State of California
Department of Alcohol and Drug Programs

Substance Abuse and Crime Prevention Act of 2000
(SACPA – Proposition 36)

First Annual Report to the Legislature

November 2002

Kathryn P. Jett
Director

To obtain additional copies of this report, please contact:

The California Department of Alcohol and Drug Programs (ADP)
Public Information Office
1700 K Street – Fifth Floor
Sacramento, CA 95814
Telephone: (916) 323-1706
FAX: (916) 323-5873

The report and additional information is available on ADP's website at: http://www.adp.ca.gov.

Related links can also be accessed through this web page.

University of California, Los Angeles (UCLA) posts information on this project at: http://www.medsch.ucla.edu/som/npi/DARC/sa/prop36/CPA2000evaluation.html.

Other related sites include:

The California Legislative Analyst's Office: http://www.lao.ca.gov/2000_reports/prop36/121400_prop_36.html,

The California Judicial Council – Drug Court News/Prop 36 and related links: http://www.courtinfo.ca.gov/programs/drugcourts/prop36.html,

University of California, San Diego (UCSD) – Addiction Technology Transfer Center: http://www.attc.ucsd.edu.

California Department of Alcohol and Drug Programs

Substance Abuse and Crime Prevention Act of 2000
(SACPA – Proposition 36)

First Annual Report to the Legislature

TABLE OF CONTENTS

California Department of Alcohol and Drug Programs

Substance Abuse and Crime Prevention Act of 2000 (SACPA – Proposition 36)

First Annual Report to the Legislature

EXECUTIVE SUMMARY

This report responds to Health and Safety Code (HSC) Section 11999.9, which requires the Department of Alcohol and Drug Programs (ADP or Department) to conduct an annual study to evaluate the effectiveness and financial impact of Proposition 36, the Substance Abuse and Crime Prevention Act of 2000 (SACPA or the Act). The report describes program activities and processes developed by the Department and stakeholders since the passage of SACPA on November 7, 2000, and contains preliminary information on program implementation. Specifically, the report covers the implementation period beginning November 2000, and contains early data and findings from July 1 through December 31, 2001.

Background

The Act represented a major shift in the state's policy regarding nonviolent drug related use and possession offenses, and has resulted in a new model of collaboration among government sectors in treating drug offenders. * The stated purpose of the measure is to divert nonviolent drug offenders into community-based drug treatment, reduce prison costs for these offenders, increase public safety by reducing drug-related crime and improve public health by reducing drug abuse through proven and effective treatment strategies.

Key Provisions

The Department is the lead state agency responsible for administrative oversight of the Act's implementation and evaluation. ADP is responsible for promulgating regulations, distributing funds, licensing and certifying treatment programs, and reporting on the program's effectiveness and fiscal impact. The initiative established the Substance Abuse Treatment Trust Fund, and provided $60 million for Fiscal Year (FY) 2000-01, and $120 million annually thereafter through FY 2005-06.

- The new law added Penal Code Sections 1210, 1210.1 and 3063.1, and Health and Safety Code Division 10.8 beginning with Section 11999.4.

The Department is charged with overseeing SACPA implementation statewide, and presents the following highlights of accomplishments for this first annual report:

- Despite the complexity of SACPA and the brief start-up period, the new statute was implemented quickly and efficiently.

- The initiative is operational in all 58 counties, and thousands of eligible drug offenders are being assessed, referred, and admitted to treatment services rather than jail or prison.

- Implementation has been a statewide collaborative effort, involving many state and local agencies. Representatives from the judiciary, law enforcement, health, drug treatment, social services and government administration are working in concert to implement the initiative smoothly at the local level. So far, cooperation among state and local government sectors has been extremely positive.

- Treatment capacity across the state has expanded significantly since passage of SACPA, with a 42% increase in the number of programs licensed and certified to provide drug treatment services.

- New partnerships between universities and private foundations have been formed to support technical assistance to counties and to improve communication about SACPA to the public.

- To augment implementation of SACPA statewide, the Substance Abuse Treatment and Testing Accountability (SATTA) Program (SB 223) appropriated $8.4 million in federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funds for drug testing of SACPA clients.

- A long-term evaluation, required by SACPA to evaluate program outcomes, has been designed and is already underway.

Implementation

The Department recognized that successful and timely implementation of SACPA by July 1, 2001, would demand collaboration and close coordination across many state and local systems and agencies. To support this effort, the Department established advisory groups – representing multiple discipline areas - to provide counsel and assistance for state administrative oversight on SACPA implementation. These groups have also served as a model of collaboration for those implementing the law at the local level.

One such group is the SACPA Statewide Advisory Group, established to provide statewide leadership for the implementation effort. Membership for this group was drawn from leaders in the judiciary, prosecution, defense bar, law enforcement, probation, parole, alcohol and drug treatment, local government, as well as from consumers and advocates. The group's charter is to assist ADP in ensuring that

California communities remain safe and that adult drug offenders receive the drug treatment and supervision necessary to help assure successful completion of treatment and re-entry into the community. The group has provided important guidance and direction in the initial implementation planning, and continues to provide valuable insight and advice to ADP and other stakeholders.

SACPA is operational and progressing in all 58 counties, due in large part to the collaboration between the drug treatment and criminal justice systems. The Judicial Council has played a strong leadership role in assisting trial courts in the implementation of the Act and their leadership was essential in establishing this program. The regulations governing program operations and the allocation of funds were made permanent on January 17, 2002. County planning and report requirements have been implemented using ADP's first statewide online reporting system.

New partnerships between the University of California, San Diego (UCSD) and private foundations have been formed to support technical assistance to the counties and to improve communication about SACPA to the public. Three technical assistance conferences have provided training and technical assistance to counties, helping them identify concerns, priorities, promising practices, and to develop networks, thereby opening lines of communication among stakeholders. The California Endowment has funded UCSD to provide technical assistance and to arrange for the development of a public education plan. With a grant from the Charles and Helen Schwab Foundation, UCSD has coordinated the development of communication strategies.

Long-Term Evaluation

Health and Safety Code Section 11999.10 requires the Department to fund a long-term study (five years) to evaluate the effects of SACPA. Following a competitive application process, the Department contracted with the Integrated Substance Abuse Programs Division of the University of California, Los Angeles to conduct the SACPA outcome evaluation.

This evaluation is underway and examines patterns of:

- implementation
- system impacts
- net costs and adequacy of funding
- offender outcomes related to criminal recidivism, substance abuse, employment, education, training, and health and family well-being

The long-term evaluation methodology includes analyses of *cost-offset, client outcomes, program implementation*, and *lessons learned*.

In addition, three major sources of data are being used to answer research questions:

- *State administrative databases* (e.g., criminal justice, treatment, ADP program, hospital discharge, Medi-Cal, mental health, disability and unemployment insurance, taxable income, and Vital Statistics records).
- *Raw data* (e.g., court records, probation/parole files, and treatment program records) obtained from county records.
- *Primary data* (original data from annual survey of stakeholders, in-depth discussion groups with stakeholders, participant observation, and surveys of samples of offenders) collected in selected "focus" counties.

Although this ADP report does not include criminal justice data on SACPA clients, the long-term evaluation study will address data linked to criminal justice outcomes.

Preliminary Findings

Data from several systems, including the SACPA Reporting Information System (SRIS) developed specifically to capture data required for implementation of this Act, has been analyzed to produce this annual SACPA report.

Note that all data displayed in this first annual report is preliminary and subject to change. While the early data is relatively positive, the information covers only a short start-up period and should not be viewed as conclusive. Additionally, there have been data collection issues in some areas. Though the preliminary findings do not include data on the delivery of ancillary and other services, the Department has efforts underway that should improve the ability to capture this data in the future.

Following are seven key questions addressed in the preliminary findings for the period of July 1 through December 31, 2001:

1. How many SACPA offenders were referred from criminal justice to treatment admission?

- Based on the data reported by the 12 largest counties (which represent 77% of California's population), it is estimated that approximately 12,000 SACPA clients statewide were processed through the criminal justice system and received treatment under SACPA during the first six months of implementation.

- It is important to note that not everyone who is eligible for Proposition 36 ends up in treatment. Though data is not available, some counties anecdotally report a higher percentage of individuals "opting out" of SACPA than anticipated. Eligible offenders may opt for other available drug treatment diversion programs, such as Drug Court or diversion programs pursuant to Penal Code 1000. Also, individuals may choose to serve their jail or prison time.

- Based on the 12 largest counties, 60% of those referred by the criminal justice system were admitted to treatment. Although statewide reporting systems do not collect information on persons not in treatment, counties have indicated anecdotally that various reasons exist. For example, on the day that the admission counts are taken, there are those who have been referred to a program, but have not yet had an appointment scheduled. Additionally, some individuals accept treatment as an option, and for various reasons, do not show up for treatment. In some cases, there were system impediments to quickly moving individuals from the courts and parole to treatment. The complexity of processing cases, as well as the need to continuously motivate and engage clients, are two significant challenges. Counties expect to improve the number of clients entering treatment by reducing barriers – such as lack of transportation, and geographic distance between courts and assessment centers.

2. How did the service delivery system respond to the anticipated increase in the demand for services?

Treatment capacity across the state has expanded. The number of licensed or certified programs has increased by 42% since the Act's passage, with licensed residential programs increasing by 17%, and certified outpatient programs increasing by 81%.

3. What do SACPA clients admitted to treatment services look like?

- More than 48% are white, 31% are Hispanic, and an estimated 15% are African-American.
- Approximately 71% are male.
- The courts referred approximately 93% of clients in treatment; about 7% are parolees referred by the Board of Prison Terms.
- More than 53% of clients were between the ages of 31 and 45 at the time of admission to treatment.
- Almost 63% reported that they were younger than 20 years old when they first used their primary drug; more than 21% reported being younger than 15 years of age at first use.
- Methamphetamine was the drug of choice for nearly half of SACPA clients (48%).

4. What treatment services were received?

Clients typically received outpatient treatment (76%) or long-term residential treatment (12%). Some counties are reporting that SACPA clients are requiring a substantially higher level of care than many expected, a finding supported by the first six months of client data. In some counties availability of residential treatment services is becoming an issue. To address this situation, some

localities are using a combination of sober living environments and intensive day treatment to meet client needs.

5. How much was spent for SACPA purposes?

- Analysis of data from the 12 largest counties shows approximately 15% of the $124.6 million total funds available for FY 2001-02 were expended during the first six months (July 1 through December 31, 2001) of implementation. The $124.6 million includes the $85.7 million allocated to the 12 largest counties for FY 2001-02 plus $38.9 that was rolled forward from FY 2000-01.

- SACPA became effective July 1, 2001, but in many counties this law required new procedures and protocol for handling drug offenders. As a result, in the start-up phase, and as counties adjusted to these new procedures, processing offenders took longer than anticipated. Thus, the expenditure rate for the first six months reflects the fact that many counties experienced a slow start-up of client flow into SACPA programs and services.

- New government program start-ups, particularly those involving the collaboration of many government sectors, typically experience slower initial spending as new procedures are put into place, with full spending occurring later as the program matures.

6. How were the dollars distributed?

The 12 largest counties estimated a 79% / 21% split between treatment activities and criminal justice respectively. However, actual expenditures for the first six months reflected a split of 64% / 36%. With each county having distinct geographical, population and treatment needs, this allocation split is unique for each county. It is too early to determine, in the long run, how expenditures will be allocated between criminal justice activities and treatment services. Many counties expect a shift toward services, as more clients enter treatment programs and criminal justice costs – which were more intensive at start-up – are distributed over the full year.

7. How do SACPA clients compare to other clients admitted to treatment?

SACPA clients represent approximately 9% of the total treatment population. Clients look similar to other treatment populations in gender and ethnicity, and are similar to the general treatment population for age at admission to treatment. However, one significant difference between SACPA clients and other non-criminal justice treatment populations is their primary drug of choice, methamphetamine.

Conclusions

The first months have demonstrated unprecedented collaboration and cooperation among the various agencies and entities involved in implementation. With only six months of data available, it is too early to gauge client success in Proposition 36 treatment programs. As implementation progresses, SACPA data will help guide program and policy development, as well as help funnel resources to areas where additional attention is needed. Some of these development areas are already being studied by stakeholders, such as retaining clients in treatment and treating co-occurring disorders.

The Department and stakeholders remain committed to successful implementation and operation of SACPA programs, and look forward to meeting the new and challenges that lie ahead, building on the achievements of this first year.

Section I.

OVERVIEW

I. OVERVIEW OF THIS REPORT

Health and Safety Code (HSC) Section 11999.9 requires the Department of Alcohol and Drug Programs to conduct an annual study to evaluate the effectiveness and financial impact of SACPA programs. This annual report describes the activities and processes developed by the Department and stakeholders since the passage of Proposition 36, the Substance Abuse and Crime Prevention Act of 2000. It also contains preliminary information on program implementation.

This report is organized as follows:

- **Executive Summary** - Provides an overview, actions taken by the Department to implement the program statewide, and highlights of the preliminary findings.

- **Section II. Background** - Describes the history and requirements of the Act, and actions taken by the Department to ensure timely implementation in all counties statewide.

- **Section III. Program Implementation** - Focuses on the guiding principles adopted by the Department, implementation goals, and the implementation process.

