

- Department receives \$9 million increase in GRF Treatment Services appropriations, of which \$5 million is replacement for TANF funding
- Statewide Treatment and Prevention Fund to receive additional liquor permit fee revenue

Alcohol and Drug Addiction Services, Department of

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ROLE

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 ODADAS to promote, assist in developing, and coordinate or conduct educational and research programs for the prevention of alcohol and drug addiction and for the treatment of persons who abuse alcohol and other drugs. To meet these requirements, ODADAS has organized itself into four distinct budget program series: (1) prevention and intervention; (2) treatment; (3) quality assurance and improvement; and (4) administration. Approximately 80.6% of the Department's funding is spent on treatment programs, 15.9% on prevention and early intervention programs, 2.9% on administration, and 0.9% on quality assurance and improvement.

Ohio has 50 local boards, which include seven alcohol and drug addiction services (ADAS) boards, and 43 alcohol, drug addiction and mental health services boards. These 50 boards contract with local service providers that operate 684 certified alcohol and other drug programs in Ohio.

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.

Agency In Brief					
Number of Employees*	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2004	2005	2004	2005	
102	\$163.2 million	\$163.7 million	\$39.0 million	\$39.0 million	Am. Sub. H.B. 95

*Employee head count obtained from the Department of Administrative Services (DAS) payroll reports as of June 28, 2003.

OVERVIEW

Federal funds account for approximately 66% of the Department's total funding. The largest source of federal funds is the Substance Abuse Prevention and Treatment Block Grant. The Department's GRF funding accounts for approximately 24% of the Department's budget. Most of the remaining 10% of the Department's funding comes from revenue sources such as license reinstatement fees from individuals who have been convicted of drunk driving, liquor profits, and liquor permit fees.

BUDGET ISSUES

ADDITIONAL FUNDING FOR APPROPRIATION ITEM 038-401, TREATMENT SERVICES

The budget act increases appropriations in GRF line item 038-401, Treatment Services (formerly Alcohol and Drug Addiction Services), by \$9 million in FYs 2004 and 2005 and adds earmarks for the majority of that increase (66%). Of the \$9 million increase, \$5 million will be used in lieu of funding for TANF maintenance of effort (MOE) from the General Services Fund in FYs 2004 and 2005.

1. The budget act earmarks the following funds in GRF line item 038-401:
2. A maximum of \$8,190,000 can be used for program grants for priority populations in each fiscal year;
3. \$4 million in each fiscal year is to be used for services to families, adults, and adolescents pursuant to the requirements of Am. Sub. H.B. 484 of the 122nd General Assembly;
4. \$200,000 in each fiscal year is to establish a Talbert House facility in Butler County; (these funds are in addition to any other funds for which the facility and Butler County are eligible to receive from the Department.);
5. \$5 million in each fiscal year is to be used for services to TANF-eligible individuals; and
6. \$750,000 in each fiscal year is to be used for expansion of the Therapeutic Communities Program in the Department of Rehabilitation and Correction.

SERVICES FOR TANF-ELIGIBLE INDIVIDUALS

Appropriations in line items 038-629, TANF Transfer-Treatment (\$4,037,681 in FY 2003), and 038-630, TANF Transfer-Mentoring (\$1,440,848 in FY 2003), are not included in the budget act. However, as stated above, an additional \$5 million in appropriations in each fiscal year is provided in GRF line item 038-401 Treatment Services, for this purpose.

In the past, TANF MOE dollars had been transferred to the Department from the Ohio Department of Job and Family Services (ODJFS) and 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. The Department will no longer receive this funding from ODJFS under the budget act. Instead, increased liquor permit fee revenue will be used to fund these treatment and mentoring services.

LIQUOR PERMIT FEE REVENUE CHANGES


The budget act amended section 4301.30 of the Revised Code, doubling all liquor permit fees under \$300 and increasing fees over \$300 by 25%. In addition, the revenue distribution formula was changed so that ODADAS will receive 20% of the profits collected and transferred into State Special Revenue Fund 475, Statewide Treatment and Prevention. Under prior law, ODADAS received an amount equal to 21%. The increased liquor permit fees will generate approximately \$2.1 million in additional revenue annually. However, because of the timing of collections and distribution of these revenues, ODADAS will receive approximately \$1.3 million in FY 2004.

Increased liquor permit fee revenue will be used to fund treatment services only. The revenue will be deposited in the Statewide Treatment and Prevention Fund (Fund 475). Because the budget act did not increase that line item's appropriation amount, ODADAS will need additional appropriation authority in order to spend the additional revenue. The Department may seek additional appropriation authority through legislation or from the Controlling Board.

