EXHIBIT A

State Fiscal Year (SFY) 2022-23 and 2023-24
Substance Abuse Prevention and Treatment Block Grant (SABG) Preliminary Allocation
Overview of Programs, Funding, and Allocation Methodologies

This Exhibit describes the Department of Health Care Services' (DHCS) allocation methodologies and programs for the SFY 2022-23 and 2023-24. For complete information on the terms and conditions of all funds and programs, please refer to your county's Performance Contract and SFY 2022-23 and 2023-24 SABG County Application.

FEDERAL TRUST FUNDS

The U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration (SAMHSA) provides Federal SABG funds to states. The block grant program number is 93.959 in the Catalog of Federal Domestic Assistance.

SABG Award

The SFY 2022-23 and 2023-24 Budget Act Allocation includes funds from the SFY 2023 and 2024 SABG Award. The preliminary allocation presumes the SFY 2023 and 2024 SABG Award will continue to be funded at the same or similar level as the SFY 2022 SABG Award.

Counties must report non-cumulative expenses for each award through a SABG Invoice (formerly referred to as the Quarterly Federal Financial Management Reports). (See MHSUDS Information Notice 18-057.) Payments to counties are based on actual expenditures and reimbursement of incurred costs. SABG Invoices and supporting detail are due 45 days after each SFY quarter.

SABG funds are allocated to counties to provide program funding for categorical areas of need. Only Discretionary funds may be expended on programs supporting other areas of need identified by the SABG Set-Asides. Set-Aside funds shall only be expended on those specific areas and cannot be used for other programs unless specified.

Preliminary SFY 2022-23 SABG Discretionary – \$148,113,846

Preliminary SFY 2023-24 SABG Discretionary - \$148,113,846

SABG Discretionary funds provide for needed substance use disorder (SUD) treatment, prevention, and recovery services, including services to specific populations. Those populations include youth and pregnant and parenting women. In accordance with United States Code (U.S.C.), Title 42, Section 300x-22, SABG Discretionary funds may be spent on planning, carrying out, and evaluating activities to prevent and treat SUD. For counties with populations of less than 40,000 residents, DHCS continues the SABG Exchange Program that allows them to exchange SABG Perinatal Set-Aside and SABG

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Adolescent and Youth Treatment (AYT) funds for SABG Discretionary funds. For a description of the SABG Exchange Program, please refer to Exhibit C, Part 1. In an effort to assist counties in spending down their allocation amounts for SFY 2022-23 and 2023-24, each county's Discretionary amount has been slightly reduced to allow for an increase to each county's Primary Prevention Set-Aside amount.

Preliminary SFY 2022-23 Prevention Set-Aside – \$57,848,095

Preliminary SFY 2023-24 Prevention Set-Aside – \$57,848,095

U.S.C. Title 42, Section 300x-22(a) requires the State to spend a minimum of 20 percent of its total SABG Award on primary prevention services. For SFY 2022-23 and 2023-24, California continues to prioritize prevention, which is defined as strategies, programs and services directed at individuals who have not been determined to require treatment for SUD. As a result, DHCS continues to allocate each county's Primary Prevention Set-Aside amount to equal 25 percent of their total allocation for each SFY in 2022-23 and 2023-24. The increase in county Primary Prevention Set-Aside from 20 percent to 25 percent is part of an effort to ensure that California meets federal requirements, particularly those concerning prevention spending. DHCS is not accepting requests to adjust the SFY 2022-23 or 2023-24 SABG Primary Prevention Set-Aside at this time.

A county's spending of their allocated primary prevention funds is integral to meeting federal SABG spending requirements and aligning with California's priorities. Counties must utilize SAMHSA's Strategic Prevention Framework in their local decision making, prioritizing high need areas and populations, based on data and evidence where applicable, and select strategies that will best address the high need areas and populations being served. Strategies may consist of both individual- and population-based services using one or more of the Center for Substance Abuse Prevention's six prevention strategies: Information Dissemination, Education, Alternatives, Problem Identification and Referral, Community-Based Process, and Environmental.