- **Section IV. Long-Term Evaluation** - Discusses the study being conducted by the University of California, Los Angeles. This section provides an overview of the evaluation design, research questions, and methodologies being utilized in the longitudinal study.

- **Section V. Data Collection and Reporting Systems** - Describes the mechanisms established by the Department to collect program management information.

- **Section VI. Preliminary Findings** - Describes the data collected on program operations during the first six months of implementation. This section covers how allocations to counties were spent during the first six months, how delivery systems responded to the Act, and details characteristics of clients who have entered treatment.

- **Section VII. Conclusions** - Discusses and includes highlights of the implementation and outstanding issues.

Section II.

BACKGROUND

II. BACKGROUND

On November 7, 2000, California voters approved Proposition 36 – SACPA[1] – a major shift in the statewide policy regarding drug possession offenses. The stated purpose of the measure is to divert non-violent drug offenders into community-based drug treatment, reduce prison costs for these offenders, increase public safety by reducing drug-related crime and improve public health through proven and effective drug treatment strategies. Under SACPA, eligible drug offenders may receive community-based treatment rather than incarceration. SACPA also provides state funding for treatment.

The SACPA initiative changed state law to require eligible non-violent drug offenders to be ordered to substance abuse treatment. Offenders are not eligible for probation under SACPA if they:

- Have a recent history of serious or violent crime
- Are convicted of a non-drug crime along with the drug offense
- Use a firearm while committing certain drug offenses
- Refuse drug treatment
- Have been to treatment twice under SACPA and are found unamenable to treatment

Persons who commit nonviolent drug offenses while on parole are required to be ordered to treatment instead of having parole revoked, unless they:

- Have any history of a serious or violent felony
- Are found to have committed a non-drug crime along with the drug offense
- Refuse drug treatment

SACPA allows treatment to be intensified or modified if the individual commits drug-related violations while on probation or parole. Progressive sanctions allow probation or parole to be revoked under certain situations if the individual is a danger to others or unamenable to treatment. Probationers lose their SACPA eligibility after a third drug-related violation. Parolees lose their eligibility after a second drug-related violation. Probation or parole may be modified or revoked for any non-drug-related violations.

Drug treatment services provided through the Act cannot exceed twelve months, although an additional six months of aftercare services may be provided. The treatment must be provided by a program that is licensed or certified by the Department, or by a drug treatment program operated under the direction of the Veterans Health Administration of the Department of Veterans Affairs, or by a program specified in Section 8001 of the Penal Code. [2] ‘‘Drug treatment program’’ or ‘‘drug treatment’’ does

[1] The new law added Penal Code Sections 1210, 1210.1 and 3063.1, and Health and Safety Code Division 10.8, beginning with Section 11999.4.

[2] This type of program is eligible to provide drug treatment services without regard to the licensing or certification provisions required by SB 223.

not include programs offered in a prison or jail facility, but refers to a state licensed and/or certified community drug treatment program. This may include one or more of the following:

- Outpatient treatment
- Half-way house treatment
- Narcotic replacement therapy
- Drug education or prevention courses and/or
- Limited inpatient or residential drug treatment as needed to address special detoxification or relapse situations or severe dependence

Treatment plans must be developed for each SACPA participant.

Courts and the Board of Prison Terms retain their discretion to require other terms of probation or parole, except incarceration. SACPA specifically mentions vocational training, family counseling, and literacy training. In addition, probationers may be required to participate in community service. A probationer who completes drug treatment successfully may petition the court to dismiss the criminal charges and to have the arrest and conviction information cleared. Parolees do not have this privilege.

The SACPA initiative established the Substance Abuse Treatment Trust Fund, and provided $60 million for Fiscal Year (FY) 2000-01, and $120 million annually thereafter through FY 2005-06. SACPA funding may support treatment, vocational training, family counseling, literacy training, costs related to probation supervision and court monitoring, and miscellaneous costs. Courts and the Board of Prison Terms may require able offenders to contribute to the cost of services.

Funds appropriated under SACPA may be carried over from year to year if they are not all spent for the year of appropriation. Although the annual appropriations specified in the initiative measure end in FY 2005-06, the requirements to provide drug offenders with treatment instead of incarceration are not subject to a “sunset” clause.

SACPA specifically prohibits the use of SACPA funds for drug testing of clients. In response to stakeholder beliefs that drug testing is an important component of treatment, the Substance Abuse Treatment and Testing Accountability (SATTA) Program (SB 223)[3] was enacted to provide funds for this purpose. For FY 2001-02, SATTA appropriated $8.4 million in federal Substance Abuse Prevention and Treatment Block Grant funds for drug testing of SACPA clients and other purposes allowed by federal law.

SACPA outlines a fiscal, reporting and auditing process that emphasizes responsibility for implementation at the county level, with oversight by the Department. As part of the departmental oversight, ADP must prepare an annual evaluation and arrange for an overall university-based long-term evaluation.

[3] Health and Safety Code Sections 11999.20 and 11999.25 (Senate Bill 223 (Burton), Chapter 721, effective October 11, 2001).

Section III.

PROGRAM IMPLEMENTATION

III. PROGRAM IMPLEMENTATION

The Department of Alcohol and Drug Programs (ADP) was designated the lead state agency responsible for implementation and evaluation of SACPA under the executive sponsorship of the Secretary of the Health and Human Services Agency. The Department was charged with:

- Developing policy and promulgating regulations to implement SACPA.
- Allocating and distributing funds to counties and ensuring the proper use of those funds.
- Licensing and certifying treatment providers.
- Contracting with a California public university to conduct a long-term (longitudinal) evaluation of the effectiveness and financial impact of SACPA.
- Conducting an annual fiscal and program evaluation.
- Providing training and technical assistance to stakeholders.

Putting this complex Act into effect presented many challenges at the state and local levels. To assist in this effort, the Department adopted three guiding principles for the development of program policy and administrative oversight:

(1) Use the first year as a baseline period. The baseline period would provide opportunity to build the system, gain experience, find out what works best, and make adjustments for subsequent years.

(2) Establish local control during implementation and beyond. Application of this principle would sustain local flexibility and allow for county-by-county differences in a very diverse state.

(3) Ensure collaboration among all stakeholders and impacted organizations. Collaboration would help assure that the implementation programs ultimately created would reflect a significant portion of each stakeholder's needs.

A. STATEWIDE COLLABORATION

The Department recognized that successful and timely implementation of SACPA by July 1, 2001, would demand close coordination across many state and local systems and agencies. In particular, coordination between criminal justice and drug treatment systems would be essential. To support this effort, several statewide collaborative forums were established to provide counsel and assistance for the state administrative oversight of SACPA and to serve as a model for collaboration at the local level.

- **Statewide Advisory Group**: This group was established to provide statewide leadership for the implementation effort. Membership was drawn from leaders from the judiciary, prosecution, defense bar, police and sheriffs, probation, parole, alcohol and drug treatment, and local government. The group also contained consumers and advocates.

  The group's charter was to assist the Department in ensuring that California communities remained safe and that drug treatment and supervision were provided to adult drug offenders so they could become productive citizens.

  Specific tasks given the group were to:

  - Develop recommendations for specific rules and regulations to enhance SACPA program implementation
  - Identify methods to strengthen collaborative operational efforts at the state and local levels
  - Help the Department communicate SACPA concepts and requirements to the larger professional community
  - Provide representation for the stakeholder community during SACPA program design and implementation

The Statewide Advisory Group provided the Department important guidance and direction in the initial implementation planning. The group continues to meet, providing valuable insight and advice to the Department and other stakeholders.

Other advisory groups established to facilitate implementation of the new law included:

- **Evaluation Advisory Group**: This group of experts from universities, private research groups, and public policy developers was created to advise the Department on the design and implementation of the five-year evaluation required by SACPA.
- **State Agency Work Group**: This group was formed to provide coordination of implementation efforts at the state administrative level. Agencies involved include the Administrative Office of the Courts, the Board of Prison Terms, and the Departments of Corrections, Employment Development, Mental Health, and Social Services.
- **Judicial Council of California** – Proposition 36 Implementation Workgroup: To assist trial courts in the implementation of the Act, the Judicial Council of California created this workgroup to identify all issues needing action to ensure the measure's effective implementation for the public good and the administration

of justice. To ensure broad-based participation by judicial officers and other stakeholders, the workgroup also sought representation from the Department of Alcohol and Drug Programs, the Office of the Attorney General, the legislative branch, the California Probation, Parole and Correctional Association, appellate court justices, district attorneys, defense attorneys, Drug Court judges, Drug Court coordinators, and court executives. The charge of the workgroup is to:

1. Develop a set of court/treatment models allowing trial courts to ensure adequate availability of services (both discretionary and mandatory) for successful implementation of the initiative in light of local community needs.

2. Provide recommendations to trial courts on the due process, legal, policy, and operational issues related to the initiative.

3. Provide recommended standards to ensure the quality of certified and licensed treatment providers who will assist new clients under the initiative.

4. Refine the estimates of the client population expected to enter the court / treatment system as a result of the initiative.

5. Analyze the initiative's expected fiscal effects and the estimated aggregate costs on the court/treatment system. This analysis will help promote adequate statewide funding to serve both the clients and the public.

6. Provide the Judicial Council with recommended policy and legislative initiatives needed to clarify implementation, so that the council might work with the executive and legislative branches in developing mutually beneficial solutions for the public good.

7. Serve as a clearinghouse for ideas, questions, and comments generated from trial courts and others in the course of preparing for implementation.

At the local level, cooperation among district attorneys, public defenders, the courts and treatment providers is routinely occurring throughout the state. Many counties are building upon their drug court experiences in designing local systems. County SACPA teams with representatives from involved systems meet regularly to plan implementation and deal with emerging issues. Public participation in planning and problem solving is required in regulation.

New partnerships between the University of California, San Diego (UCSD) and private foundations have been formed to support technical assistance to the counties and to improve communication about SACPA to the public. Three technical assistance conferences have provided training and technical assistance to counties, helping them identify concerns, priorities, promising practices, and to develop networks, thereby opening lines of communication among stakeholders. The California Endowment / Communities First program has funded UCSD to provide technical assistance and to

arrange for the development of a public education plan. With a grant from the Charles and Helen Schwab Foundation, UCSD has coordinated the development of communication strategies.

B. SACPA ADMINISTRATION

To oversee the implementation of SACPA, the Department created the Office of Criminal Justice Collaboration (OCJC). During collaborative meetings of stakeholders, numerous goals were expressed for the new statute. Departmental efforts focused on assuring:

- Key stakeholders impacted by SACPA would be involved in the planning and implementation process
- Eligible clients would be referred to treatment
- Sufficient treatment capacity would be available to support the demand for services created by SACPA
- Eligible clients would receive appropriate services, with sufficient funds being allocated by counties and an adequate number of treatment slots for different types of modalities available
- Clients would have prompt access to treatment
- Clients would have adequate opportunities to successfully complete treatment
- SACPA clients would not present a public safety risk while in treatment
- Funds would be appropriately expended

As mentioned earlier, the Department convened a Statewide Advisory Group to provide input on implementation issues. The group established several subcommittees to address implementation challenges and key issues in the following areas:

- Capacity
- Confidentiality
- Cross-Jurisdictional Issues
- Parolee Issues
- Data and Evaluation

In addition, issues relative to Dual Diagnosis/Co-Occurring Disorders were referred to the Department's Dual Diagnosis Task Force. The Department has also created a workgroup charged with assisting the Department in establishing standards and regulations to increase the capability, skills and capacity of counselors and to improve treatment outcomes.

The Department implemented the Act in two major phases. The first was a start-up phase from passage of the initiative on November 7, 2000 through June 30, 2001. During this start-up phase the Department, in collaboration with stakeholders, developed a SACPA policy framework for implementing regulations. On December 26, 2000, less than 60 days after passage of Proposition 36, the State Office of Administrative Law approved ADP's initial emergency regulations for SACPA.[4] The regulations established a county allocation formula and provided for the distribution of the initial $60 million appropriated by SACPA for FY 2000-01 for start-up. Although no services were eligible for reimbursement during this period, counties began collaboration with stakeholders to develop their plans for implementation and capacity development.

The emergency regulations were amended at the beginning of the second phase of implementation to include administrative requirements for county SACPA implementation, and to provide for the distribution to counties of the $120 million appropriation for FY 2001-02.

C. ALLOCATION AND DISTRIBUTION OF FUNDS

SACPA allows the Department to reserve up to one half of one percent (0.5%) of total funds available for a long-term evaluation. Of the $60 million appropriated for SACPA for FY 2000-01, ADP distributed $58.8 million to counties (the remaining funds were retained to cover state support and evaluation costs). For FY 2001-02, $117 million of $120 million available was distributed to counties with $3 million retained to cover state support and evaluation costs. Any unspent funds from an allocation may be spent in any succeeding fiscal year.

The Department used a methodology developed in accordance with Health and Safety Code Section 11999.6. ADP also sought a methodology that would benefit the majority of Californians. The Department consulted with stakeholders including the County Alcohol and Drug Program Administrators Association of California (CADPAAC), criminal justice professionals, court officials, the California Association of Alcohol and Drug Program Executives (CAADPE) and members of the Legislature. Based on this input and consideration of the criteria stated above, the Department selected a methodology that considered three basic factors and was incorporated into the regulations:

1) Population as a relative indicator of need
2) Arrest data as a relative indicator for demand
3) Caseload data as an indicator of treatment capacity and supply to meet demand

[4] The emergency regulations were effective July 1, 2001, and made permanent January 17, 2002 [Chapter 2.5 (commencing with Section 9500), Division 4, Title 9, California Code of Regulations].

