DSHS: Alcohol and Substance Abuse Program

Adult Behavioral Health Task Force

June 13, 2014

Presented by:

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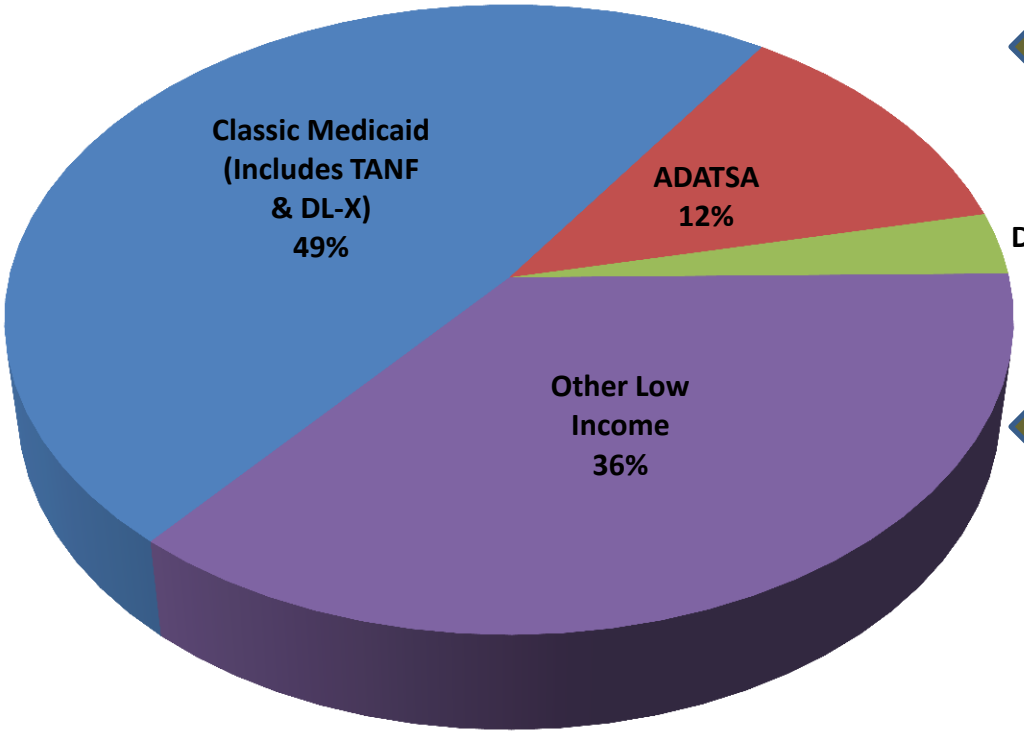
Focus of this presentation

- Topics covered in this presentation include:
  - Who is served by the state alcohol and substance abuse program and how do they access services?
  - What are the different types of services provided and associated costs?
  - Where are services located?
  - Issues related to Medicaid expansion and Medicaid rates.
  - Key decision points related to integration of behavioral health services and impacts on the chemical dependency system and providers.
- Topics not covered in this presentation include:
  - Substance abuse services purchased through the Department of Corrections or the Health Care Authority.
  - Services purchased locally through .1% tax or other county dollars.
  - Services funded out of pocket or by private insurance.

Part I

- Who is served by the state alcohol and substance abuse program and how do they access services?

Approximately 24,000 clients per month received alcohol and substance abuse services through DSHS in fiscal year 2013



ADATSA & DL-U clients became eligible for federal match in January 2011

Over 80% of other low income clients are expected to be eligible for Medicaid under the ACA

In order to qualify for state only funded services, an individual must be at or below 220% of the federal poverty level

How are individuals clinically assessed and referred for treatment?

- Referrals come from a variety of sources (approximately 31% of referrals come through the courts).
- Assessments done by licensed Chemical Dependency Professionals (CDP) working for certified agencies.
- CDPs use a variety of assessment tools but they must collect minimum information in accordance with agency standards.
- Level of care determinations based on American Society of Addiction Medicine (ASAM) criteria
  - Framework for comprehensive multi-dimensional bio psychosocial assessment; and
  - Guidelines for placement, continued stay, and transfer/discharge of patients with addiction and co-occurring conditions.
- CDPs must give 3 referrals for treatment agencies, one of which may include their own agency.

