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# Role of SABG in Medicaid Expansion States

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The ACA & California's Drug Medi-Cal-Organized Delivery System (DMC-ODS)-Repurposing SAMHSA's Substance Abuse Prevention & Treatment Block Grant (SABG)



# SABG, ACA, and California's DMC-ODS

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The SABG is a safety-net payor of last resort providing substance use disorder (SUD) treatment services to California low income individuals without health insurance seeking specialty. California receives approximately \$250 million per year.

The Affordable Care Act (ACA) now covers many treatment services previously funded by the SABG, freeing up SABG funds for other uses.

On August 2015, CMS approved DHCS's Drug Medi-Cal-Organized Delivery System (DMC-ODS) waiver for SUD services.

- ❖ The DMC-ODS 1115 waiver is a pilot program demonstrating how organized SUD care increases the success of DMC beneficiaries while decreasing health care costs. The DMC-ODS waiver will cover many services previously provided by SABG.

Despite the ACA expansion and the DMC-ODS, the SABG remains crucial for paying for specialty SUD treatment for uninsured, low-income individuals. SABG will be repurposed to pay for SUD Medicaid funded service gaps existing after the ACA and DMC-ODS.



# What is DMC-ODS 1115 Waiver?

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“Section 1115 of the Social Security Act gives the Secretary of Health and Human Services authority to approve experimental, pilot, or demonstration projects that promote the objectives of the Medicaid program”



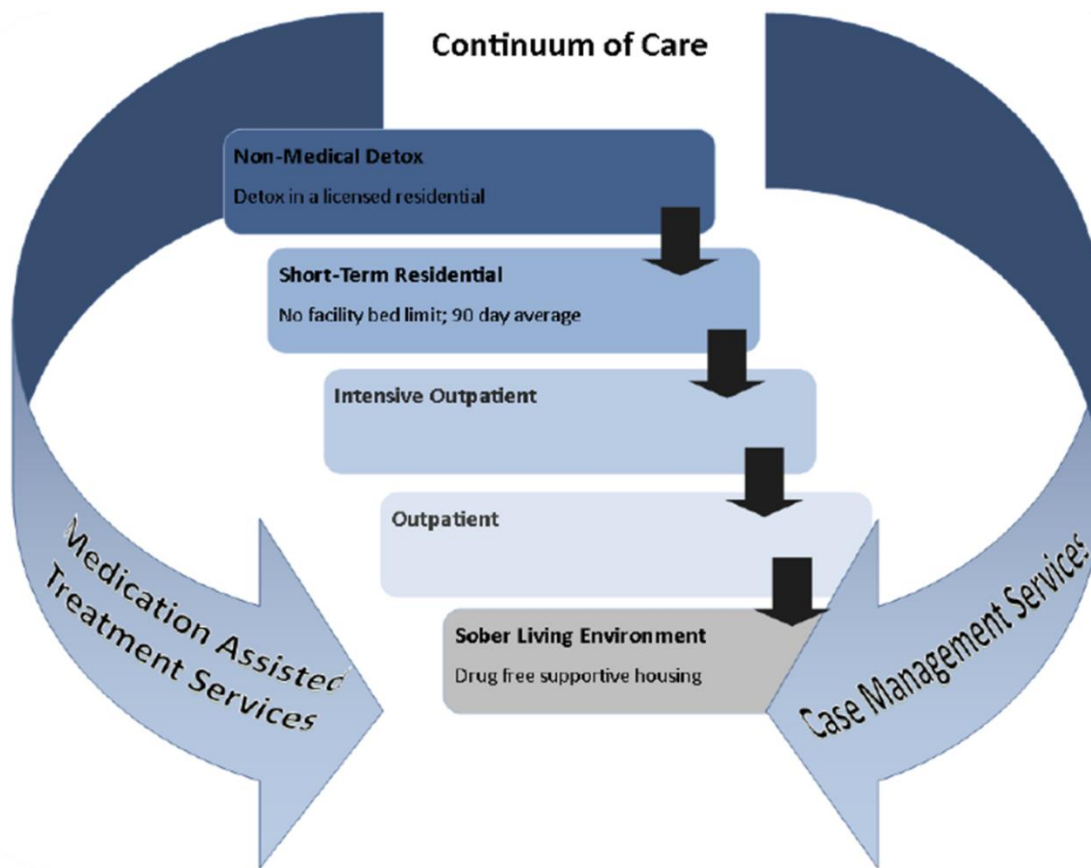
# DMC-ODS = Largest System Shift in Decades