This methodology was used for the allocation of the FY 2000-01 start-up funds. Using a 50-25-25 model, the methodology is as follows:

1) Fifty percent of the available funds to counties were distributed in a manner that provided a base allocation for each county with the remainder distributed based on population. The base allocation reflects the standard alcohol and drug program funding methodology which provides each county $2,500 for every $1 million of funds available.

2) Twenty-five percent of the available funds were distributed based on treatment caseload data.

3) Twenty-five percent of the funds were distributed based on adult felony and misdemeanor arrest data.

The 50-25-25 model methodology is derived from population and base allocation funding for all counties, statistics on drug arrests, and treatment caseload.

The Department considered and rejected an alternate 80-10-10 model as an allocation methodology. This formula uses 80 percent standard allocation methodology, 10 percent drug arrest data, and 10 percent statewide treatment caseload data. A comparative analysis demonstrated that, by selecting the 50-25-25 model:

- Larger counties with an aggregate population of 21 million people received more funds.
- Thirty-nine counties, with an aggregate population of less than 13 million people received more than they would have under the 80-10-10 model.

When developing the allocation for the FY 2001-02 funds, the Department presented the allocation methodology to the SACPA Statewide Advisory Group. The members supported the Department's utilization of the same methodology used for FY 2000-01 funds. Provision 3 of Item 4200-001-3019 of the Budget Act of 2001 required the Department to report to the Legislature on the method used to distribute the FY 2001-02 allocation of funds appropriated by the Act. ADP reported on this process, stating that, though it moved quickly to allocate the funds using the 50-25-25 methodology, there was a commitment to continue discussion with stakeholders on this decision.

D. LICENSING AND CERTIFICATION

The Act greatly expanded the numbers of clients potentially eligible for services in publicly funded drug treatment programs. Additionally, it required that services be provided in programs licensed or certified by ADP. Regulations require licensure or certification by the Department, assuring that clients in publicly funded programs receive services that meet required standards for treatment quality, and protect clients' health and safety.

On any given day, up to 90,000 clients receive services in alcohol and other drug treatment programs funded through the Department. With SACPA clients projected at up to 71,000 annually, the service delivery system had to rapidly expand available capacity to accommodate the expected caseload without displacing other clients in need of services.

E. TRAINING AND TECHNICAL ASSISTANCE

Successful implementation of SACPA not only required collaboration but the skills and shared knowledge of all stakeholders to make the new statute work. In May 2001, ADP co-sponsored the "Making It Work!" technical assistance conference at which more than 500 participants from criminal justice, drug treatment, and other systems participated. In November 2001, ADP called together all county lead agencies directly involved in administering and implementing SACPA to provide technical assistance on implementation. Financial support of these efforts was provided by the California Endowment and the federal Center for Substance Abuse Treatment (CSAT). In addition to statewide training, technical assistance to counties was also made available through CSAT's Addiction Technology Transfer Center at the University of California at San Diego.

The Department continues to explore ways to improve working relationships with the county agencies responsible for implementing the Act. A staff member from the Department's Office of Criminal Justice Collaboration (OCJC) is assigned as liaison to each county, and is the primary contact for the SACPA County Plan, reporting requirements, regulations, etc., for that county. This permits staff from each county to develop a working relationship with a single point of contact in OCJC. ADP staff throughout the Department work together to ensure counties are receiving consistent and accurate information for SACPA implementation.

F. AUDITS

SACPA requires ADP to audit the expenditures of counties annually. ADP began the initial audits of FY 2000-01 funds in September 2001. The primary focus of the audits is to assure that SACPA funds are used in accordance with the Act and the regulations. Counties must repay any funds not spent in accordance with the requirements.

Counties are required annually to audit contractors who expend $300,000 or more in SACPA funds to ensure compliance with the Act. Audits must be conducted in accordance with "Government Auditing Standards", published by the United States General Accounting Office.

G. COUNTY PLANS

As part of the initial implementation, and as a condition for receipt of funds, each county board of supervisors was required to designate a county lead agency to administer SACPA at the local level. Regulations required the county lead agency to:

- Coordinate the development and ongoing implementation of a county plan which:
  - Described how SACPA-funded county services would be coordinated
  - Described how the county planned to provide and fund services
  - Identified the responsible entity and the process used to determine clients' level of need for, placement in, and referral to drug treatment and additional services
- Provide directly and/or contract for the provision of SACPA services
- Administer the county trust fund set up for SACPA funds
- Coordinate the provision of services with county agencies and other entities
- Submit data and reports to the Department

The Department issued guidelines and instructions for counties to use in submitting their plans. Lead agencies submit a county plan to the Department annually, and ADP must approve the plan in order for counties to receive funds. The first year plan was due May 1, 2001. Under these guidelines counties submitted data on proposed expenditures, projected number of clients to be served, and client service capacity.

In developing their county plans, lead agencies were required to hold coordination meetings at least once every three months, although many coordinated such meetings more frequently. Those participating typically included:

- the county alcohol and drug program administrator
- the probation department
- parole representatives
- the courts

Input was also sought from providers of drug treatment services and drug treatment association representatives, impacted community parties, and federally recognized American Indian tribes.

Plans for all 58 counties were submitted and have been approved for FY 2001-02. Highlights of the FY 2001-02 SACPA county plans were produced by Health Systems Research, Inc. with financial support from the federal Center for Substance Abuse

Treatment (CSAT). *The Health Systems Research, Inc. report highlighting the FY 2001-02 SACPA county plans is available on the Department's website at http://www.adp.ca.gov.* Key points of the plans include:

Participants to be Served:

Prior to submission of county plans, early estimates of SACPA participants to be served ranged from approximately 38,000 to 80,000. Counties used varying methods to estimate the number of expected clients, and noted estimates could easily change. County plans initially estimated 71,000 clients to be served, with 90% referrals from probation and 10% referrals from parole.

Fiscal Year 2000/01 Funds:

Counties reported their anticipated expenditures of the $60 million start-up funding received in March 2001. Most of the funds were being moved forward to meet future needs in FY 2001/02 and beyond.

Fiscal Year 2001/02 Funds:

Most counties reported budgeting less than their full first year allocation in order to establish "reserves" in the event early estimates proved incorrect. Others anticipated a lower number of eligible clients in year one, with more spending occurring in year two and beyond. The average percentage rate of funds budgeted was 92.1% (range 48.5% to 100%).

H. Drug Testing Treatment Funding under SATTA (Senate Bill 223):

Because SACPA funds cannot be used for drug testing purposes, legislation (SB 223, Burton) was enacted to provide funding to counties for this activity. In order to implement the drug testing provisions contained in SB 223, the Department developed program requirements and instructions to counties for this purpose. The provisions were effective October 11, 2001 and written instructions to counties were released November 9, 2001, within 30 days of the law's enactment.

In order to receive funds, counties were required to submit drug testing plans for FY 2001-02. These plans described:

- How drug testing would be used as a treatment tool
- How much the county would spend on drug testing and for other purposes
- The number of clients to be tested
- The number of tests to be conducted

The Department developed guidelines, templates, and a Web-based data collection system to accept electronic submission of all required plan elements.

With the exception of Alpine County (which declined funding), all counties submitted FY 2001-02 drug testing plans, which were reviewed and approved by ADP for funding. Highlights of the plans are as follows:

- Counties project that approximately 35,000 clients will be drug tested during the period of October 2001 – June 2002, using 84% of the available $8.3 million.

- Approximately 26 counties plan to use 100% of these funds for testing Proposition 36 clients. The funds not used for drug testing will be used for other treatment services, as permitted by federal rules governing the funds.

- The mean number of tests administered is 27 per client.

- The average cost per test is $11.73.

A second year of funding totaling $8.6 million was set aside for drug testing in the proposed State Budget for FY 2002-03.

Section IV.

LONG-TERM EVALUATION

IV. LONG-TERM EVALUATION

Health and Safety Code Section 11999.10 requires the Department to fund a long-term study to evaluate the effects of SACPA. Following a competitive application process, the Department contracted with the Integrated Substance Abuse Programs Division of the University of California at Los Angeles to conduct the SACPA outcome evaluation. In addition to outcomes, the evaluation will examine which types of interventions work most effectively for different types of offenders. It will discuss how SACPA is being implemented, including the services SACPA participants are receiving.

The long-term evaluation will examine:

- patterns of implementation
- system impacts
- net costs
- adequacy of funding
- offender outcomes related to criminal recidivism, substance abuse, employment, education and training, and health and family indicators

The methodology includes analyses of:

- cost-offset
- client outcomes
- program implementation
- lessons learned

The design includes a variety of approaches:

- pipeline modeling
- surveys and focus groups (with stakeholders, system representatives, clients, and others)
- time series analysis
- cost analysis

Three major sources of data will be used to answer the evaluation's research questions:

1) *State administrative databases* (e.g., criminal justice, treatment, ADP program, hospital discharge, Medi-Cal, mental health, disability and unemployment insurance, taxable income, and Vital Statistics records) will provide non-obtrusive information from all 58 counties.

2) *Raw data* (e.g., court records, probation/parole files, and treatment program records) will be obtained from county records by permission.

3) *Primary data* (original data from annual survey of stakeholders, in-depth discussion groups with stakeholders, participant observation, and sample surveys of offenders) will be collected in selected "focus" counties.

Ten "focus" counties have been selected to participate in collecting in-depth client level data not feasible for collection statewide. Counties were invited to participate based on the following criteria:

- Representation of both urban and rural counties
- Broad geographic coverage of the state
- Solid data collection plans or capabilities
- Diversity of implementation strategies

Twenty-four counties expressed interest in participating. The counties chosen were:

- Alameda
- Kern
- Los Angeles
- Mendocino
- San Joaquin
- San Mateo
- Santa Barbara
- Santa Clara
- Shasta
- Ventura

These focus counties also agreed to participate in additional activities throughout the five-year study, including:

- Facilitating contact between SACPA clients and UCLA;
- Facilitating additional data collection, access and analysis; and
- Participating in stakeholder and focus groups.

Evaluation goals were developed in each of the following areas:

A. <u>Cost-offset</u>

Goals will determine if the Act leads to a cost-offset in incarceration, health care, and public assistance, and if overall funding is adequate. The evaluation will address these issues using methods that include a quantitative analysis of SACPA costs and cost-savings as well as descriptive analysis of the adequacy of funds appropriated. Findings will be reported in years 2004 and 2005.

B. Client Outcomes

Goals will assess the Act's impact on public safety (reduction in criminal recidivism), on drug use by clients/offenders, and on the well-being of offenders' families. Outcomes are to be compared among four pairs of offender groups from 2002 and 2003. Due to the timing of data collection and analysis, outcomes will be reported in the latter part of the study. For clients entering SACPA treatment in 2002, results will be reported late in 2004, and for those entering in 2003, results will be available in late 2005.

C. Implementation

Goals will describe SACPA-eligible offender movement through the criminal justice and drug abuse treatment systems to document innovation in procedures and cross-system collaboration. Methods include:

- "Pipeline models" showing how offenders move from the point of initial agreement to participate in the criminal justice and treatment systems
- Annual surveys of state and county stakeholders
- Stakeholder focus groups in years 2002 and 2004
- Participant observation at policy and research meetings and conferences

D. Lessons Learned

Goals will identify problems that arose during implementation, describe how these problems were solved, and determine implications for the future of the Act and similar initiatives. Findings will be reported yearly, and summarized in an annual report to the Legislature. A full description of the long-term evaluation design will be contained in the UCLA's first year report to the Department.

Section V.

DATA COLLECTION AND REPORTING SYSTEMS

V. DATA COLLECTION AND REPORTING SYSTEMS

The Department is required to report annually on the effectiveness and financial impact of SACPA programs. Proposed FY 2001-02 budget trailer language would have required the Department to provide specific program information by April 2002. Because the program commenced July 1, 2001, the Administration vetoed the language as it was unlikely that sufficient data would be available in time to result in a meaningful report by April 2002. This annual report attempts to address the available data elements contained in that language. Specifically this report addresses:

- Status of the implementation effort
- Impact and distribution of funding allocations
- Collaborative agreements with stakeholders
- Number of new alcohol and drug treatment facilities that have been licensed and certified

Data from the systems described below is analyzed to produce the annual ADP evaluation as well as data analyses and other reports. To assist the Department in evaluation and program management, several primary data collection systems were enhanced, and a new system was developed specifically to capture data required for implementation of the Act.

The SACPA Reporting Information System (SRIS) was created to collect and maintain aggregate fiscal and service information at the county level. The purpose of this data management system is to facilitate county plan submission and county reporting requirements, monitor county-level program management, and to provide administrative data for the statewide evaluation. Counties submit their county plans and biannual program reports using the web-based SRIS and may also submit updates and revisions via the online system. The SRIS also tracks drug testing services provided through the Substance Abuse Treatment and Testing Accountability (SATTA) funding, pursuant to Senate Bill 223.