Part II

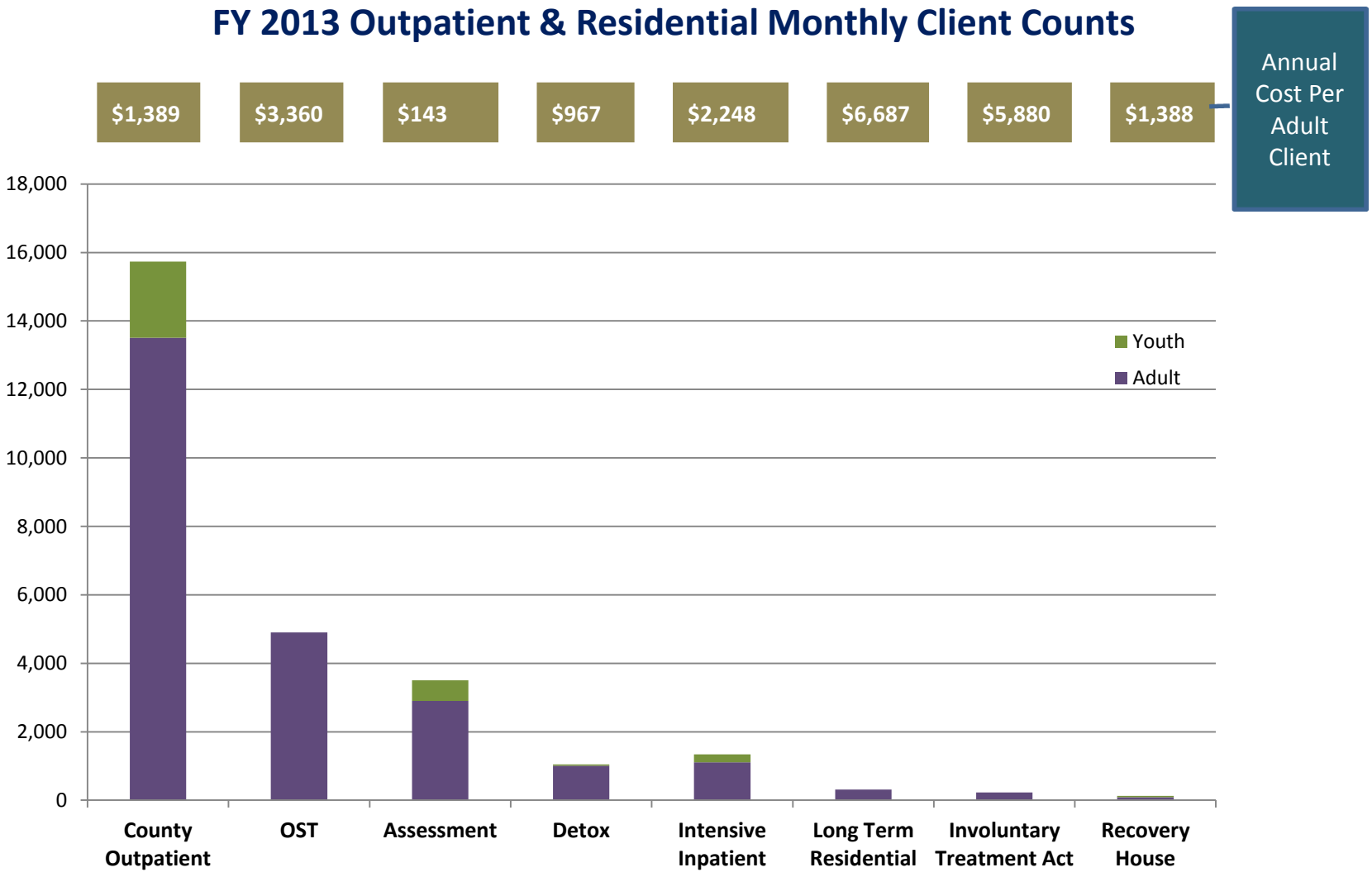
- What are the different types of services provided and associated costs?

For fiscal year 2015, DSHS is appropriated $239.6 million in total funds for alcohol and substance abuse services

Categories	Contracted Through	GF-S	Total
County Funded Treatment Services (includes assessments, outpatient, detoxification, and opiate substitute treatment services)	Counties	35.0	116.0
Residential and CD Involuntary Treatment Beds	DSHS	19.1	48.9
Tribal Services	DSHS	0	32.2
Drug Courts	Counties	1.8	11.4
Prevention	DSHS, OSPI, & Counties	0.0	9.1
Support Services (e.g. Oxford Houses, Interpreters, Problem Gambling, other Federal Grants)	DSHS	0.5	8.4
Pregnant & Parenting Women Support Services	DSHS	4.3	7.6
DSHS Headquarters Administration	DSHS	3.5	5.9
Total		64.3	239.6

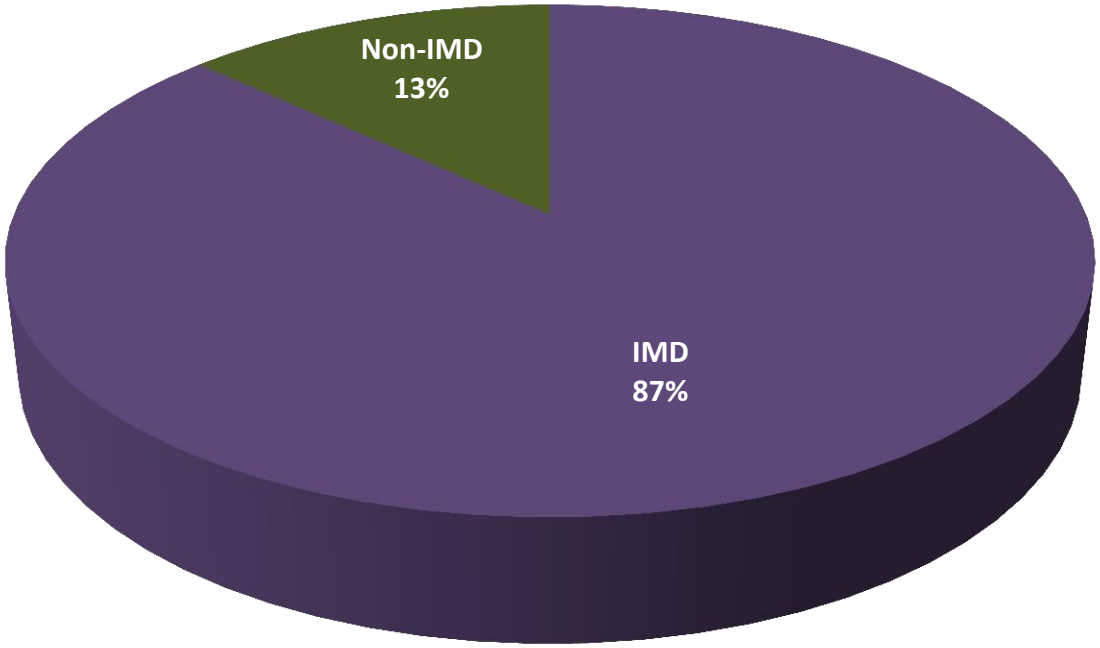
Notes: 1.Other funds include federal Medicaid, other federal grants, CJTA, and local funds
2.This does not include TANF funding used for CD treatment which is approximately $1.6 million in FY 2015

Outpatient or Opiate Substitute Treatment (OST) is provided to 75% of the individuals served