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- ❖ Residential treatment with no bed limits
- ❖ Recovery Services
- ❖ Case management
- ❖ Increased availability of medication assisted treatment (MAT)
- ❖ Focus on evidence based practices, increased use of telehealth
- ❖ Use of Licensed Practitioner of the Healing Arts
- ❖ Improved DMC rates



# Great, but what does “Organized Delivery System” mean?



# Requirements

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- ❖ DMC-ODS based on the American Society of Addiction Medicine (ASAM) assessment model
- ❖ Utilization management
- ❖ Continuum of care
- ❖ Selective provider contracting
- ❖ Coordination across SUD and managed care systems



# Goals of Waiver Implementation and Evaluation Measurements

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- Waiver to leverage quality improvements/impact on:
  - ❖ Access to care
  - ❖ Quality of care
  - ❖ Coordination of care
    - Within SUD continuum of care
    - With recovery support services
    - With mental health and primary care services
  - ❖ Costs

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# State Timeline (DRAFT)

Drug Medi-Cal (DMC) Organized Delivery System Waiver  
Department of Health Care Services (DHCS) DRAFT State Implementation Plan

Description	Phase One	Phase Two	Phase Three	Phase Four				
<b>Proposed Implementation Phase Timeline</b>								
Counties will implement waiver services based on four phases. The Timeframe for service implementation is projected and may shift during the course of implementation.	TBD	TBD	TBD	TBD				
<b>Participating Counties</b>	(21.3% of population)	(60.8% of population)	(13.8% of population)	(2.7% of population)				
Counties completed an Expression of Interest Survey regarding their interest to opt-in to the four phases of implementation. County participation in the Waiver is voluntary. Fifty-three counties expressed interest in participating in the Waiver.	Alameda Contra Costa Marin Monterey Napa San Benito	San Francisco San Mateo Santa Clara Santa Cruz Solano Sonoma	Kern Imperial Los Angeles Orange Riverside San Bernardino	San Diego San Luis Obispo Santa Barbara Ventura	Calaveras El Dorado Fresno Inyo Kings Madera Merced Mono	Placer Sacramento Stanislaus Yolo San Joaquin Sutter Tuolumne	Butte Colusa Del Norte Glenn Humboldt Lake Lassen Mendocino	Modoc Nevada Plumas Shasta Siskiyou Tehama Trinity





# REALLOCATION OF BLOCK GRANT FUNDS FOR ON-GOING SERVICES

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- ❑ Post ACA and DMC-ODS roll-out, access gaps will remain to the full range of support services necessary to achieve and maintain recovery for low income individuals and their families.
  
- ❑ SAMHSA directions guiding SABG fund use:
  1. Fund priority treatment and support services for individuals without insurance or who cycle in and out of health insurance coverage;
  2. Fund those priority treatment and support services not covered by Medicaid, Medicare or private insurance d that demonstrate success in outcomes and/or supporting recovery;
  3. Fund universal, selective and targeted prevention activities and services; and
  4. Collect performance and outcome data.