Expenditure data is submitted in six-month intervals. Counties report on non-treatment services provided to SACPA clients, which are paid with funds provided through state allocations. These include case management services, such as referral, assessment, placement, supervision, literacy training, family counseling, and vocational training. The first reports were due January 31, 2002, for the first six months of implementation (July 1 through December 31, 2001). Reports for the full 12-month period (July 1 through June 30) are due annually on July 31. Counties also report the status of their trust funds (including expenditures and income such as interest and client fees) annually on September 30.

Data for ancillary and other services have been difficult to capture. Some counties did not budget SACPA funds or report SACPA expenditures for these categories as they are maximizing the use of other service systems and funding sources to provide needed services to SACPA clients. In addition, services such as literacy training and vocational

training are often provided as ancillary services by the treatment provider and are not billable as separate services.

The Department has initiated an independent validation study of the SRIS. The evaluation is designed to ensure the effectiveness of this data management tool. It is necessary to understand its accuracy and consistency in order to appropriately and adequately interpret the data. Through this effort, the Department hopes to improve our ability to capture data on ancillary and other services. This project will measure the value of the data contained in the SRIS in meeting program requirements. The study should be completed by March 31, 2003.

In addition, ADP enhanced the following data collection and reporting systems to collect SACPA data:

- **California Alcohol and Drug Data Set (CADDS) -** Counties use this system to report data on probationers and parolees admitted to SACPA treatment services. Developed in 1991, CADDS is the centralized alcohol and other drug (AOD) data collection system used by the Department to track the various direct AOD services provided to clients in treatment. In conjunction with state and county fiscal systems, CADDS is used to plan, research and analyze the impact of policy changes on the service delivery system.

  Each time a participant is enrolled for alcohol and other drug treatment services at a reporting facility, information is collected regarding socio-demographics and AOD use patterns. Each participant's initial admission to the facility and each subsequent transfer or change in service type are reported separately. Facilities report additional data at the time of discharge and any referral to other service providers or departure from services. CADDS data is delivered monthly to the Department.

  Section VI of this report describes SACPA clients entering treatment programs and provides comparisons to criminal justice clients not in the SACPA program and non-criminal justice clients in treatment.

- **Drug and Alcohol Treatment Access Report (DATAR)** - Counties use this system to report the number of persons waiting to receive publicly funded treatment. DATAR gathers data on treatment capacity and participant time spent waiting to receive services. DATAR assists in identifying specific categories of individuals awaiting treatment and available treatment slots. All AOD treatment providers who receive AOD treatment funding through the Department are required to submit the DATAR form on a monthly basis. Changes to the form became effective July 1, 2001, in order to capture the SACPA data. Not all service providers have made the transition to the new requirements effectively, and the Department is working with these providers to ensure more timely and accurate information is received.

- **Negotiated Net Amount (NNA) Contracts** - Counties submit their alcohol and drug treatment budgets and cost reports of expenditures based on funds administered by ADP. These cost reports provide data at the treatment program level and include expenditures and number of service units delivered.

The Department will also analyze the data available in the **California Treatment Outcome Project (CalTOP) data system**. CalTOP is the Department's response to the federal Treatment Outcomes Performance Pilot Studies Enhancement (TOPPS II) grant. The CalTOP pilot project is utilizing a standardized, automated system to track client movement through county alcohol and other drug treatment systems to determine service outcomes in terms of AOD abuse and other social service needs. The project provides data on a demographically representative population for the state using specific volunteer counties and treatment providers.

This report does not present CalTOP information because currently the numbers are small and available data is limited. In the future, CalTOP data will be used to supplement CADDS data on SACPA offenders entering treatment in the 13 counties involved in the pilot. This information will be available in subsequent annual reports.

Section VI.

PRELIMINARY FINDINGS

VI. PRELIMINARY FINDINGS

This section describes the first six months of SACPA implementation (July 1 through December 31, 2001). The information is derived from the SRIS and CADDS data systems, as described in the previous section.

All data displayed in this first annual SACPA report are preliminary and subject to change. While the early data is relatively positive, the information covers only a short start-up period and should not be viewed as conclusive. As in any new government program, there are "start-up" issues that affect the look of beginning data. These could include data collection issues, definitions of data to be collected, mandatory versus voluntary data elements, accuracy of data entry, and projected versus actual client counts, among others. Due to these issues, some counties have not been able to provide all of the requested data, resulting in an incomplete picture in some instances. As mentioned earlier in Section V, data for ancillary and other services have been difficult to capture. Because of the reasons cited in that section, the findings do not include data on the delivery of ancillary services.

1. How many SACPA offenders were referred from criminal justice to treatment admission?

In every county, clients are being processed through the criminal justice system and receiving treatment. In the twelve largest counties during the first six months, 9,500 clients were placed in SACPA treatment. The statewide estimate is approximately 12,000. [5]

Counties initially estimated that they would have approximately 71,000 individuals in treatment during FY 2001-02. It is important to note that not everyone who is eligible for Proposition 36 ends up in treatment. Though data is not available, some counties anecdotally report a higher percentage of individuals "opting out" of SACPA than anticipated. Eligible offenders may opt for other available drug treatment diversion programs, such as Drug Court or programs pursuant to Penal Code 1000. Drug Court and Penal Code 1000 diversion programs may offer pre-plea and deferred entry of judgment options that allow clients to complete court monitored treatment without acquiring permanent criminal records. Also, individuals may choose to serve their jail or prison time.

On average, 60% of those referred by the criminal justice system are being admitted to treatment. Although statewide reporting systems do not collect

[5] Note: This report estimates the total clients placed in SACPA treatment at approximately 12,000, utilizing the SRIS in lieu of CADDS data. Client counts differ in CADDS and SRIS data. CADDS captures data on clients in publicly funded treatment slots, while SRIS also captures data on clients that may have private funding sources for treatment (e.g., Veteran's benefits or other medical insurance). The majority of CADDS clients will be also be represented by data contained in SRIS, as there is considerable overlap in these client populations.

information on persons not in treatment, counties have indicated anecdotally that various reasons exist. For example, on the day that the admission counts are taken, there are those who have been referred to a program, but have not yet had an appointment scheduled. Additionally, some individuals accept treatment as an option, and for various reasons, do not show up for treatment. In some cases, there were system impediments to quickly moving individuals from the courts and parole to treatment. The complexity of processing cases, as well as the need to continuously motivate and engage clients, are two significant challenges.

Similarly, 64% of those individuals referred by the Board of Prison Terms with instructions to report to treatment were placed. Having already made several adjustments to expedite referrals, the Board of Prison Terms has additional activities planned over the second half of the year to further streamline its referral process.

Counties report that they expect to improve the number of clients entering treatment by such methods as:

- Reducing barriers – such as lack of transportation, geographic distance, and time lags from referral to assessment – to assure clients make it from the courts to assessment centers
- Using pre-treatment groups to keep clients who have been assessed, but not yet placed, engaged in treatment

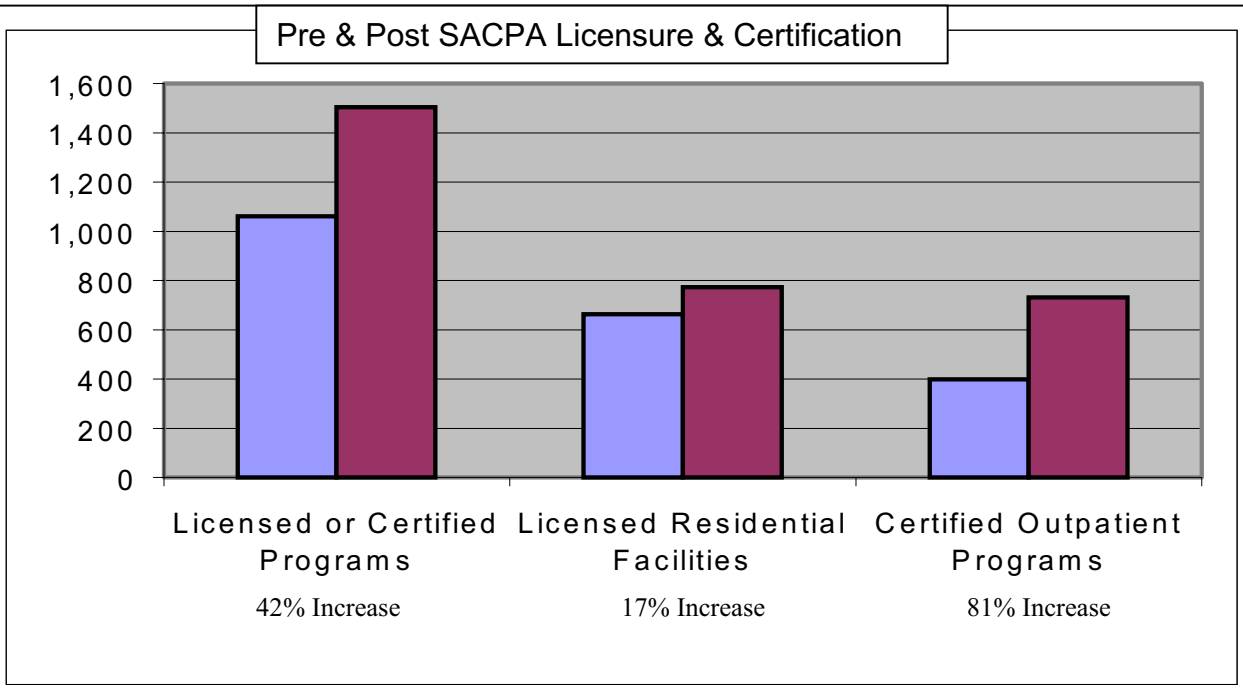
2. How did the service delivery system respond to the anticipated increase in demand for services?

All but three counties projected an increase in total capacity of services during FY 2001/02. The expected increase in total capacity for medium and large counties was about 40% to 43%. The expected increase in total capacity was much higher among the 37 small counties. In terms of treatment types statewide certification of outpatient programs has increased by 81% since passage of SACPA. Licensure of residential facilities has increased by 17% over that same period. Overall, the number of licensed or certified programs has increased by 42% statewide. The number of licensed programs includes those programs also certified to provide residential services.

Consistent with county projections, the Department experienced an increase in the number of applications for licensing and certification. Prior to the passage of the Act, the Department received an average of 12 applications per month (6 for licensure of residential facilities and 6 for certification of outpatient programs). Since passage of the Act, the Department has received an average of 42 applications per month (11 for licensure and 31 for certification). During the period of July through December 2001, the Department received 590

applications, of which 154 were for licensure and 436 for certification of outpatient programs.

An early and ongoing concern is adequate and appropriate treatment capacity. The AOD treatment field has struggled for many years to provide a continuum of care for persons experiencing addiction at varying degrees of severity. The potential lack of residential care appears to be the most pressing concern. Client characteristic data for the first six months support anecdotal concerns that SACPA clients have more serious addictions and require a substantially higher level of care than many planners expected. In some counties availability of resident treatment services is becoming an issue. Some counties are using a combination of sober living environments and intensive day treatment to meet the needs of clients needing clean and sober housing to support success in treatment.

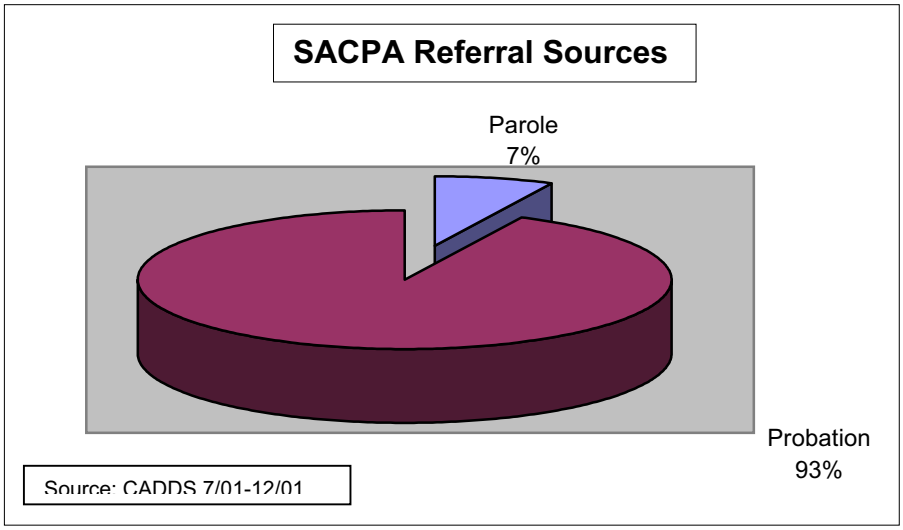


Source: Licensing and Certification Division Quarterly Report, Quarter ending 12/01.
Pre SACPA: Before 7/1/01
Post SACPA: 7/1/01-12/31/01

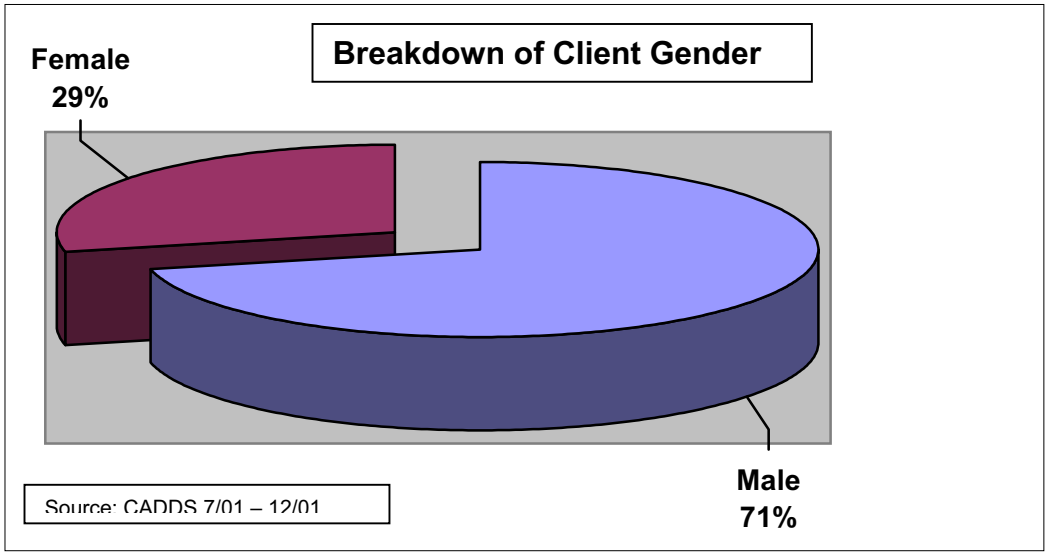
3. *What do SACPA clients admitted to treatment services look like?*

The following client data is reported from California Alcohol and Drug Data System (CADDS) from July 1, 2001 through December 31, 2001:

- Approximately 93% of these clients were referred by Probation Departments or the Courts, and about 7% are parole referrals.