87% of adult residential and inpatient beds are in settings that are not eligible for Medicaid for those aged 21-64

	IMD	Non-IMD	Total
Intensive Inpatient	460	32	492
Long Term Residential	128	83	211
Recovery House	30	0	30
Involuntary Treatment	142	0	142
Total	761	115	876



Notes: 1. By July 1, 2015, DSHS is supposed to convert 128 IMD beds to non-IMD beds
2. This chart reflects data through December 2013 but some of the 128 beds have already converted and others will convert in July

Other specialized services are contracted for pregnant and parenting women

Program	Brief Description	Served Annually
Parent Child Assistance Program	Provides advocacy services and other supports to high risk, substance abusing pregnant and parenting women and their young children. (Serves residents of King, Pierce, Spokane, Clark, Clallam, Grant, Yakima, Cowlitz, Kitsap, Skagit & Grays Harbor counties)	730
Safe Babies Safe Moms	Comprehensive program for high-risk substance abusing pregnant and parenting women and their young children that includes: Residential and Outpatient Chemical Dependency Treatment; Housing Support Services, and Targeted Intensive Case Management (TICM) up to three years. (Serves residents of Snohomish, Benton-Franklin, & Whatcom counties)	250
PPW Housing Support	Provides alcohol- and drug-free residences and case management services for women and their children for up to 18 months. (Statewide resource- services are in Kitsap, Snohomish, Whatcom, Cowlitz, Spokane, King, Yakima counties)	327
Parent Trust	Provides family support groups for families recovering from chemical dependency. (Serves individuals in PPW residential programs)	417
Fetal Alcohol Syndrome Satellite	Provides screening and surveillance for high-risk populations and diagnostic and treatment referral services to individuals of all ages with fetal alcohol exposure. (Statewide resource- services are in Snohomish, Spokane, King, & Yakima counties)	46
All programs		1,770

Approximately 5,000 people received services that are funded through the Criminal Justice Treatment Account in FY 2013

- Funding provided to counties and tribes to provide alcohol and drug treatment services to offenders under the supervision of the courts.
- Two models for court related services:
  - Drug Court per RCW 2.28.170: a court that has special calendars or dockets designed to achieve a reduction in recidivism and substance abuse among nonviolent, substance-abusing offenders by increasing their likelihood for successful rehabilitation through early, continuous, and intense judicially supervised treatment, mandatory periodic drug testing, and the use of appropriate sanctions and other rehabilitation services.
  - Other court supervised models: local arrangements that coordinate treatment services to offenders under the supervision of a county/tribe's court but do not meet the conditions described in RCW 2.28.170.
- Courts may order a period of treatment that is longer than determined to be "medically necessary" by a clinician or health plan.

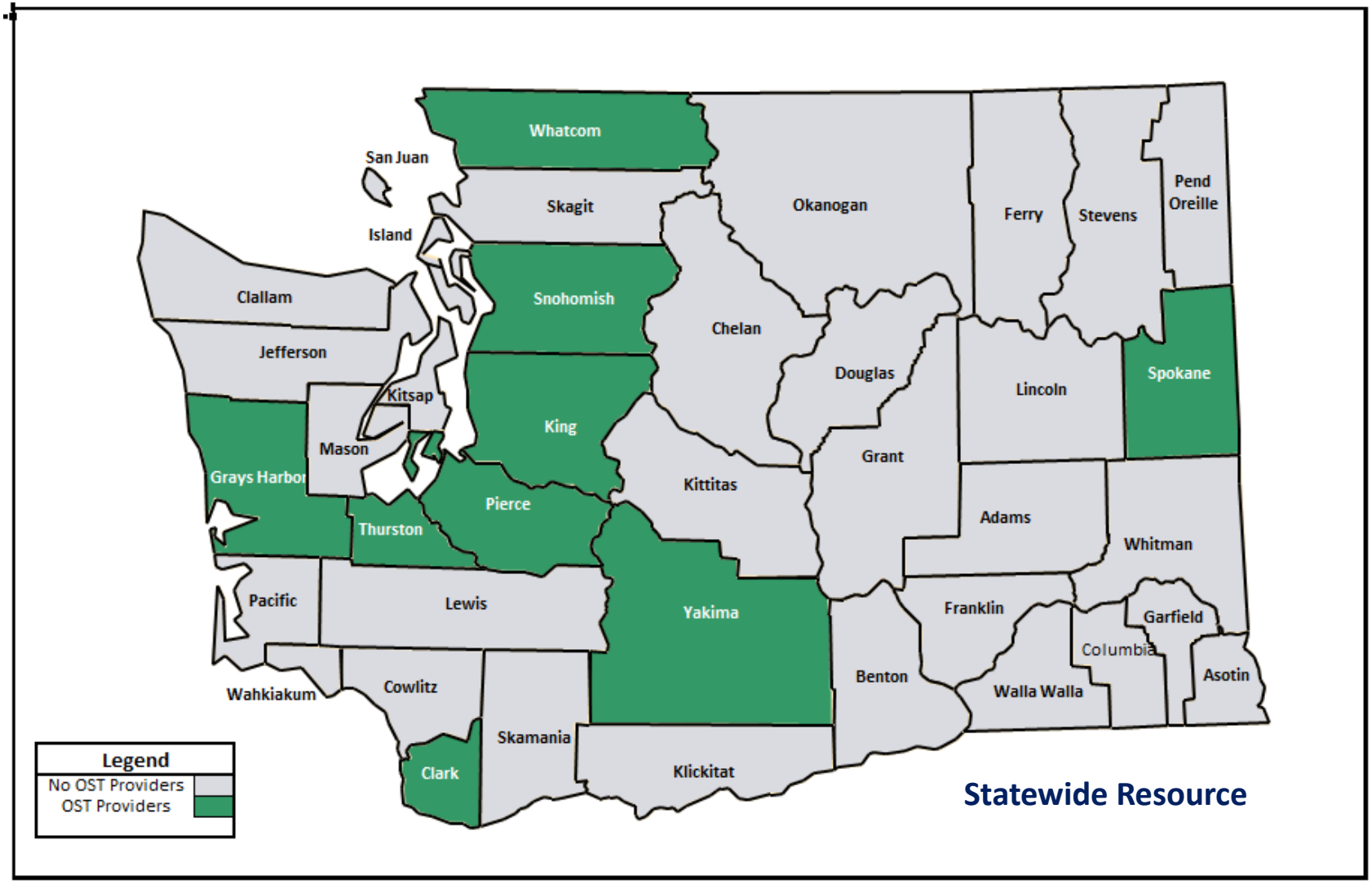
Funding for prevention services is provided almost solely by a federal grant

