 1990)

Purpose: For distribution of new federal grants that were unforeseen, are of a limited duration, and are specific in purpose and focus. Services provided have included improving or implementing residential and outpatient treatment services for homeless pregnant women, pregnant women, women and children in Cuyahoga County, therapeutic community services for women in Franklin County, statewide cross-systems training for alcohol and other drugs, mental health and criminal justice system agencies, targeted services toward under aged drinking in Athens, Hancock, Lucas, Summit, Hamilton, Cuyahoga, Lake and Franklin counties to focus on increased law enforcement activities, underage prevention/awareness and education, local public policy changes and media awareness services, family drug courts to stop the abuse of alcohol and other drugs and related criminal activity in Morrow, Lucas and Butler counties, and Target Cities, which improves access to high quality, effective addiction treatment programs in Cuyahoga County.

3J8 038-610 Medicaid

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$15,260,233	\$24,377,284	\$25,597,718	\$30,000,000	\$30,000,000	\$30,000,000
	59.7%	5.0%	17.2%	0.0%	0.0%

Source: FED: CFDA 93.778, Medical Assistance Program (reimbursement of alcohol and drug treatment services provided to Medicaid recipients). An interagency agreement was signed with the Department of Job and Family Services on July 1, 1991. The federal financial participation rate is approximately 59 percent, for standard Medicaid and 71 percent for the State Children's Health Insurance Program (SCHIP) and the Breast and Cervical Cancer Project (BCCP). GRF and SSR funds are utilized for the state match. State and local participation is 29 percent.

Legal Basis: Section 19 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Controlling Board on September 9, 1991) and OAC 5101:1-1-03

Purpose: Funds are used to provide services which include: alcohol and drug screening analysis, assessment, case management, group counseling, individual counseling, crisis intervention, intensive outpatient, medical/somatic, methadone maintenance, and ambulatory detoxification.

3N8 038-611 Administrative Reimbursement

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$628,798	\$255,932	\$487,907	\$500,000	\$500,000	\$500,000
	-59.3%	90.6%	2.5%	0.0%	0.0%

Source: FED: State-earned federal reimbursement of administrative costs for federally-funded programs: CFDA 93.778, Medical Assistance program (Medicaid; ODADAS receives reimbursement for administrative expenditures at 50%; CFDA 93.999, needs assessment (ODADAS receives reimbursement for 100% of administrative expenditures and 20% of indirect personnel costs)

Legal Basis: Section 19 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Controlling Board in August, 1994)

Purpose: Funds are used for the Department's payroll, maintenance, and equipment expenditures incurred administrating the federal programs. The Department avoids confusion regarding the subsidy portion of federal dollars by receiving federal administrative moneys in a separate line item.

State Special Revenue Fund Group

475 038-621 Statewide Treatment & Prevention

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$15,022,707	\$15,236,543	\$14,435,297	\$14,550,000	\$20,191,182	\$20,191,182
	1.4%	-5.3%	0.8%	38.8%	0.0%

Source: SSR: Liquor profits and liquor permit fees pursuant to ORC sections 4301.10 and 3701.141, respectively. In addition, \$75 of the driver's license reinstatement fee paid by individuals convicted of drunk driving, pursuant to ORC 4511.191.

Legal Basis: Section 19 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Controlling Board on November 6, 1989)

Purpose: This line item is used primarily for funding to communities for treatment, prevention, education, outreach, and early intervention. With a few exceptions the funds are distributed on a modified per capita basis through the 50 ADAS/ADAMHS boards. A portion of the line item also supports the Department's operating expenses. Beginning in fiscal year 2000, the name of this line item was changed from "Detoxification Programs" to "Statewide Treatment and Prevention." Revenues are generate from three different sources: liquor profits, liquor permit fees, and reinstatement fees. Under the Executive's budget proposal, the Department would receive a greater proportion of liquor profits.