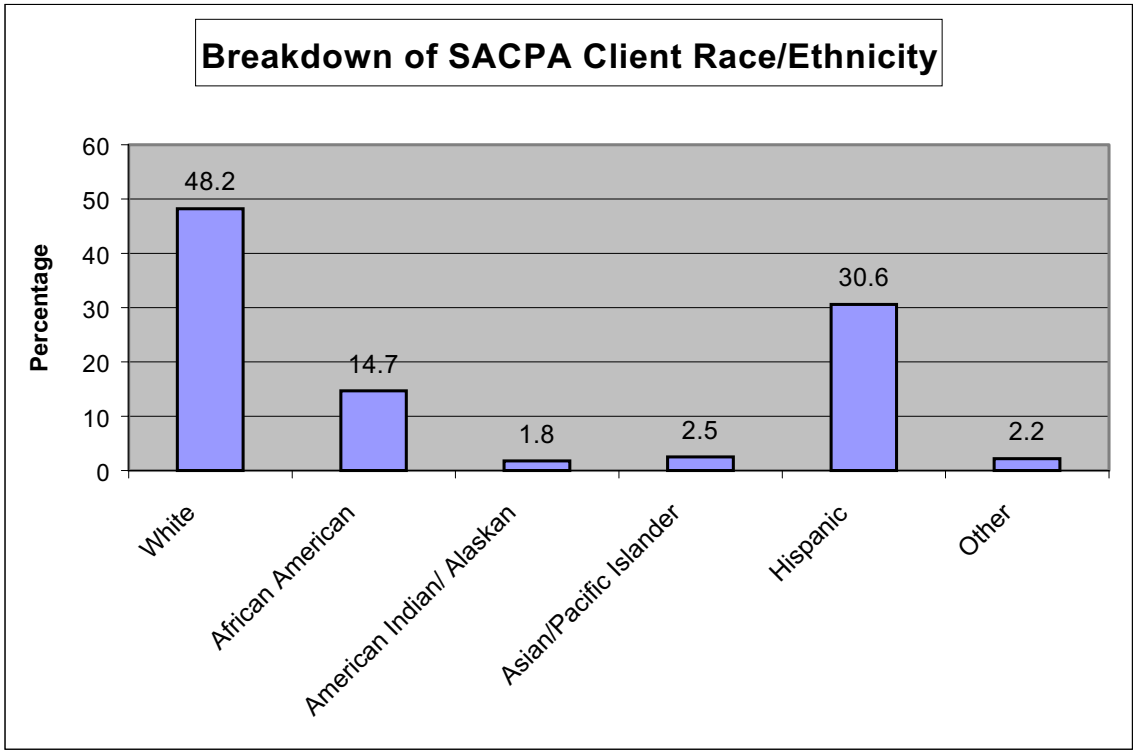


- Approximately 71% of SACPA participants are male.



Race/Ethnicity

- An estimated 48% of SACPA participants are white, while almost 31% are Hispanic, and approximately 15% are African-American. The "other" category includes all individuals who did not specify race/ethnicity when admitted to treatment.

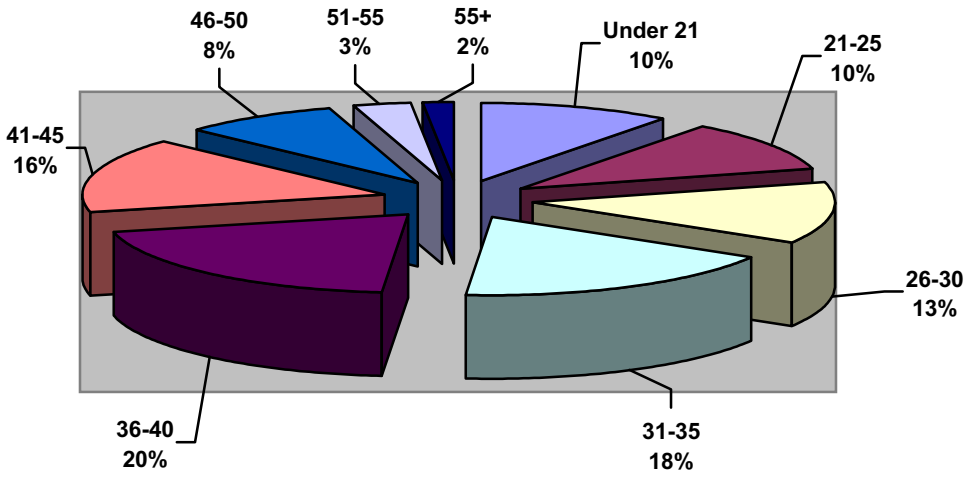


Source: CADDS data 7/01 – 12/01.

Age at Admission

- Almost 63% of SACPA participants reported they were younger than 20 years old when they first used their primary drug, and more than 21% reported being younger than 15 years of age at first use.
- 20% are 25 years of age or younger.
- More than 53% of these clients were between the ages of 31 and 45 at the time of admission to treatment.
- 13% were 46 years of age or older, and 5% were 51 years of age or older.

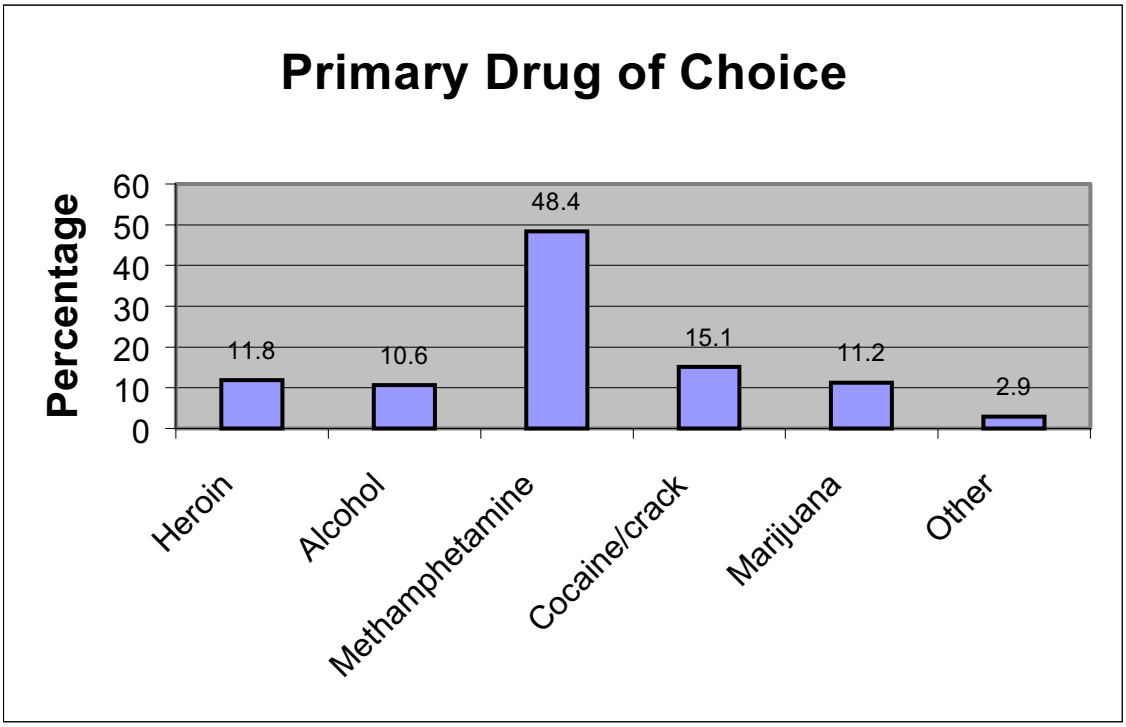
Breakdown of Age at Admission



Source: CADDS 7/01 – 12/01

Primary Drug of Choice

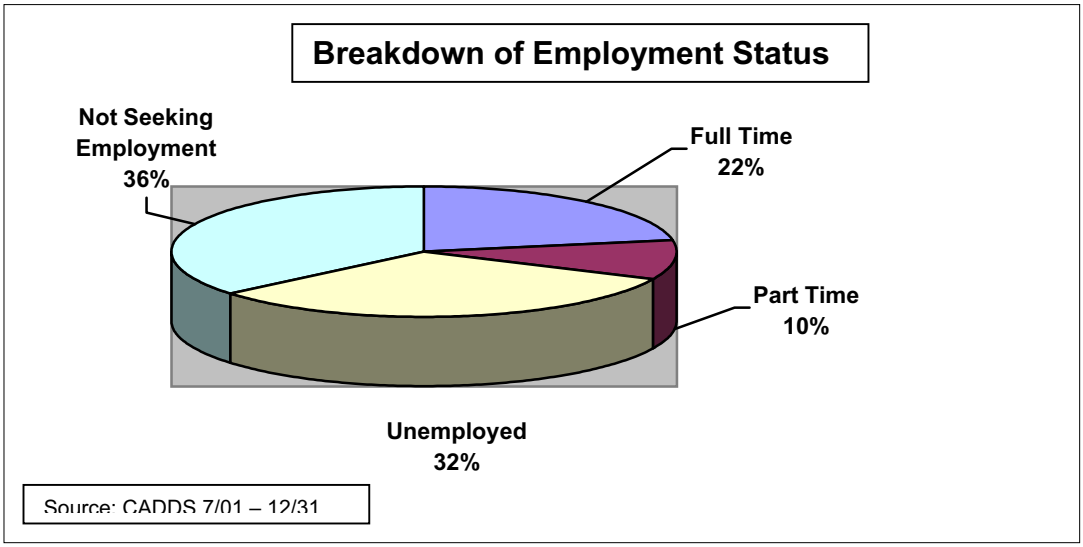
- Methamphetamines were reported as the primary drug in almost half of SACPA cases, (over 48%), with cocaine/crack a distant second, at just over 15%.
- Heroin, marijuana, and alcohol each were reported as the primary drug in about 11% of cases.
- The "Other" category includes PCP, other hallucinogens, barbiturates, other sedatives, amphetamines, tranquilizers and other opiates.



Source: CADDS 7/01 – 12/01.

Employment Status

- Approximately 32% of SACPA participants reported having either full or part-time employment.
- Another 32% reported being unemployed.
- The remaining 36% reported not having sought employment in the previous 30 days. [6]



Educational Attainment

- About 44% of SACPA participants had a high school diploma.
- Almost 13% reported some college.
- Another 35% reported having between a 9th grade to 11th grade education.
- Less than 3% reported they had obtained a college degree.

Housing

- Almost 90% of SACPA participants reported having housing.

[6] People "not seeking employment last 30 days" is a common labor force term used by the State Employment Development Department. It is used to designate those who may – for a variety of reasons (such as illness, education or family responsibilities) – drop out of the employment search temporarily.

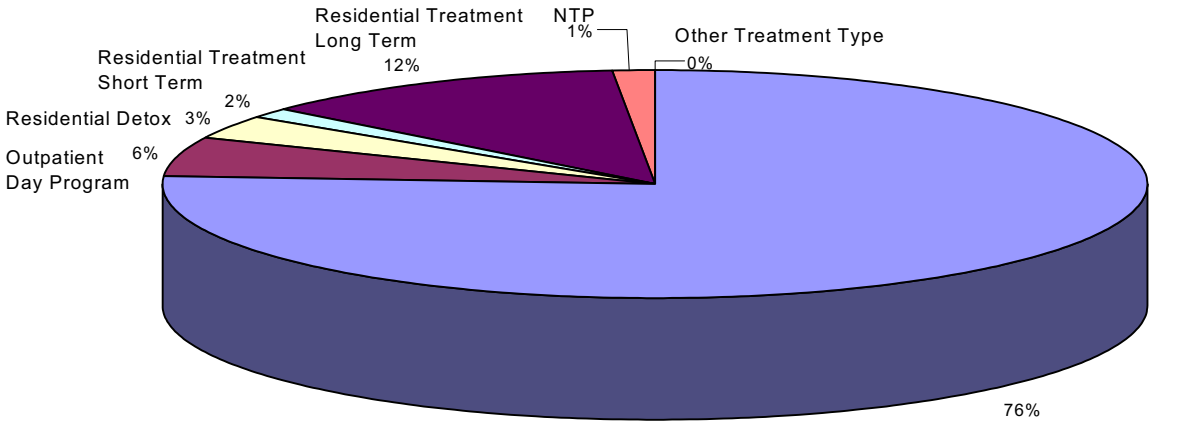
4. ***What treatment services were received?***

Following is client data showing the types of treatment services received by SACPA clients: [7]

- Outpatient recovery treatment was the modality utilized most frequently, (about 76% of the time), with long-term residential recovery treatment used about 12% of the time.