- Funded with Federal Substance Abuse Prevention and Treatment (SAPT) Block Grant which requires a minimum of 20% be spent on prevention.
- Designed to prevent or reduce the misuse and abuse of alcohol, tobacco, and other drugs.
- Provided through contracts with counties, OSPI and other providers.
- Examples include:
  - Support for local coalitions to promote wellness and reduce underage drinking;
  - Prevention/intervention specialists in local schools;
  - College wellness conference and other prevention activities;
  - Health promotion campaigns; and
  - Support for evidence based prevention programs.
- DSHS reports that 70% of prevention programs use evidence-based practices.
- A portion of funds from marijuana revenues are designated for preventing and reducing substance abuse.

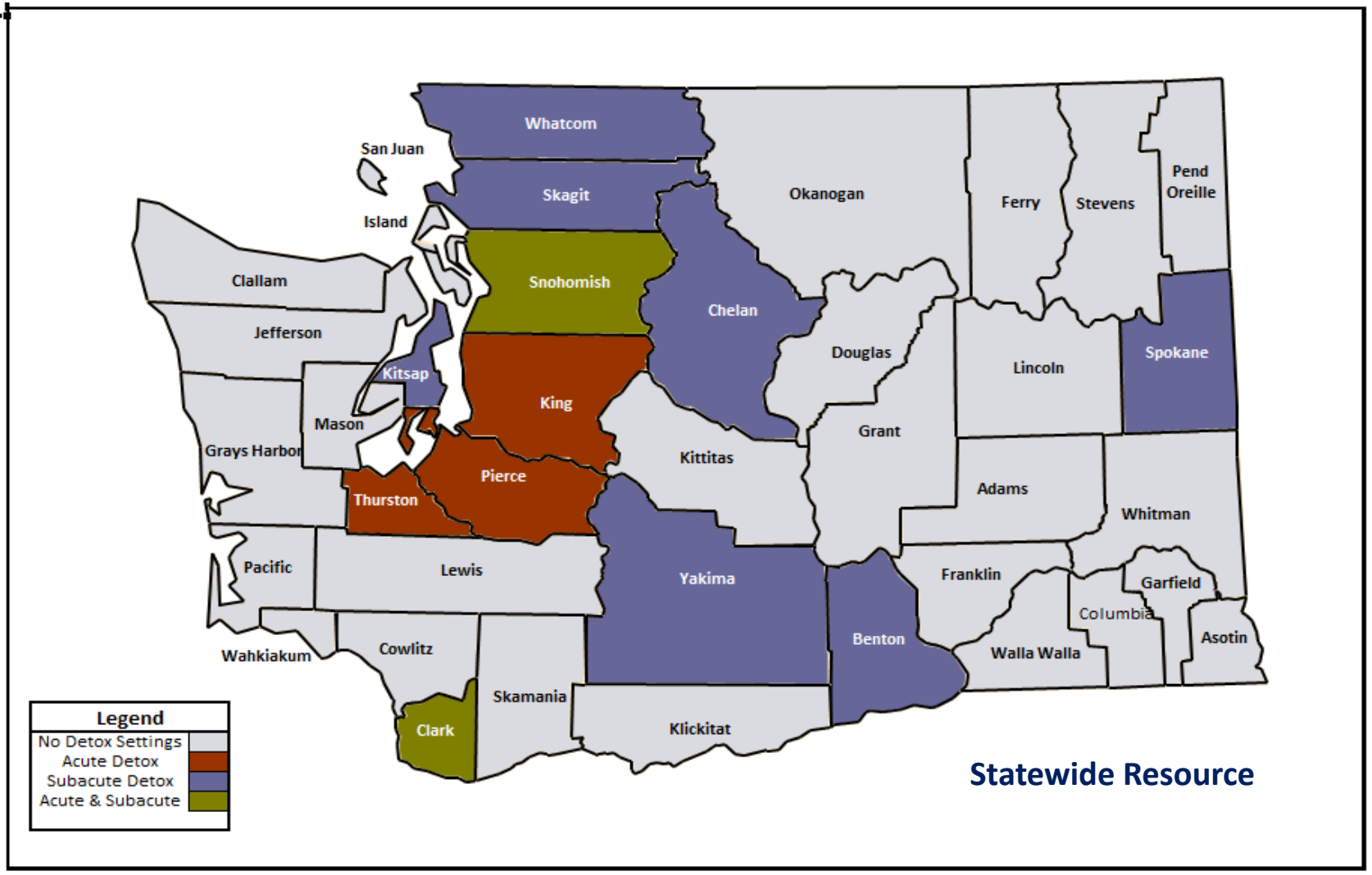
Part III

- Where are services located?