5P1 038-615 Credentialing

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$0	\$79,025	\$379,478	\$450,000	\$225,000	\$0
	N/A	380.2%	18.6%	-50.0%	-100.0%

Source: SSR: Funds from application and renewal fees for certification or credentialing of chemical dependency counselors

Legal Basis: Section 19 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Controlling Board on January 22, 2001)

Purpose: Sub. S.B. 172 of the 123rd G.A. required the Department to establish and administer a process for the certification or credentialing of chemical dependency counselors. The Department can charge application and renewal fees that may not exceed the cost incurred by the department in implementing and administering the credentialing process. All such fees are to be deposited in the Credentialing Fund. Sub. H.B. 496 of the 124th General Assembly created the Chemical Dependency Professionals Board. Am. Sub. H.B. 40 of the 125th General Assembly allows OBM to transfer the balance of revenue from fees deposited in the Credentialing Fund (Fund 5P1) to Fund 4K9.

689 038-604 Education and Conferences

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$255,760	\$85,941	\$181,114	\$245,000	\$280,000	\$280,000
	-66.4%	110.7%	35.3%	14.3%	0.0%

Source: SSR: Registration and sponsorship fees; reimbursement of a services directory

Legal Basis: Section 19 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Controlling Board on November 6, 1989)

Purpose: The administration of educational services and conferences, Teen Institute, Ohio Drug and Alcohol Studies Institute, and semiannual Director's Meeting; and publication of a services directory.

LSC Budget Spreadsheet by Line Item, FY 2004 - FY 2005

Fund	ALI	ALI Title	2002	Estimated 2003	Executive 2004	% Change 2003 to 2004	Executive 2005	% Change 2004 to 2005
ADA Alcohol and Drug Addiction Services, Department of								
GRF	038-321	Operating Expenses	\$ 1,403,185	\$1,263,834	\$ 1,200,293	-5.0%	\$ 1,259,423	4.9%
GRF	038-401	Treatment Services	\$ 28,529,628	\$28,512,306	\$ 31,363,537	10.0%	\$ 34,499,890	10.0%
GRF	038-404	Prevention Services	\$ 1,278,663	\$1,055,033	\$ 1,107,784	5.0%	\$ 1,163,174	5.0%
General Revenue Fund Total			\$ 31,211,476	\$ 30,831,173	\$ 33,671,614	9.2%	\$ 36,922,487	9.7%
5B7	038-629	TANF Transfer-Treatment	\$ 4,361,087	\$3,500,000	\$ 0	-100.0%	\$ 0	N/A
5E8	038-630	TANF Transfer-Mentoring	\$ 1,052,024	\$1,500,000	\$ 0	-100.0%	\$ 0	N/A
5T9	038-616	Problem Gambling Services	---	\$60,000	\$ 60,000	0.0%	\$ 60,000	0.0%
General Services Fund Group Total			\$ 5,413,111	\$ 5,060,000	\$ 60,000	-98.8%	\$ 60,000	0.0%
3G3	038-603	Drug Free Schools	\$ 3,003,665	\$3,500,000	\$ 3,500,000	0.0%	\$ 3,500,000	0.0%
3G4	038-614	Substance Abuse Block Grant	\$ 68,376,728	\$72,000,000	\$ 67,335,499	-6.5%	\$ 68,079,223	1.1%
3H8	038-609	Demonstration Grants	\$ 1,347,070	\$3,093,075	\$ 7,093,075	129.3%	\$ 7,093,075	0.0%
3J8	038-610	Medicaid	\$ 25,597,718	\$30,000,000	\$ 30,000,000	0.0%	\$ 30,000,000	0.0%
3N8	038-611	Administrative Reimbursement	\$ 487,907	\$500,000	\$ 500,000	0.0%	\$ 500,000	0.0%
Federal Special Revenue Fund Group Total			\$ 98,813,087	\$ 109,093,075	\$ 108,428,574	-0.6%	\$ 109,172,298	0.7%
475	038-621	Statewide Treatment & Prevention	\$ 14,435,297	\$14,550,000	\$ 20,191,182	38.8%	\$ 20,191,182	0.0%
5P1	038-615	Credentialing	\$ 379,478	\$450,000	\$ 225,000	-50.0%	\$ 0	-100.0%
689	038-604	Education and Conferences	\$ 181,114	\$245,000	\$ 280,000	14.3%	\$ 280,000	0.0%
State Special Revenue Fund Group Total			\$ 14,995,889	\$ 15,245,000	\$ 20,696,182	35.8%	\$ 20,471,182	-1.1%
Total All Budget Fund Groups			\$ 150,433,563	\$ 160,229,248	\$ 162,856,370	1.6%	\$ 166,625,967	2.3%