- Other treatment modalities include outpatient day programs, short-term residential treatment programs, narcotic replacement therapy programs, and hospital and non-hospital detoxification programs.

Breakdown of Treatment Types Used



Source: CADDS 7/01 – 12/01

[7] Departmental definitions of these modalities are listed in Appendix C for additional reference.

5. How much was spent for SACPA purposes?

Counties were given allocations and asked to submit their planned caseload and expenditures. Counties estimated that they would be serving approximately 71,000 individuals in the first year. Analysis of data from the 12 largest counties (representing 77 percent of the State population and 73 percent of the funds allocated for SACPA implementation) shows approximately 15% of the $124.6 million total funds available for FY 2001-02 were expended during the first six months (July 1 through December 31, 2001) of SACPA implementation. The total funds available included carryover funds from FY 2000-01.

Some counties actually budgeted less than the funds available for FY 2001-02 in order to have "reserves" in anticipation of dramatically accelerating caseloads in future years. The twelve largest counties budgeted $88 million of the $124.6 million total funds available to them for FY 2001-02.

County expenditure rates were slower than anticipated for the first six months. This largely reflects the fact that many counties experienced a slow start-up of client flow into SACPA programs and services. SACPA became effective July 1, 2001, but in many counties, it took several months for offenders to be processed through the criminal justice system, as new procedures were developed to handle the influx of new SACPA participants.

Another factor is the timing of report submission. Counties were required to report their expenditures for July 1, 2001 through December 31, 2001, by January 31, 2002. Many counties have obligated funds in provider contracts, but had not received and processed all invoices for services rendered by the reporting date.

Counties expect accelerated spending for January through June 2002, anticipating that a higher number of offenders will be processed through the criminal justice system as new procedures become streamlined and routine. New government program start-ups, particularly those involving the collaboration of many government sectors, often show slower initial spending as new procedures are put into place, with full spending occurring later as the program matures.

6. How were the dollars distributed?

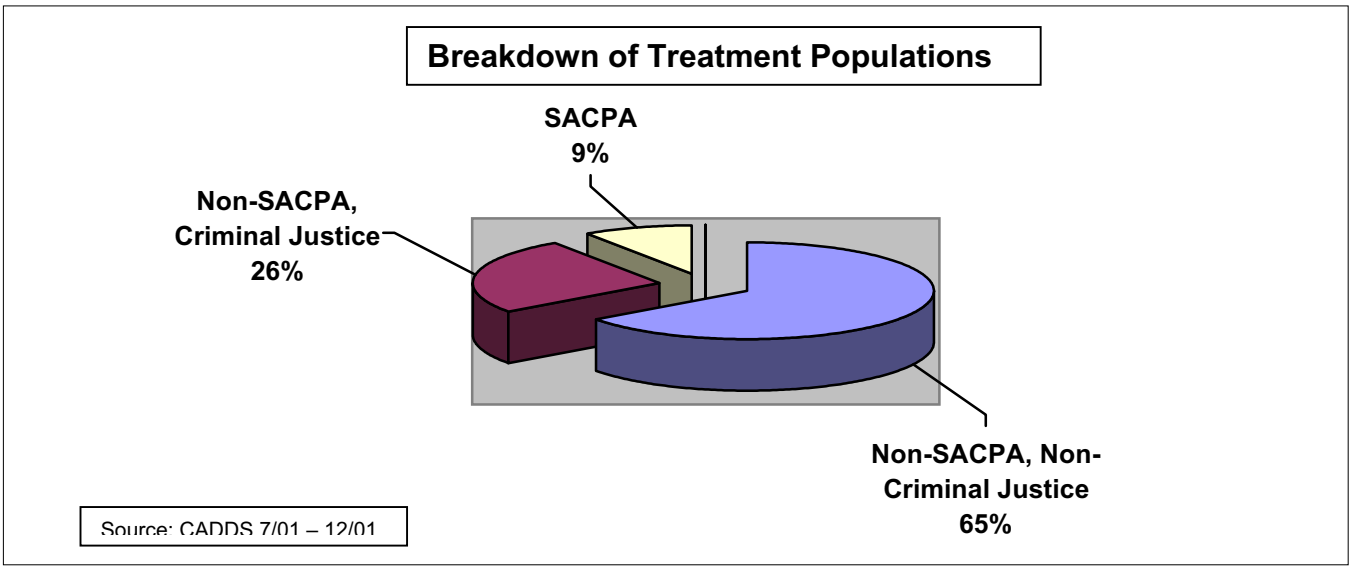
Counties were asked to submit their estimates of funds expected to be spent on treatment and on criminal justice activities. The 12 largest counties estimated a 79% / 21% split between treatment activities and criminal justice respectively. Expenditures for criminal justice activities actually totaled 36% during the first six months. With each county having distinct geographical, population and treatment needs, this allocation split will continue to be unique for each county. It is too early to tell how expenditures will be allocated between criminal justice activities and treatment services over time. However, many counties expect a shift toward

services over time, as more clients enter treatment programs and criminal justice costs – which were more intensive at start-up – are distributed over the full year.

7. ***How do SACPA clients compare to other clients admitted to treatment?***

The California Alcohol and Drug Data System (CADDS) tracks data on probationers and parolees admitted to treatment services.[8] This system was used to compare SACPA clients to the treatment population as a whole. Following are comparisons in the areas of referrals, gender, race, age, and primary drug of choice:

- CADDS data is collected on clients referred by the criminal justice system and non-criminal justice sources.
- CADDS clientele who are SACPA referrals represent a relatively small percentage (9.4%) of the total treatment population on whom information is collected.
- These clients are cited in the following tables and data points as the "***SACPA"*** client population; criminal justice referrals that are non-SACPA clients as "***Non-SACPA, Criminal Justice,"*** [9] and general population treatment clients who were not referred by the courts (and so are neither SACPA nor criminal justice clients) - referred to as "***Non-SACPA, Non-Criminal Justice.***"
- For July 1, 2001, through December 31, 2001, the total treatment population was 108,895. Of those, 65% (70,790) clients were "Non-SACPA, Non-Criminal Justice" clients, 26% (27,826) were "Non-SACPA, Criminal Justice" clients.
- The remaining 9% (10, 279) were "SACPA" referrals.

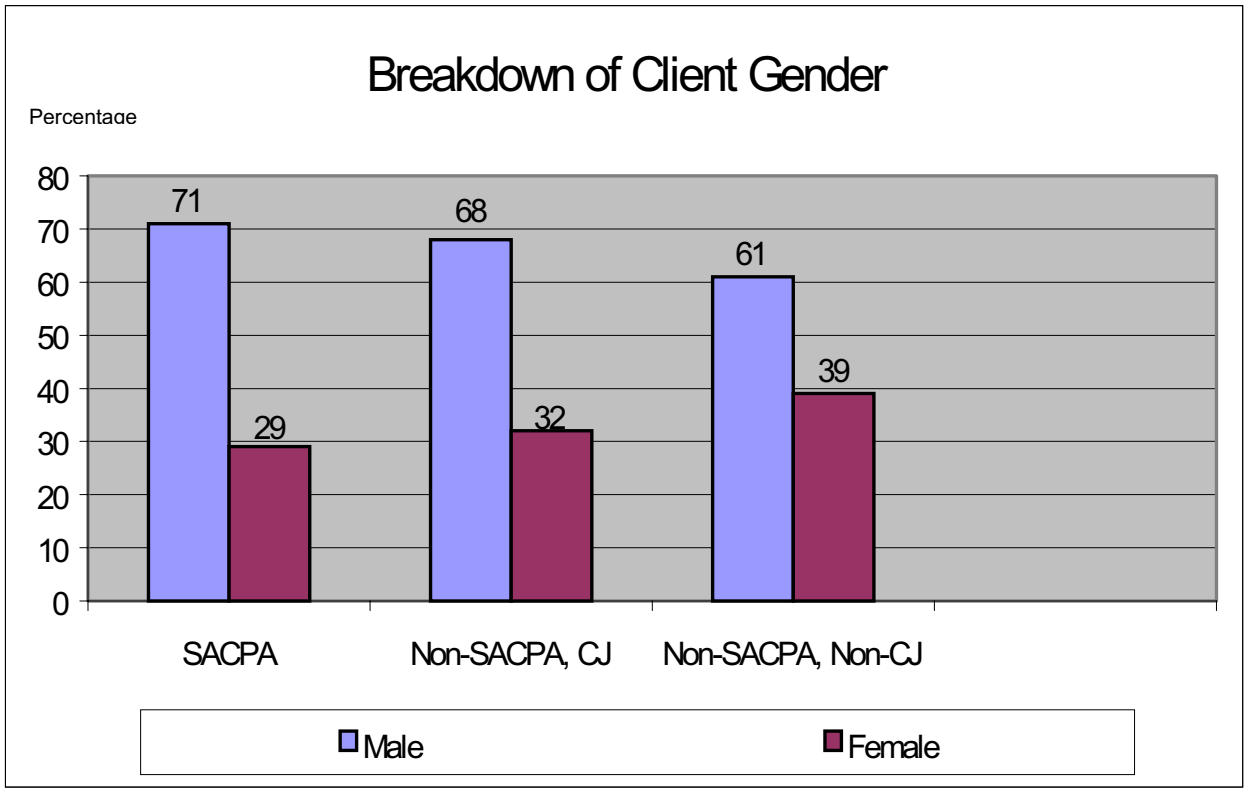


[8] Additional detail is available in the comparison table in Appendix A.

[9] These are mostly drug court and Penal Code 1000 – diversions or referrals, but also include court referrals (as a condition of probation or parole), Parolee Services Network (PSN) referrals and Bay Area Services Network (BASN) referrals.

Client Gender

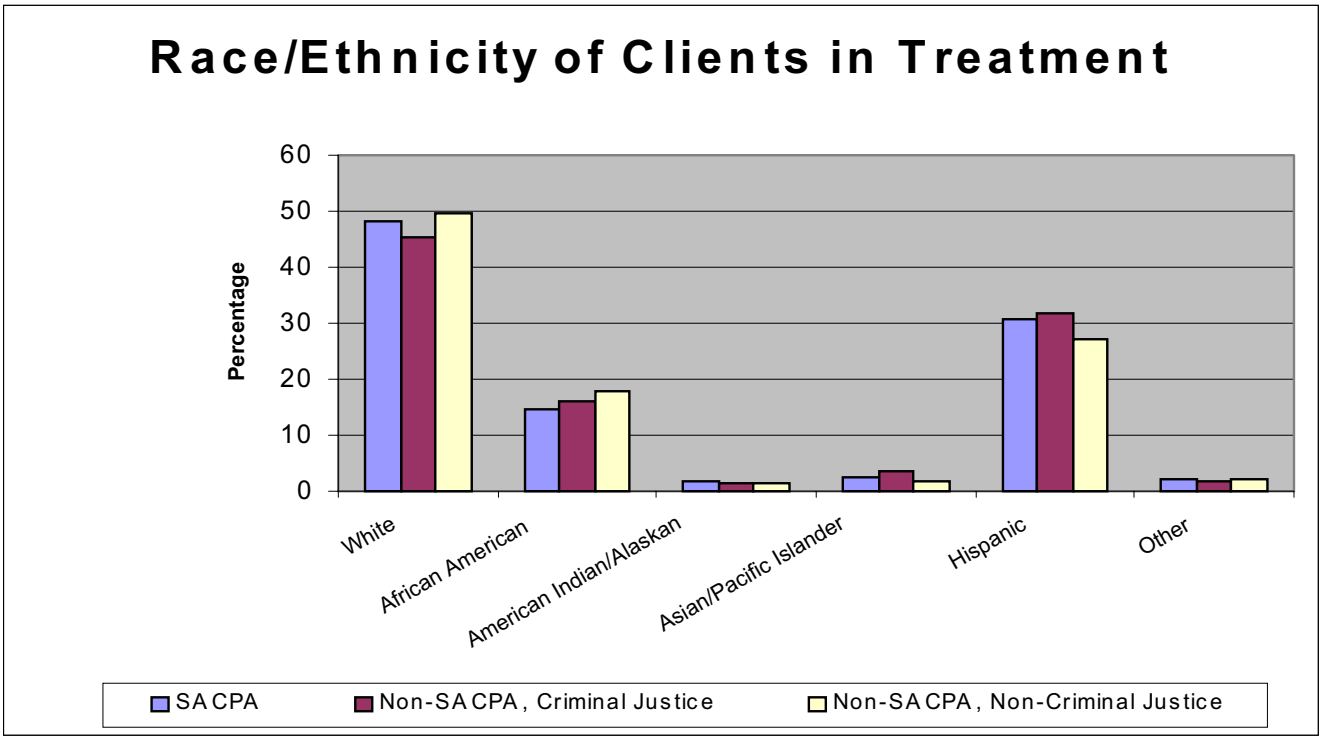
- CADDS clients (all sub-groups – including SACPA) are predominately male:
- The gender distribution is similar in all CADDS treatment populations (including SACPA).
- Women are represented at slightly higher rates in non-criminal justice treatment placements. Traditionally, fewer women are arrested, incarcerated, or subject to court or parole ordered treatment.