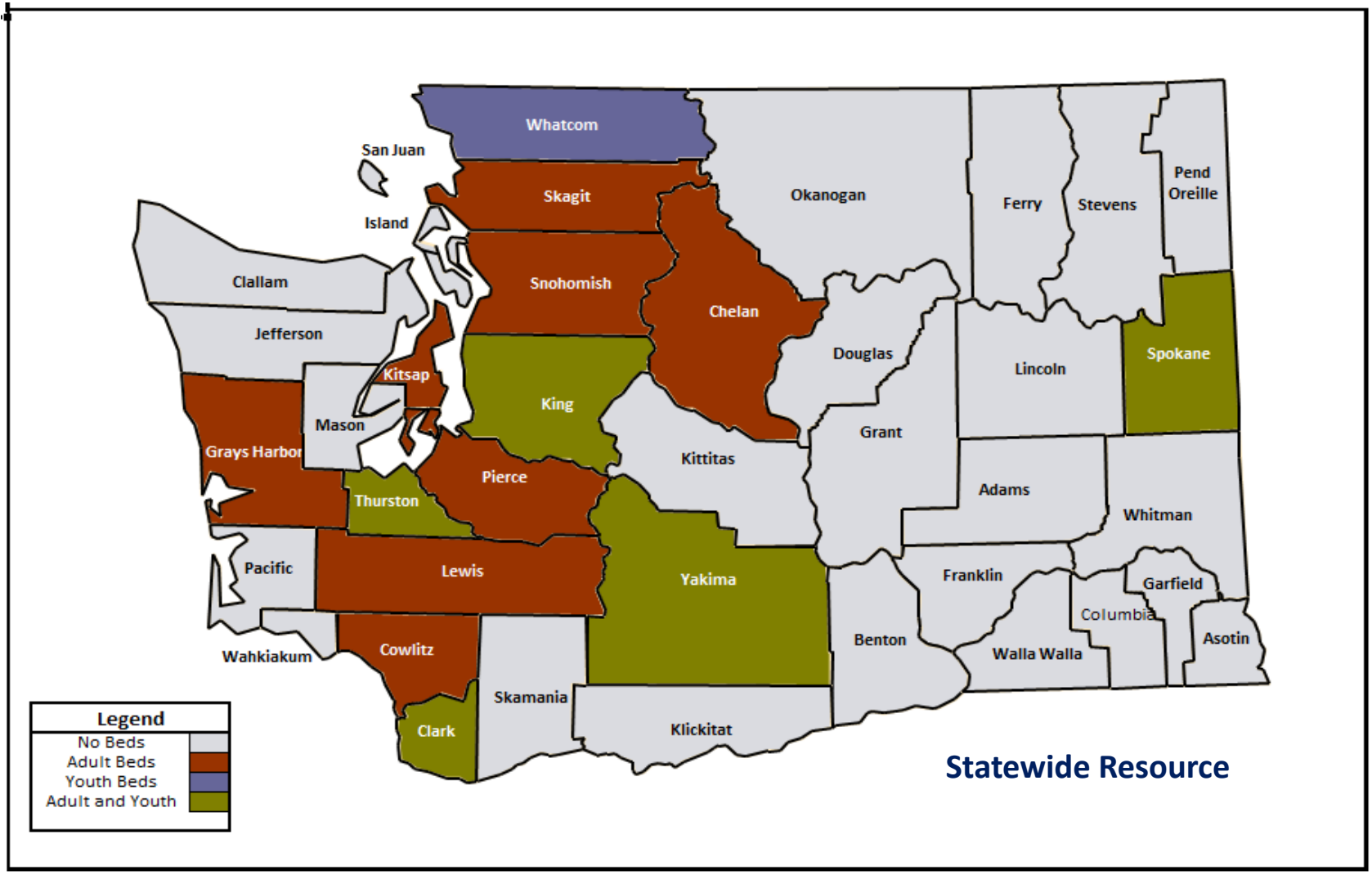
Opiate Substitute Treatment (OST) providers are located in 9 counties and only serve adults



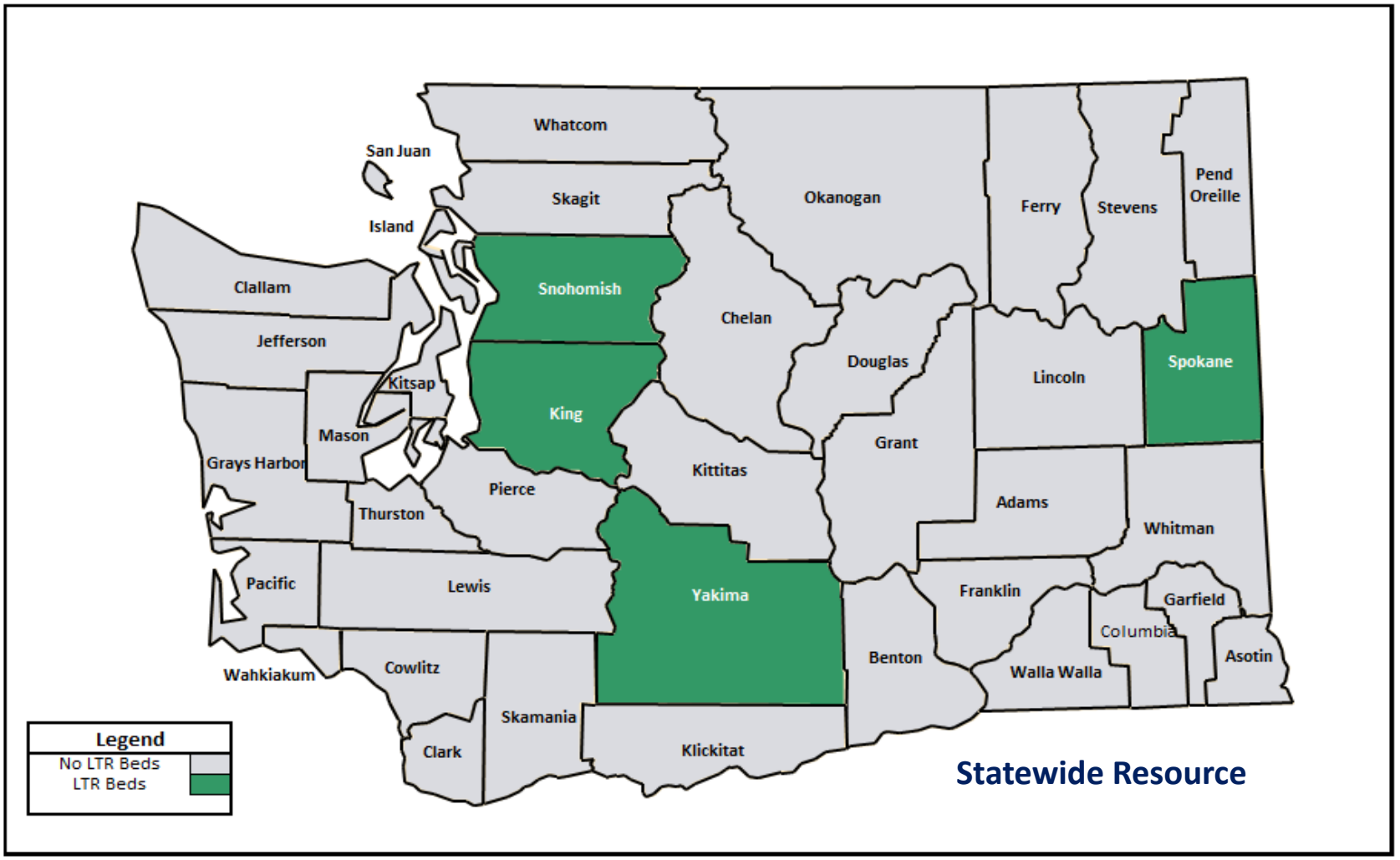
Acute detox beds are located in 5 counties and sub-acute detox beds are located in 9 counties