Preliminary SFY 2022-23 Friday Night Live/Club Live – \$1,620,000 (initial stipends)

Preliminary SFY 2023-24 Friday Night Live/Club Live - \$1,620,000 (initial stipends)

The Friday Night Live (FNL) program is a youth development program, designed for high-school youth and designed to prevent alcohol and other drug use. As an extension of FNL, Club Live (CL) is directed toward middle school-aged students. Also included are FNL Kids, focusing on 4th through 6th grade youth, and FNL Mentoring, which co-engages middle and high school-aged students. The California Friday Night Live Partnership (CFNLP), as the intermediary, will administer annual stipends for the

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FNL/CL program beginning in SFY 2022-23. Participating counties must notify DHCS of intent to participate by May 16 before each SFY via the following webpage: https://www.surveymonkey.com/r/SABG_FNL_Opt-In. Refer to Exhibit B Allocation Summary for proposed initial stipend amounts. The initial stipend amounts have increased from prior years and now total \$1,620,000. The stipends are calculated using a population-based methodology.

Thirty-eight additional stipends of \$10,000 each will be made available to develop a FNL/CL program specifically serving at least one (1) of the following high need populations: Tribal youth, system-involved youth, LGBTQ+ youth, or homeless youth. A subsequent notice will be issued by DHCS and the CFNLP with instructions on how to apply for the additional stipend.

In addition, \$400,000 of FNL funding is earmarked for a statewide healing-centered care certification training specifically for the FNL workforce. Counties will be notified by DHCS and the CFNLP when travel stipends become available for the training event.

Lastly, \$100,000 of FNL funding is earmarked for the Responsible Beverage Service Training of Trainers program. Counties will receive more information from DHCS and the CFNLP when these trainings are available. Any unused balance of the stipend fund will be used to support participation in the annual FNL Youth Summit or FNL Training Institute.

Please note that in future fiscal years, FNL Set-Aside funding will no longer be communicated through the SABG Allocation Information Notices. The Set-Aside allocations will be provided directly from DHCS and the CFNLP. More information is forthcoming.

Preliminary SFY 2022-23 Perinatal Set-Aside – \$17,057,843

Preliminary SFY 2023-24 Perinatal Set-Aside – \$17,057,843

Perinatal Set-Aside funds are used for women-specific services for treatment and recovery from alcohol and other SUD, along with diverse supportive services for California women and their children. Perinatal programs, as part of the Perinatal Services Network, must meet the requirements set forth in the Perinatal Practice Guidelines (PPG). Counties must use these funds to increase or maintain existing perinatal treatment capacity and programs. Counties may also use these funds to add new perinatal services or programs or change existing programs. See the Perinatal Practice Guidelines.

Perinatal Set-Aside funding is a component of the SABG Exchange Program. DHCS is allocating SFY 2022-23 and 2023-24 SABG Perinatal Set-Aside funds based on the SFY 2021-22 final allocation level. For more information on how the Exchange Program

affects a specific county's Perinatal Set-Aside, please refer to Exhibit C, Part 1 of this Information Notice.

Preliminary SFY 2022-23 Adolescent and Youth Treatment Program – \$7,334,583

<u>Preliminary SFY 2023-24 Adolescent and Youth Treatment Program – \$7,334,583</u>

SABG Adolescent Youth Treatment (AYT) funds provide comprehensive, age-appropriate, SUD services to youth. The Adolescent Substance Use Disorder Best Practices Guide, revised in October 2020, is designed for counties to use in developing and implementing AYT programs funded by this allocation. Please see the Adolescent Best Practices Guide.

AYT funding is a component of the SABG Exchange Program. DHCS is allocating SFY 2022-23 and 2023-24 SABG AYT funds based on the SFY 2021-22 final allocation level. For more information on how the Exchange Program affects a specific county's AYT Set-Aside, please refer to Exhibit C, Part 1 of this Information Notice.

<u>Preliminary SFY 2022-23 Human Immunodeficiency Virus (HIV) Early Intervention Services (EIS) Allowance - \$11,569,318</u>

Preliminary SFY 2023-24 HIV EIS Allowance - \$11,569,318

The SABG HIV EIS fund allowance may be used to provide oral fluid rapid HIV tests, and HIV pre- and post-test counseling.

Instead of a traditional set-aside, DHCS has established an annual HIV EIS allowance for each county (refer to Exhibit B – Statewide Preliminary Allocation Summary of SABG Funds). Counties may use their Discretionary SABG funds for HIV EIS activities up to the predetermined allowance amount. Any expenditure for HIV EIS services will reduce the county's Discretionary Fund allocation accordingly.

For further information, please refer to <u>DHCS Behavioral Health Information Notice No.</u> 21-007.