Source: CADDS data 7/1/01 – 12/31/01

Race – Ethnicity of Clients in Treatment

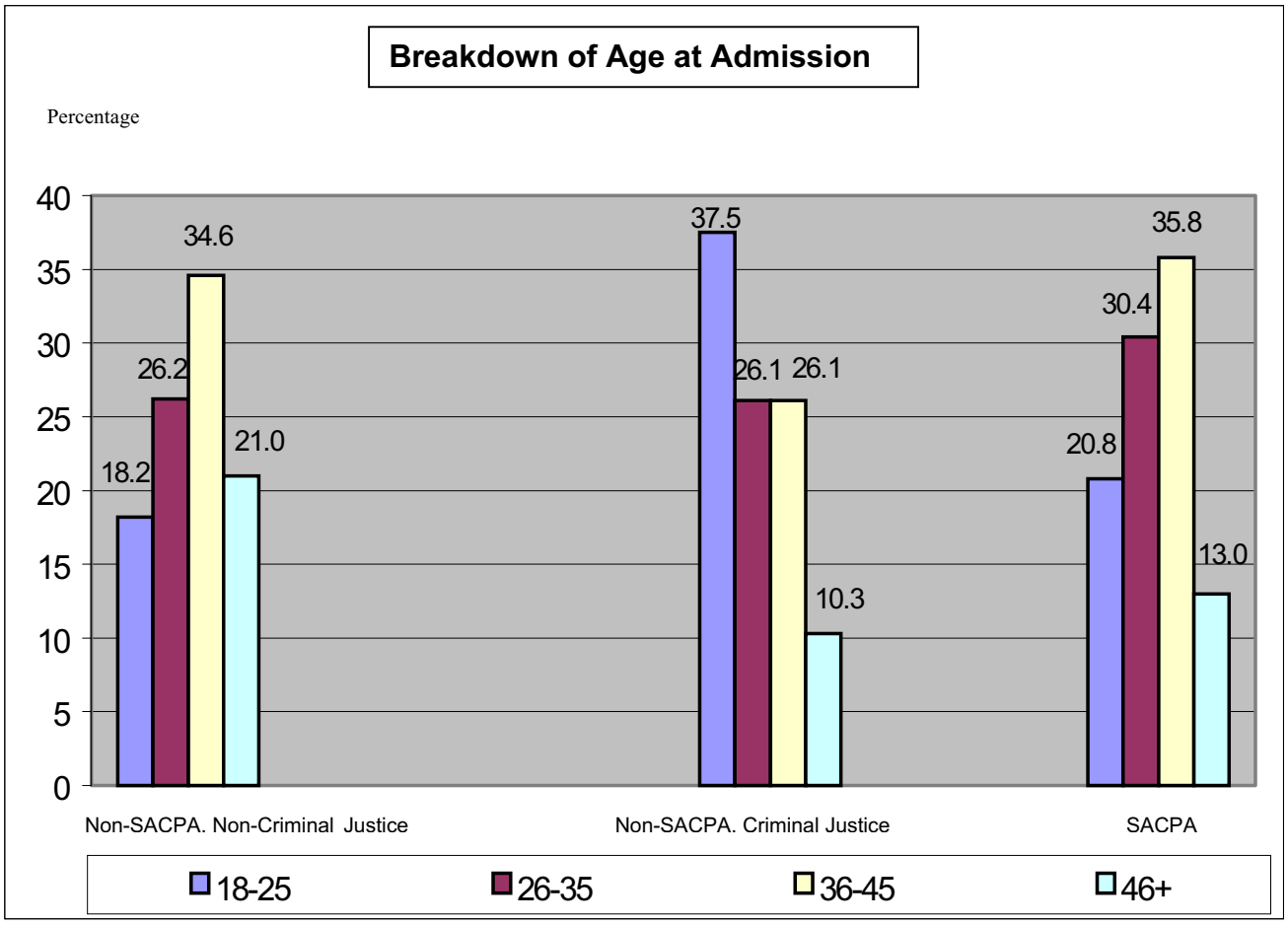
- The race/ethnicity comparison is similar across the three sub-groups.



Source: CADDS 7/01 – 12/01

Age at Admission

- Age at admission shows the greatest disparity between the three sub-groups.
- The general treatment population (non-SACPA, non-criminal justice) age distribution is similar to the SACPA client population.
- The non-SACPA criminal justice population has the greatest differences among age groups, with a distribution showing the largest younger concentration (18-25 years old) and smallest older concentration (46 years or older) of clients.
- The SACPA population tends to be older than the non-SACPA criminal justice population when comparing the percentage of those older than 36 at admission. Almost 49% of the SACPA population are age 36 or older, compared to only 36% of the non-SACPA criminal justice population.

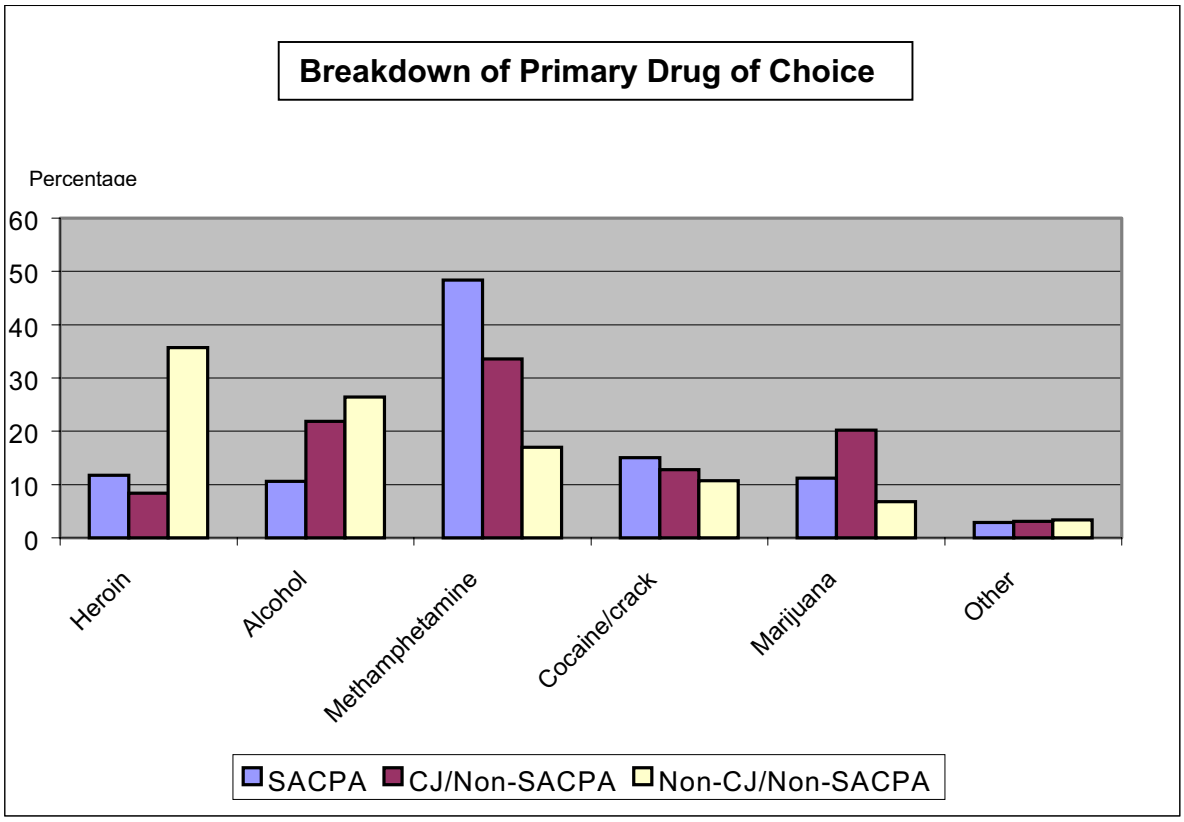


Primary Drug of Choice

- SACPA clients used methamphetamine as their primary drug in almost half the cases (over 48%), while the primary drug of choice for the general treatment population was heroin, at approximately 36%. It should be noted that admissions for heroin treatment are disproportionately presented due to more rigorous reporting requirements for facilities that use narcotic replacement therapy to treat heroin users. Both private and publicly funded narcotic treatment providers must report their admissions to the state. For the other drug types, only publicly funded providers must report.

- The criminal justice, non-SACPA treatment population also chose methamphetamine, in almost 34% of the cases, with alcohol chosen in approximately 22% of the cases, and marijuana chosen in 20% of the cases.

- The "Other" category includes PCP, other hallucinogens, barbiturates, other sedatives, amphetamines, tranquilizers, and other opiates.



Source: CADDS 7/01 – 12/01

Section VII.

Conclusions

VII. Conclusions

All data displayed in this first annual report should be considered preliminary and may be subject to change. As in any new government program, there are "start up" issues that affect the look of beginning data.

With only six months of data available, it is too early to gauge the rate of client success in Proposition 36 treatment programs. Following the initial implementation period, we expect the system to respond more quickly, and move more clients into treatment. As more data is compiled and analyzed, we hope to measure client success, in terms of increased health, less criminal justice involvement, greater family stability, and healthier life choices.

For many chronic offenders, SACPA represents hope for treatment of their addictions. Most agree it is premature to judge the overall effectiveness of this measure, although preliminary findings show during the first six months of implementation that approximately 12,000 statewide offenders are receiving help and treatment. The findings also highlight the following:

- Preliminary data shows that SACPA participants typically have a longer and possibly more severe history of addiction, which suggests that counties may have to dedicate additional SACPA funds to more intensive levels of treatment for these clients. As more data is collected, the impact of this population on funding must be carefully assessed.

- While most offenders receive outpatient treatment, many more severely addicted participants require live-in treatment service programs. In some counties availability of residential treatment services is becoming an issue. Some counties are using a combination of sober living environments and intensive day treatment to meet clients' needs for clean and sober housing to support success in treatment.

The first 20 months of SACPA implementation saw unprecedented collaboration and cooperation among the various agencies and entities involved in the implementation of SACPA. Stakeholders are poised to address challenges that lie ahead. Building on the achievements of the first year, there will be a need to ensure that:

- Collaboration and information sharing, vertically and horizontally at both the state and local level, continues.

- Building community-based treatment capacity be done thoughtfully and carefully in order to maintain public trust.

- Services are relevant and competent for California's many diverse cultures. Meeting the diverse treatment needs of California's communities will require planning and perseverance.

- Public awareness of the nature of addiction and recovery is heightened. There is a need to promote understanding of the effectiveness of treatment services in addressing the chronic condition of drug addiction. Recovery from these chronic conditions is a lifelong process. There is no absolute cure, but treatment can allow individuals to enjoy productive, healthy, and happy lives.

As we move forward, SACPA data will be helpful in guiding stakeholders in areas where additional attention is needed. Some of these areas, such as keeping clients in treatment and treating co-occurring disorders, are already being reviewed by stakeholders.

The Department remains committed to achieving successful implementation and operation of SACPA programs. We look forward to meeting the new directions and exciting challenges SACPA has fostered.

Future Reports

Future reports will contain evaluations of the continuing SACPA implementation, including information gained from both the CADDS and SRIS systems. Emerging issues will be discussed, and solutions and best or promising practices will be reported. As the program becomes established, and processes and practices are streamlined, more information will be available.

Additional information is available on ADP's website at:
http://www.adp.ca.gov.

Related links can also be accessed through this web page.

University of California, Los Angeles (UCLA) posts information on this project at http://www.medsch.ucla.edu/som/npi/DARC/sa/prop36/CPA2000evaluation.html.

Other related sites include:

The California Legislative Analyst's Office:
http://www.lao.ca.gov/2000_reports/prop36/121400_prop_36.html,

The California Judicial Council – Drug Court News/Prop 36 and related links:
http://www.courtinfo.ca.gov/programs/drugcourts/prop36.html,

University of California, San Diego (UCSD) – Addiction Technology Transfer Center:
http://www.attc.ucsd.edu.

Appendix A

Tables and Graphs

Characteristics of Clients Admitted to Treatment

July 1, 2001 through December 31, 2001

Comparison of SACPA and NON-SACPA CADDS PARTICIPANTS

Note: This report estimates the total clients placed in SACPA treatment at approximately 12,000 utilizing the SRIS in lieu of CADD data. Client counts differ in CADDS and SRIS data. CADDS captures data on clients in publicly funded treatment slots, while SRIS also captures data on clients that may have private funding sources for treatment, (e.g., Veteran's benefits or other medical insurance). The majority of CADDS clients will also be represented by data contained in SRIS, as there is considerable overlap in these client populations.

