Considerations for Reorganization California's Departments of Alcohol and Drug Programs and Mental Health

Richard Rawson
Stella Lee
William Burdon
Cheryl Teruya

UCLA Integrated Substance Abuse Programs

UCLA

Pacific Southwest ATTC

Report on Reorganization of SUD and MH Services*

- Inclusive of:
  - Transfer of Medi-Cal to DHCS
  - Realignment
  - “Elimination” of DADP and DMH and transfer of functions

*Report prepared under contract to the California DADP. The views are those of UCLA Integrated Substance Abuse Programs.

Authors' Perspectives

- Review and apply data findings.
- Apply experience of other states, as appropriate.
- Understand the background and traditions of SUD and MH service system development, but focus recommendations on the future needs for SUD and MH services.

Report Preparation

- Review of background and rationale for SUD and MH service development in California.
- Review of literature on MH and SUD service integration.
- Review of literature on merger of SUD and MH services into larger department/agency.
- Review of literature on prevention services effectiveness.
- Interviews with 8 SSAs or previous SSAs and numerous SAMHSA and NIDA personnel.

Considerations for Reorganization

- Effective leadership.
- Creation and promotion of a shared vision and culture.
- Support from the executive branch of the California government .
- A modernized benefit design to support evidence-based practices.
- Integration of SUD and MH services into primary care.
- Special consideration for prevention services .

Considerations for Reorganization

- Communication with and engagement of stakeholders.
- Review of regulations, licensing, and certification,
- A plan for workforce development.
- Health information technology, data systems, and performance and outcomes evaluation.
- A phased approach for implementing the new organizational structure.

Consolidation and *Merger* Defined

- Throughout the paper, the term **consolidation** will be used to describe and discuss the proposed restructuring of the DMH and DADP. If the currently separated functions of DMH and DADP are combined, they will create a *consolidated* structure. While varying terms have been used in reference to the organizational shift at hand, by definition, *consolidation* is used when *a new organization is created and the consolidating entities are extinguished.*

Consolidation and *Merger* Defined

- When referring to the movement of DMH and ADP functions, either as consolidated entities or as still separated entities, into DHCS, this shift will be referred to as a *merger*. A *merger* is *when one organization absorbs the other and remains in existence while the other is dissolved.* If the functions of DADP and DMH are moved into DHCS, this would represent a merger of DADP and DMH into DHCS as part of a *merged* department. This paper will use the term *merger* in reference to this change.

Recommendations

Consolidate MH and SUD functions and merge into DHCS

- It is our recommendation that the functions of DADP and DMH, with the possible exception of prevention services, be consolidated and merged into DHCS.

Need for senior leadership: A Chief Deputy Director

- Create a Division of MH and SUD Services (DMHSUDS, or DSUDMHS) within DHCS, led by a Chief Deputy Director who reports to the DHCS Director and is confirmed by the Senate. This person needs extensive experience in the administration of SUD and MH services, and needs to understand the MH and SUD specialty care service delivery systems and the forthcoming challenges in the implementation of the Affordable Care Act.

Need for specialty area leadership: Division Deputy Directors

- Within the DSUDMHS establish Division Deputy Director positions. One Deputy Division Director to oversee SUD services and one to oversee MH services. These individuals should have extensive experience in program oversight within their specialty care system. In addition, a 3rd Deputy should be considered to oversee the integration of SUD and MH services with a fully integrated SUD and MH service system.

Bring experts to California who have been through a similar reorganization

- Bring consultants to California who have been involved with the consolidation of SUD and MH services and the merger of these services into larger departments/agencies in other states. Knowledge from these consultants will provide California with expertise from states that have completed such transitions.

Bring adequate number of staff from DADP and DMH to maintain functions

- As Drug Medi-Cal and other DADP and DMH functions are merged into DHCS, it will be critical for DHCS to move into service a fully adequate cadre of ADP and DMH staff who are knowledgeable and skilled in the functions needed to ensure continuation of critical Medi-Cal claims payment functions, program quality, monitoring and auditing functions, data system and performance management functions, licensing and certification functions, research, evaluation, and technical assistance functions.

Revise and modernize Medi-Cal benefit for SUD and MH services

- DMHSUDS should provide set of recommendations for a revised Medi-Cal benefit for SUD services. This revised plan for the use of finances for SUD and MH services in California will address Medi-Cal benefit revisions (including consideration of moving to the Medicaid Rehab option, the addition of Suboxone and Vivitrol as treatment medications, activating the SBIRT codes, and reimbursement of other evidence-based practices).
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Support Recovery Services with Block Grant Funds

- A significant portion of the Substance Abuse Prevention and Treatment (SAPT) Block Grant funds should be used to support housing and other recovery support services that are not supportable with Medi-Cal funds.

Provide TA on integration of SUD and MH services and primary care

- In preparation for implementation of the Affordable Care Act, establish a workgroup to develop a process of planning and technical assistance to maximize the successful integration of SUD, MH, and primary care. This workgroup should be informed by current recognized national efforts (using documents developed by the Treatment Research Institute and by the Center for Integrated Health Services) and ongoing California integration efforts (currently being organized by UCLA and California Institute of Mental Health).

Consider placement of prevention services in DPH

- It should not automatically be assumed that alcohol and drug prevention services should be placed together with SUD treatment services. Careful study, analysis, and public input should be solicited about where the administration of alcohol and drug prevention services should be located. Consideration should be given to moving the oversight of alcohol and drug prevention services (and the administration of $50 million of Block Grant Prevention money) to the Department of Public Health.

Build a unified data system that collects all essential data

- Develop a plan for a unified data system for SUD and MH services that will contain the strengths of both of the data systems (i.e., DMH's data collection system captures units of service/encounter data delivered at the client /patient level, whereas ADP's data system complies with critical federal data requirements and provides data for outcomes and performance measurement). This data system should be integrated within the larger DHCS data system architecture.

Develop a single counselor certification

- Establish a transition plan to create a counselor certification infrastructure in which there is a single counselor certification/license under the DMHSUDS. Ensure that this certification/license emphasizes evidence-based information and promotes skills that will be of use as SUD and MH services are integrated with primary care.

Harmonize facility licensing for SUD, MH and primary care services

- Establish a plan to harmonize licensing and regulations for SUD and MH service delivery sites to promote the delivery of, and identify obstacles to, integrated SUD and MH services. Further, refine these licensing and regulations to ensure provision of MH and SUD services within primary care services.

Have regular stakeholder meetings to conduct bi-directional communication on the reorganization process

- Hold an extensive set of community stakeholder meetings led by DHCS and DMHSUDS leaders to explain the new structure and solicit input for considerations about how to best promote success of the new organization. Conduct extensive outreach to bring together in the same meeting, stakeholders from SUD, MH and primary care service provider systems, as well as consumers from these systems.

Overall "Big Picture" Consideration

- It is long overdue for SUD services to be part of the broader health care system. With the ACA and Parity and the development of a set of evidence based practices, the foundation for this to actually happen is in place. To achieve integration into the health care system, SUD has to be at "adult table" with representatives who can credibly present the value of SUD services, communicate effectively within the health care world and foresee the future of SUD treatment. It is our opinion, that this effort will be facilitated by being part of the larger health care system architecture and not sequestered in a separate silo.
- "SUD services are either part of healthcare or they are not. There are no State Departments of broken legs, pediatric care or cardiovascular disease treatment." R Rawson 2011

Questions? Comments?

Richard Rawson, Ph.D.
rrawson@mednet.ucla.edu