COMMUNITY CAPITAL ASSISTANCE PROJECT FUNDS

The budget act also added a new provision regarding State Special Revenue Fund 475, Statewide Treatment and Prevention, which states that any proceeds from the repayment of the Department's community capital assistance funds from St. Anthony's Villa must be deposited into Fund 475, and must be distributed to other community capital assistance projects in Lucas County.

DEADLINE REGARDING OPTION TO COMBINE BOARDS IN COUNTIES WITH POPULATIONS OF 250,000 OR MORE

The budget act adds a provision in law setting a deadline of January 1, 2004 allowing counties with a population of 250,000 or more to combine alcohol, drug addiction, and mental health boards that were established in 1989 as separate boards. Advocates for this provision believe it could result in savings by reducing duplication in board operations for those larger counties that merge alcohol and drug addiction and mental health boards. At this time, it is difficult to know whether any counties with a population of 250,000 or more will choose to merge their separate boards. 

FY 2004 - 2005 Final Appropriation Amounts

All Fund Group

<i>Line Item Detail by Agency</i>			<i>FY 2001:</i>	<i>FY 2002:</i>	<i>FY 2003:</i>	<i>FY 2004 Appropriations:</i>	<i>% Change 2003 to 2004:</i>	<i>FY 2005 Appropriations:</i>	<i>% Change 2004 to 2005:</i>
Report For: Main Operating Appropriations Bill			Version: Enacted						
ADA Alcohol and Drug Addiction Services, Department of									
GRF	038-321	Operating Expenses	\$ 1,517,078	\$ 1,403,185	\$1,263,834	\$ 1,200,293	-5.03%	\$ 1,200,293	0.00%
GRF	038-401	Treatment Services	\$ 32,068,502	\$ 28,529,628	\$27,796,578	\$ 36,762,306	32.25%	\$ 36,762,306	0.00%
GRF	038-404	Prevention Services	\$ 1,486,042	\$ 1,278,663	\$1,053,008	\$ 1,055,033	0.19%	\$ 1,055,033	0.00%
General Revenue Fund Total			\$ 35,071,622	\$ 31,211,476	\$ 30,113,420	\$ 39,017,632	29.57%	\$ 39,017,632	0.00%
5T9	038-616	Problem Gambling Services	---	---	\$60,000	\$ 60,000	0.00%	\$ 60,000	0.00%
5B7	038-629	TANF Transfer-Treatment	\$ 3,180,060	\$ 4,361,087	\$4,037,681	\$ 0	-100.00%	\$ 0	N/A
5E8	038-630	TANF Transfer-Mentoring	\$ 917,915	\$ 1,052,024	\$1,440,848	\$ 0	-100.00%	\$ 0	N/A
General Services Fund Group Total			\$ 4,097,975	\$ 5,413,111	\$ 5,538,529	\$ 60,000	-98.92%	\$ 60,000	0.00%
3G3	038-603	Drug Free Schools	\$ 3,346,068	\$ 3,003,665	\$3,246,443	\$ 3,500,000	7.81%	\$ 3,500,000	0.00%
3H8	038-609	Demonstration Grants	\$ 2,422,419	\$ 1,347,070	\$969,906	\$ 7,093,075	631.32%	\$ 7,093,075	0.00%
3J8	038-610	Medicaid	\$ 24,377,284	\$ 25,597,718	\$29,079,448	\$ 30,000,000	3.17%	\$ 30,000,000	0.00%
3N8	038-611	Administrative Reimbursement	\$ 255,932	\$ 487,907	\$433,313	\$ 500,000	15.39%	\$ 500,000	0.00%
3G4	038-614	Substance Abuse Block Grant	\$ 71,732,025	\$ 68,376,728	\$72,509,621	\$ 67,335,499	-7.14%	\$ 68,079,223	1.10%
Federal Special Revenue Fund Group Total			\$ 102,133,729	\$ 98,813,087	\$ 106,238,731	\$ 108,428,574	2.06%	\$ 109,172,298	0.69%
689	038-604	Education and Conferences	\$ 85,941	\$ 181,114	\$207,847	\$ 280,000	34.71%	\$ 280,000	0.00%
5P1	038-615	Credentialing	\$ 79,025	\$ 379,478	\$381,971	\$ 225,000	-41.10%	\$ 0	-100.00%
475	038-621	Statewide Treatment & Prevention	\$ 15,236,543	\$ 14,435,297	\$13,248,825	\$ 15,191,182	14.66%	\$ 15,191,182	0.00%
State Special Revenue Fund Group Total			\$ 15,401,509	\$ 14,995,889	\$ 13,838,643	\$ 15,696,182	13.42%	\$ 15,471,182	-1.43%
Alcohol and Drug Addiction Services, Department of T			\$ 156,704,834	\$ 150,433,563	\$ 155,729,323	\$ 163,202,388	4.80%	\$ 163,721,112	0.32%