

**Fiscal Year 2016-17  
Preliminary Allocation  
Substance Abuse Prevention and Treatment Block Grant  
Exchange Program**

This exhibit provides information on the history and evaluation of the Substance Abuse Prevention and Treatment (SAPT) Block Grant (BG) Exchange Program. It also explains the methodology used to calculate each county's share of SAPT Discretionary, Perinatal, and Adolescent and Youth Treatment funds to be exchanged in FY 2016-17. The attached spreadsheets display each county's FY 2016-17 base allocation amounts BEFORE the exchange, and the FY 2016-17 allocation amounts AFTER the exchange of SAPT funds.

Program History and Evaluation

1. The SAPT BG Pilot Exchange Program was implemented with the FY 2008-09 Budget Act Allocation. The program was subsequently renamed the SAPT BG Exchange Program.
2. The SAPT BG Exchange Program began with the FY 2004-05 Budget Act Allocation. It originally allowed counties with populations less than 40,000 to exchange HIV, Perinatal, and Adolescent and Youth Treatment categorical funding for Discretionary funding from larger counties.

The SAPT BG Exchange Program was created because California's least populous counties lacked sufficient populations to result in an ongoing demand for specialized treatment services for Perinatal and Adolescent/Youth. Exchanging Perinatal and Adolescent/Youth treatment funds for Discretionary funds allows the least populous counties to best respond to treatment needs and reduces the return of unspent SAPT funds to the federal government. Counties receiving additional Discretionary funds are expected to utilize these funds to treat substance use disorder clients, including Perinatal and Adolescent/Youth treatment clients, to the extent they have such clients. Counties providing perinatal services must meet the requirements set forth in the Perinatal Services Network Guidelines located on the Department of Health Care Services (DHCS) website at:

<http://www.dhcs.ca.gov/individuals/Documents/PSNG2014Final21214.pdf>

In providing Youth Treatment services, the Youth Treatment Guidelines are designed for counties to use in developing and implementing youth treatment programs. The guidelines are available on the DHCS website at:

<http://www.dhcs.ca.gov/individuals/Pages/Youth-Treatment-SUD.aspx>

3. In May 2008, the former Department of Alcohol and Drug Programs (ADP) evaluated the SAPT BG Exchange Program to determine if the least populous counties were more successful in spending SAPT BG categorical dollars than before the SAPT BG Exchange Program. ADP evaluated the program for two federal fiscal years (FFY) preceding initiation of the SAPT BG Exchange Program (FFY 2003 and FFY 2004), and for the first two SAPT BG Exchange Program years (FFY 2005 and FFY 2006).

SAPT HIV funds were not included in the SAPT BG Exchange Program evaluation. The only SAPT categorical funds included in the Exchange Program evaluation were Perinatal and Adolescent and Youth Treatment funds.

4. The evaluation found that the smallest counties (least populous) benefited from receiving additional SAPT Discretionary funding and these counties no longer reverted Perinatal and Adolescent and Youth Treatment funds as they had previously done. These small Minimum Base Allocation (MBA) counties had increased flexibility to meet clients' needs as a result of the SAPT BG Exchange Program and none of these counties reverted funds during the pilot exchange years.

#### SAPT BG Exchange Program Methodology

The following resource describes the steps for determining the share of SAPT Discretionary funds to be exchanged for SAPT Perinatal funds. The process is identical for calculating the exchange of SAPT Discretionary funds for SAPT Adolescent and Youth Treatment funds.

- STEP 1 For each county with a population less than 40,000, identify the amount of SAPT Perinatal funds that each would receive from the SAPT Perinatal allocation methodology. These are the funds those counties will exchange in the FY 2012-13 SAPT BG Exchange Program. This equals the amount of SAPT Discretionary funds the counties will receive in exchange.
- STEP 2 For each given county with a population greater than or equal to 40,000, calculate the ratio of that county's SAPT Perinatal funds to the total SAPT Perinatal funds (without including the amount of Perinatal funds for counties with a population less than 40,000).
- STEP 3 Multiply the ratio calculated in STEP 2 by the total amount of SAPT Perinatal funds to be exchanged in STEP 1. This will determine the amount of additional SAPT Perinatal funds that each county with a population greater than or equal to 40,000 will receive in exchange for its SAPT Discretionary funds.
- STEP 4 The amount of additional SAPT Perinatal funds calculated in STEP 3 equals the amount of SAPT Discretionary funds a county with a population less than 40,000 will receive in exchange for its SAPT Perinatal funds.
- STEP 5 Repeat the above steps for SAPT Adolescent and Youth Treatment funds.