# DMC-ODS Standard Terms and Conditions

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- ❖ Counties are responsible for most levels; however, a few of them are overseen / funded by other sources
- ❖ Counties may implement a regional model with other counties
- ❖ Counties may contract with providers in other counties in order to provide the required services



# Standard Benefits

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Existing Statewide Current Medi-Cal SUD Treatment Services Include:

- ❖ Outpatient Drug Free Treatment
- ❖ Intensive Outpatient Treatment
- ❖ Naltrexone Treatment (with TAR)
- ❖ Opioid Treatment Program (Ca - Narcotic Treatment Program)
- ❖ Perinatal Residential SUD Services (limited by IMD exclusion)
- ❖ Detoxification in a Hospital (with TAR)
- ❖ Post DMC-ODS, benefits will remain available to all Medi-Cal beneficiaries, including those in non-pilot counties



# DMC-ODS Pilot Benefits

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- ❑ DMC-ODS Pilot Counties are required to provide:
    - ❖ **Early Intervention** (coordination with FFS / MCPs)
    - ❖ **Outpatient Services** (includes IOT and naltrexone)
    - ❖ **Residential** (not limited to perinatal or restricted by IMD exclusion)
    - ❖ **Opioid (Narcotic) Treatment Program**
    - ❖ **Withdrawal Management** (at least one level)
    - ❖ **Recovery Services**
    - ❖ **Case Management**
    - ❖ **Physician Consultation**
  
  - ❑ The following levels of service are optional for pilot counties:
    - ❖ **Partial Hospitalization** (optional)
    - ❖ **Additional Medication Assisted Treatment** (optional)
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# Possible Repurposing for SABG

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- ❖ Paying Room & Board for Residential Services and for Longer Lengths of Stay
- ❖ Increased Investment in Recovery Services
- ❖ Increased Investment in Case Management
- ❖ Increase Naloxone in high risk opioid areas



# Residential Services - Today

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- ❑ CA's state plan currently limits residential SUD services to perinatal beneficiaries
- ❑ Federal matching funds are only available for services provided in facilities not considered Institution for Mental Diseases (IMDs) (i.e. 16 bed max)
- ❑ Ninety percent of California's residential bed capacity is considered an IMD
- ❑ Limited services offered by some counties using local resources / federal grant funding



# Residential Post DMC-ODS Benefits in Detail

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- ❑ **Residential Services:** Not limited to perinatal or restricted by IMD exclusion. Non-institutional, 24-hour, non-medical, short-term residential program that provides rehabilitative services
  - ❖ SAMHSA confirmed: SABG can be used for room and board when someone is in treatment – there must be a treatment connection – so housing alone would not be allowed.
  - ❖ For individuals requiring treatment that is primarily slower paced, more concrete and repetitive in nature. The daily regimen and structured patterns of activities are intended to restore cognitive functioning and build behavioral patterns within a community.
  - ❖ The length of residential services range from 1 to 90 days with a 90-day maximum for adults and 30-day maximum for adolescents; unless medical necessity authorizes a one-time extension of up to 30 days annually.



# Other DMC-ODS Benefits Potentially Supplemented with SABG

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## ❖ Recovery Services

- ❖ Additional SABG funding available to focus on building beneficiary's self-management skills and links to community resources. Outpatient counseling, recovery monitoring: recovery coaching, monitoring via telephone and internet, peer-to-peer services and relapse prevention, education and job skills, family support, family/marriage education, support groups. Can be accessed after treatment.

## ❖ Case Management

- ❖ Coordinate individual's efforts to access necessary medical, educational, social, prevocational, vocational, rehabilitative, or other community services and referral and related activities;
- ❖ Patient advocacy, linkages to physical and mental health care, transportation and retention in primary care services. Transportation funding greatly needed;
- ❖ May be provided face-to-face, by telephone, or telehealth may be provided anywhere in the community.





# DMC-ODS Fiscal Provisions

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- ❑ Potential of more robust DMC-ODS federal rates frees up SABG dollars
- ❑ Counties will develop proposed **county-specific rates** for each covered service (except for NTP) subject to State approval.
- ❑ Opioid (Narcotic) Treatment Programs rates will continue to be set by the State and not the county.
- ❑ The counties may also pilot alternative reimbursement structures subject to standards to be established by the State



# Department of Health Care Services

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For More Information:

<http://www.dhcs.ca.gov/provgovpart/Pages/Drug-Medi-Cal-Organized-Delivery-System.aspx>