SACPA			**CJ Non SACPA**			**ALL Non SACPA**		
Gender		**%**	**Gender**		**%**	**Gender**		**%**
Male	7334	71.3	Male	18931	68.0	Male	43088	60.9
Female	2945	28.7	Female	8895	32.0	Female	27702	39.1
	10279	**100**		**27826**	**100**		**70790**	**100**
Race/Ethnicity			**Race/Ethnicity**			**Race/Ethnicity**		
White	4946	48.2	White	12567	45.2	White	35184	49.7
Black	1514	14.7	Black	4519	16.2	Black	12552	17.7
American Indian/Alaskan	186	1.8	American Indian/Alaskan	431	1.5	American Indian/Alaskan	1158	1.6
Asian/Pacific Islander	260	2.5	Asian/Pacific Islander	914	3.4	Asian/Pacific Islander	1177	1.7
Hispanic	3136	30.6	Hispanic	8860	31.8	Hispanic	19165	27.2
Other	229	2.2	Other	533	1.9	Other	1520	2.1
	10271	**100**		**27824**	**100**		**70756**	**100**

Comparison of SACPA and NON-SACPA CADDS PARTICIPANTS

SACPA		
Age at Admission		
Under 21	1057	10.3
21-25	1075	10.5
26-30	1327	12.8
31-35	1810	17.6
36-40	2070	20.1
41-45	1610	15.7
46-50	849	8.3
51-55	320	3.1
55+	161	1.6
	10279	**100**
Primary Drug		**%**
Heroin	1209	11.8
Alcohol	1093	10.6
Barbiturates	6	0.1
Other Seditives	9	0.1
Methamphetamines	4975	48.4
Other Amphetamines	56	0.5
Other Stimulants	7	0.1
Cocaine/crack	1555	15.1
Marijuana/hashish	1150	11.2
PCP	148	1.4
Other hallucinogens	10	0.1
Tranquilizers	7	0.1
Other Tranquilizers	2	0.0
Non-RX Methadone	1	0.0
Other Opiates/synthetics	31	0.3
Other	20	0.2
	10279	**100**

CJ Non SACPA		
Age at Admission		
Under 21	6558	23.7
21-25	3839	13.8
26-30	3403	12.2
31-35	3874	13.9
36-40	4137	14.9
41-45	3128	11.2
46-50	1748	6.3
51-55	736	2.6
55+	403	1.4
	27826	**100**
Primary Drug		**%**
Heroin	2336	8.4
Alcohol	6083	21.9
Barbiturates	17	0.1
Other Seditives	26	0.1
Methamphetamines	9361	33.6
Other Amphetamines	158	0.6
Other Stimulants	12	0.0
Cocaine/crack	3562	12.8
Marijuana/hashish	5616	20.2
PCP	274	1.0
Other hallucinogens	64	0.2
Tranquilizers	18	0.1
Other Tranquilizers	9	0.0
Non-RX Methadone	1	0.0
Other Opiates/synthetics	114	0.4
Other	175	0.6
	27826	**100**

All Non SACPA		
Age at Admission		
Under 21	6094	8.6
21-25	6770	9.6
26-30	7730	10.9
31-35	10833	15.3
36-40	12831	18.1
41-45	11667	16.5
46-50	8216	11.6
51-55	4250	6.0
55+	2399	3.4
	70790	**100**
Primary Drug		**%**
Heroin	25249	35.7
Alcohol	18698	26.4
Barbiturates	56	0.1
Other Seditives	57	0.1
Methamphetamines	12035	17.0
Other Amphetamines	216	0.3
Other Stimulants	35	0.0
Cocaine/crack	7542	10.7
Marijuana/hashish	4837	6.8
PCP	261	0.4
Other hallucinogens	61	0.1
Tranquilizers	98	0.1
Other Tranquilizers	22	0.0
Non-RX Methadone	42	0.1
Other Opiates/synthetics	1277	1.8
Other	304	0.4
	70790	**100**

Comparison of SACPA and NON-SACPA CADDS PARTICIPANTS

SACPA		
Service Type		
OP Tx/Recovery	7822	76.1
OP Meth Maintenance	94	0.9
OP Day Program	583	5.7
OP Detox	1	0.0
Meth Detox	34	0.3
Res Dx Hospital	1	0.0
Res Dx Non-Hospital	319	3.1
Res Tx/Recovery short	169	1.6
Res Tx/Recovery long	1256	12.3
	10279	**100**
Age First Use/Primary Drug		**%**
Under 15	2163	21.1
15-17	2464	24.0
18-20	1800	17.5
21-25	1595	15.5
26-30	964	9.5
31-35	637	6.2
35+	641	6.2
	10264	**100**
Labor Force on Admittance		
Employed FT	2279	22.2
Employed PT	1003	9.8
Unemployed	3288	32.0
Not seeking work	3706	36.0
	10276	**100**

CJ Non SACPA		
Service Type		
OP Tx/Recovery	18512	67.1
OP Meth Maintenance	120	0.4
OP Day Program	1933	7.0
OP Detox	4	0.0
Meth Detox	0	0.0
Res Dx Hospital	2	0.0
Res Dx Non-Hospital	1015	3.8
Res Tx/Recovery short	339	1.2
Res Tx/Recovery long	5662	20.5
	27587	**100**
Age First Use/Primary Drug		**%**
Under 15	9541	34.4
15-17	7002	25.2
18-20	4190	15.1
21-25	3300	11.9
26-30	1781	6.4
31-35	958	3.4
35+	1003	3.6
	27775	**100**
Labor Force on Admittance		
Employed FT	5035	18.1
Employed PT	2353	8.5
Unemployed	5500	19.8
Not seeking work	14292	53.6
	27180	**100**

ALL Non SACPA		
Service Type		
OP Tx/Recovery	20878	36.8
OP Meth Maintenance	6512	11.5
OP Day Program	2724	4.8
OP Detox	70	0.1
Meth Detox	0	0.0
Res Dx Hospital	23	0.0
Res Dx Non-Hospital	13740	24.2
Res Tx/Recovery short	2623	4.6
Res Tx/Recovery long	10208	18.0
	56778	**100**
Age First Use/Primary Drug		**%**
Under 15	19299	27.3
15-17	17108	24.2
18-20	12666	17.9
21-25	10157	14.4
26-30	5432	7.7
31-35	2819	4.0
35+	3164	4.5
	70645	**100**
Labor Force on Admittance		
Employed FT	9879	14.0
Employed PT	4375	6.2
Unemployed	16117	22.7
Not seeking work	40397	57.1
	70768	**100**

Comparison of SACPA and NON-SACPA CADDS PARTICIPANTS

SACPA		
Frequency of Use		
No Past Month Use	3787	36.9
1-3 times/past month	1623	15.8
1-2 times/week	1248	12.2
3-6 times/week	1039	10.1
Daily	2571	25.0
	10268	**100**
Highest Grade Completed		**%**
No schooling	142	1.4
Grade 8 or less	490	4.8
Grade 9-11	3604	35.0
H.S. Grad	4480	43.6
Some College	1294	12.6
College Grad	264	2.6
	10274	**100**
Homeless?		
No	7830	89.5
Yes	920	10.5
	8750	**100**

CJ Non SACPA		
Frequency of Use		
No Past Month Use	10885	39.1
1-3 times/past month	3778	13.6
1-2 times/week	2776	10.0
3-6 times/week	2384	8.6
Daily	7991	28.7
	27814	**100**
Highest Grade Completed		**%**
No schooling	339	1.2
Grade 8 or less	2228	8.0
Grade 9-11	10965	39.5
H.S. Grad	10445	37.5
Some College	3055	11.0
College Grad	786	2.8
	27818	**100**
Homeless?		
No	20888	87.7
Yes	2942	12.3
	23830	**100**

ALL Non SACPA		
Frequency of Use		
No Past Month Use	10258	14.5
1-3 times/past month	4880	6.9
1-2 times/week	4031	5.7
3-6 times/week	6633	9.4
Daily	44957	63.5
	70759	**100**
Highest Grade Completed		**%**
No schooling	694	1.0
Grade 8 or less	4136	5.8
Grade 9-11	21295	30.2
H.S. Grad	30491	43.1
Some College	10623	15.0
College Grad	3497	4.9
	70736	**100**
Homeless?		
No	48507	74.4
Yes	16654	25.6
	65161	**100**

Statewide CADDS data, 7/1 - 12/31/01

Excel tables created 4/11/01

Appendix B

Fact Sheet:
“Substance Abuse and Crime Prevention Act of 2000”

Fact Sheet:

SUBSTANCE ABUSE AND CRIME PREVENTION ACT OF 2000

On November 7, 2000, California voters approved Proposition 36 -- The Substance Abuse and Crime Prevention Act of 2000 (the Act). The Act is the most significant state law change since "three strikes," and substantially changes California's judicial processes and substance abuse treatment systems.

What the Act Does

Under the Act, most non-violent adult offenders who use or possess illegal drugs will receive drug treatment in the community rather than incarceration. It was designed to:

- Preserve jail and prison cells for serious and violent offenders.
- Enhance public safety by reducing drug-related crime.
- Improve public health by reducing drug abuse through proven and effective treatment strategies.

Eligible offenders receive up to one year of drug treatment and six months of after-care. The courts may sanction offenders who are not amenable to treatment. Vocational training, family counseling, literacy training, and other services may also be provided.

- The Act also requires that participating treatment programs be licensed or certified, with certain exceptions.
- Use of Proposition 36 funds for drug testing is specifically prohibited by the Act, but special funding for drug testing was added by Senate Bill 223 (Burton), Chapter 721, Statutes of 2001 (approved October 2001).

Funding

Effective July 1, 2001, the Act appropriates $120 million annually for distribution to counties to operate drug treatment programs and to provide other services. The Act has no overall sunset date, but funding provided in the act ends after fiscal year 2005-2006.

The Department of Alcohol and Drug Programs (ADP) is to allocate funds each year to county governments to cover the cost of implementing this measure. Funds are allocated on a formula that distributes 50% on a base allocation, 25% on number of drug arrests, and 25% on drug treatment caseload.

Planning and Collaboration

Regulations (Title 9, California Code of Regulations) implementing the Act require counties to designate a County Lead Agency to administer the Act locally and to receive funds. As a condition of receiving funds, counties must annually submit a county plan describing the processes and services that they will employ to implement the Act, as well as proposed expenditures. The plans must be developed and implemented in collaboration with all county agencies and any other entities responsible for administering the Act and with input from providers of drug treatment services, impacted community parties and federally recognized American Indian tribes.

Reports and Evaluation

Counties are required to submit reports to ADP. Currently-available data collection systems will be utilized whenever possible and effective. The Act requires ADP to annually evaluate the effectiveness and fiscal impact of the programs funded, including the implementation process, review of incarceration costs and changes in the crime rate, prison and jail construction, and welfare costs.

The Act also provides up to $3.3 million for a mandated, long-term study on the effectiveness of the Act and the fiscal impact of the programs authorized by the Act to be conducted by a California public university. The study will include the implementation process, a review of lower incarceration costs, reductions in crime, reduced prison and jail construction, reduced welfare costs, the adequacy of funds appropriated, and any other impact or issues that can be identified by ADP.

Office of Criminal Justice Collaboration
CA Dept. of Alcohol and Drug Programs
1700 K Street, Sacramento, CA 95814
www.adp.ca.gov
Phone: (916) 445-7456
FAX: (916) 327-7308; TDD: (916) 445-1942
E-mail: SACPA@adp.state.ca.us

Appendix C

Definitions of Treatment Modalities

Definition of Treatment Modalities

These definitions are provided from "***Treatment Works! Where to find help in California Communities for Alcohol and Other Drug Problems***," ADP's directory designed to assist those seeking help for alcohol and other drug-related problems by providing information about services available in California communities. Printed copies of the directory (ADP-98-3485), may be ordered from ***ADP's Resource Center*** at1-800-879-2772 or 916-327-3728.

Detoxification Non-medical
A service designed to support and assist an individual in the withdrawal process, without medication or medical care; explore plans for continued services.

Medical Detoxification
Treatment which involves a period of planned withdrawal from alcohol or other drug dependency under the supervision of medical personnel. Medication may be prescribed (including methadone detoxification). Counseling and supportive services are also provided.

Narcotic Replacement Therapy (Narcotic Treatment Program, or NTP / Maintenance)
A program which is licensed by the State Department of Alcohol and Drug Programs, or is operated by the federal government, to administer LAAM, methadone or any other approved narcotic to opiate addicts on a continuing basis (i.e., longer than 21 days).

Outpatient / Non-Residential or Intensive Outpatient / Day Program
Services are provided to persons who reside outside the facility, maintain an individual recovery plan, and attend regularly scheduled counseling or group sessions.

- Outpatient / non-residential - once or more per month

- Intensive outpatient / day / program - two or more hours per day for three or more days a week

Residential Treatment Facilities and Certified Alcohol and Other Drug Programs
Residential treatment facilities provide non-medical alcoholism or drug abuse recovery, treatment, or detoxification services to adults in a residential setting. May be long or short-term.

Residential / Recovery home
The facility provides food, shelter, and recovery services, on a 24-hour basis, for persons with alcohol and/or other drug abuse problems. Hospitals are not included in this category.