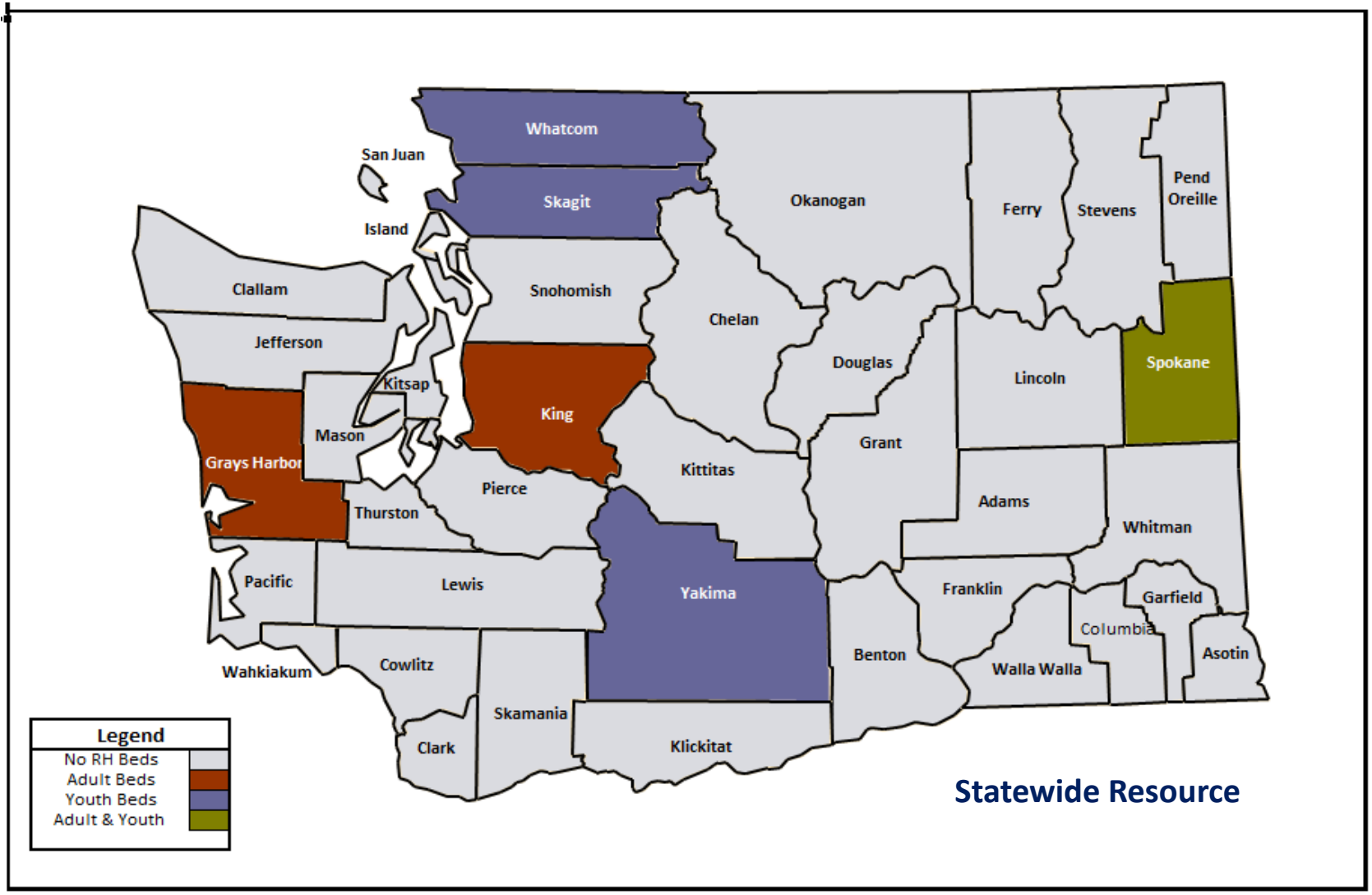
Intensive Inpatient facilities serving adults are located in 13 counties and those serving youth are located in 6 counties



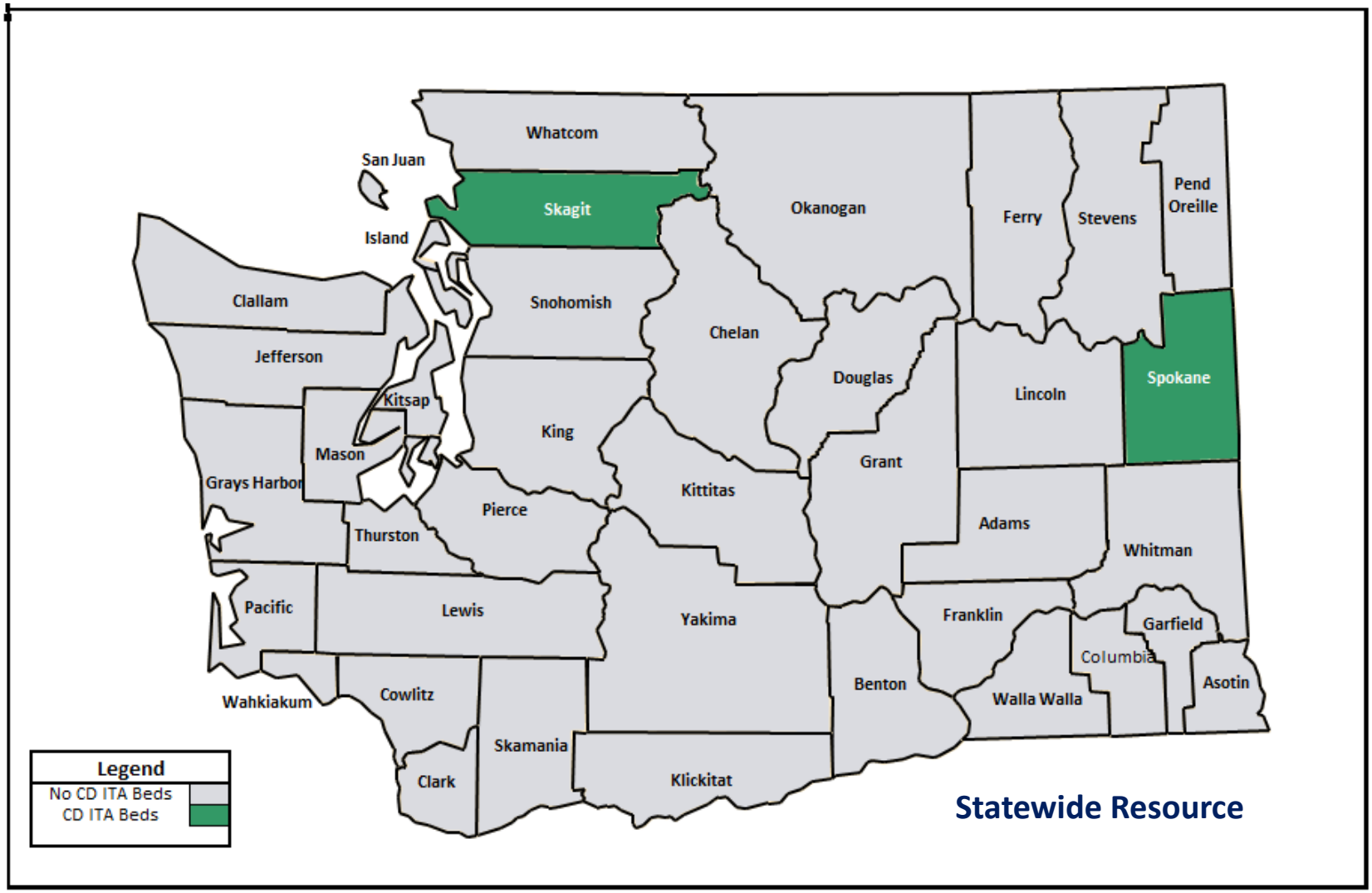
Long Term Residential facilities are located in 4 counties and only serve adults



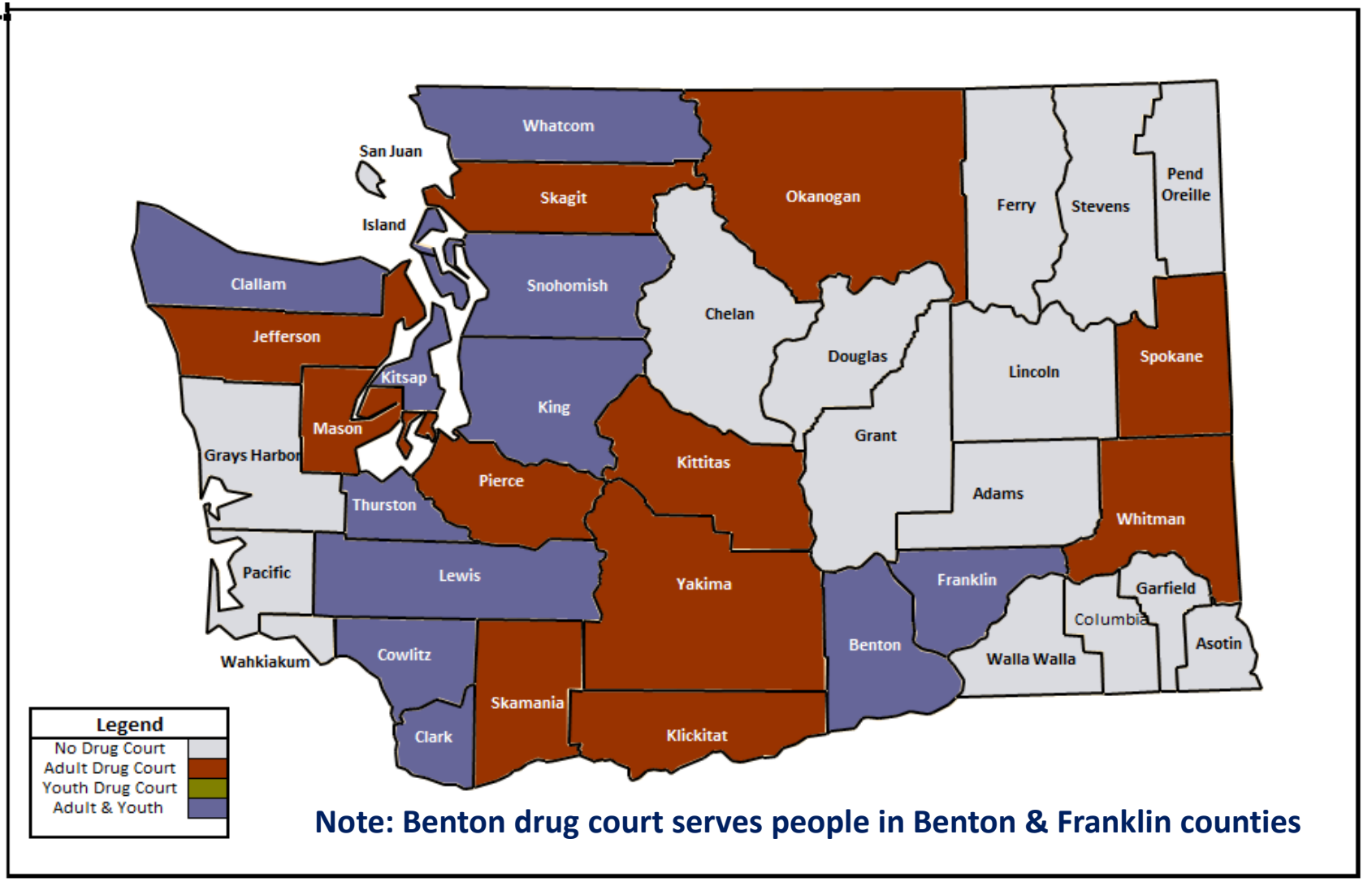
Recovery House facilities serving adults are located in 3 counties and those serving youth are located in 4 counties



Chemical dependency Involuntary Treatment Act (ITA) facilities are located in 2 counties and only serve adults



22 counties have drug courts serving adults and 13 have drug courts serving youth



Note: Benton drug court serves people in Benton & Franklin counties

Part IV

- Issues related to Medicaid expansion and Medicaid rates.

Close to $65 million in net total funds was added to the ASA budget for the FY 2013-15 biennium in relation to the Medicaid expansion

	GF-S	Medicaid	CJTA	Total Funds
Welcome Mat and Newly Eligibles	$ 5.3	$ 74	$ -	$ 79.6
Cost Offsets	$ (11.4)	$ -	$ (3.5)	$ (14.8)
Net Impact of ACA Budget Steps	$ (6.0)	$ 74.3	$ (3.5)	$ 64.8

- Approximately $80 million was added in relation to increased medicaid caseloads
  - "Welcome Mat" refers to people who were previously eligible but not signed up for Medicaid; and
  - "Newly Eligibles" refers to the Medicaid expansion population.
- Approximately $15 million in GF-S and Criminal Justice Treatment Account funds were reduced per assumed offsets as individuals transition from non-Medicaid to Medicaid funded services.
- Federal Medicaid match accounted for 29% of the budget in FY 2013 and is 49% of budgeted funds in FY 2015.
- Counties report challenges for many individuals who bought low cost plans on the exchange with high deductible and co-pay requirements.

Note: There were additional state savings not reflected here for individuals on the Presumptive SSI program for whom federal matching funds have increased from 50% to 75%

Medicaid and Non-Medicaid Rate Issues

- Medicaid rates are statewide while counties have had the flexibility to pay more for non-Medicaid clients
- As clients are shifting from non-Medicaid to Medicaid, providers are seeing a negative impact in per client revenues
- The 2014 Supplemental Budget Bill requires DSHS to provide a report to the Legislature on this issue by December 1, 2014

Select Services	Rate Unit	Medicaid Rate	Non-Medicaid Low	Non -Medicaid High	Compare Medicaid Rate to non-Medicaid High
Acute Detox *	Per Day	$148.36	$160.00	$400.00	-170%
Subacute Detox	Per Day	$108.36	$120.00	$225.00	-108%
Adult Group	Per Hour	$19.28	$24.00	$48.00	-149%
OST	Per Day	$12.79	$14.70	$14.70	-15%
Adult Individual	Per Hour	$77.04	$88.60	$88.60	-15%

* Note: DSHS has very recently increased the Medicaid rate for Acute detox to $240.36

Part V

- Key decision points related to integration of behavioral health services and impacts on the chemical dependency system and providers.

What are some of the key decision points related to integration of behavioral support services?

- What will the new Regional Service Areas be and what entities will serve as the Behavioral Health Organizations?
- Which of the chemical dependency services will become part of the Behavioral Health Organization (BHO) capitation contracts (e.g. outpatient, residential, CJTA, specialized PPW services)?
- How will DSHS ensure that BHOs have an adequate network of chemical dependency providers?
- How will CJTA funds be administered?
- Will there be any additional criteria or processes required to determine eligibility/medical necessity for services?
- Will the state mandate changes to the different data systems, data reporting, and financial reporting requirements for mental health providers and chemical dependency providers?

How will the movement of services into capitation contracts impact the chemical dependency system and providers?

- Conversion to actuarially certified capitation rates for Medicaid services.
- Provider rates and contracts negotiated with each BHO (in some cases this will require agreements with multiple BHOs).
- BHOs may employ a variety of payment methodologies that are different than fee for service (e.g. sub-capitation, case rates, capacity contracts, incentive payments).
- Managed care authorization requirements not currently required under fee for service.
- Potential new data collection and submission requirements for providers.
- Other requirements not required under fee for service (e.g. federal Medicaid managed care requirements regarding access, quality of care, EQRO, and program integrity).
- BHOs may choose to contract with providers differently than counties and DSHS have.

DSHS:
Alcohol and Substance Abuse Program

Questions?