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# Substance Use Disorders: A System Overview

For Senate Human Services and Early Childhood

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# Substance use disorder services in Oregon

- **Who is affected (causes, impacts, costs)**
- **System and budget history**
- **System components – What is available**
- **Where we are going**

# Substance use disorders in Oregon

**Who is affected**

**What are the causes**

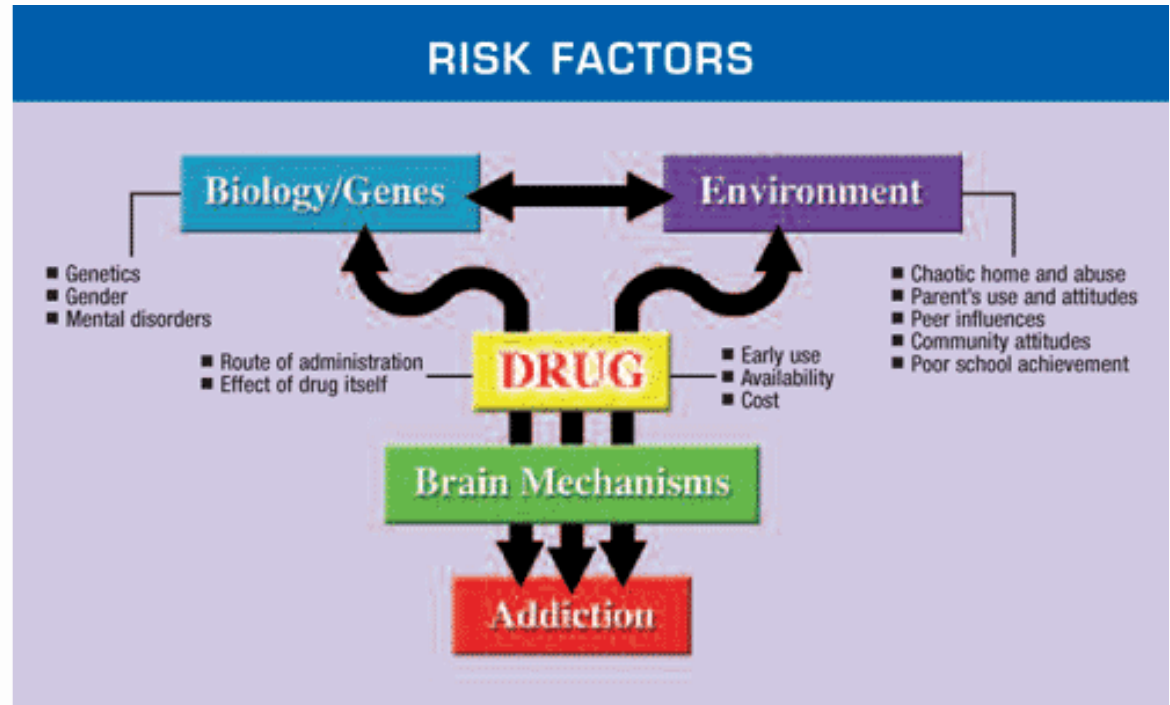
**What are the impacts and costs**

# The Need for Substance Use Disorder Services in Oregon

- **4,182** Oregonians died from drug overdose from 2000-2012.
- **1 in 10** (303,000) adults have alcohol or drug dependence/abuse (National Survey on Drug Use and Health, SAMHSA).
- **283,000** Oregonians age 12 and up misused alcohol during the last year.
- **332** Deaths in Oregon due to opiate overdoses from prescription or illicit use per year.



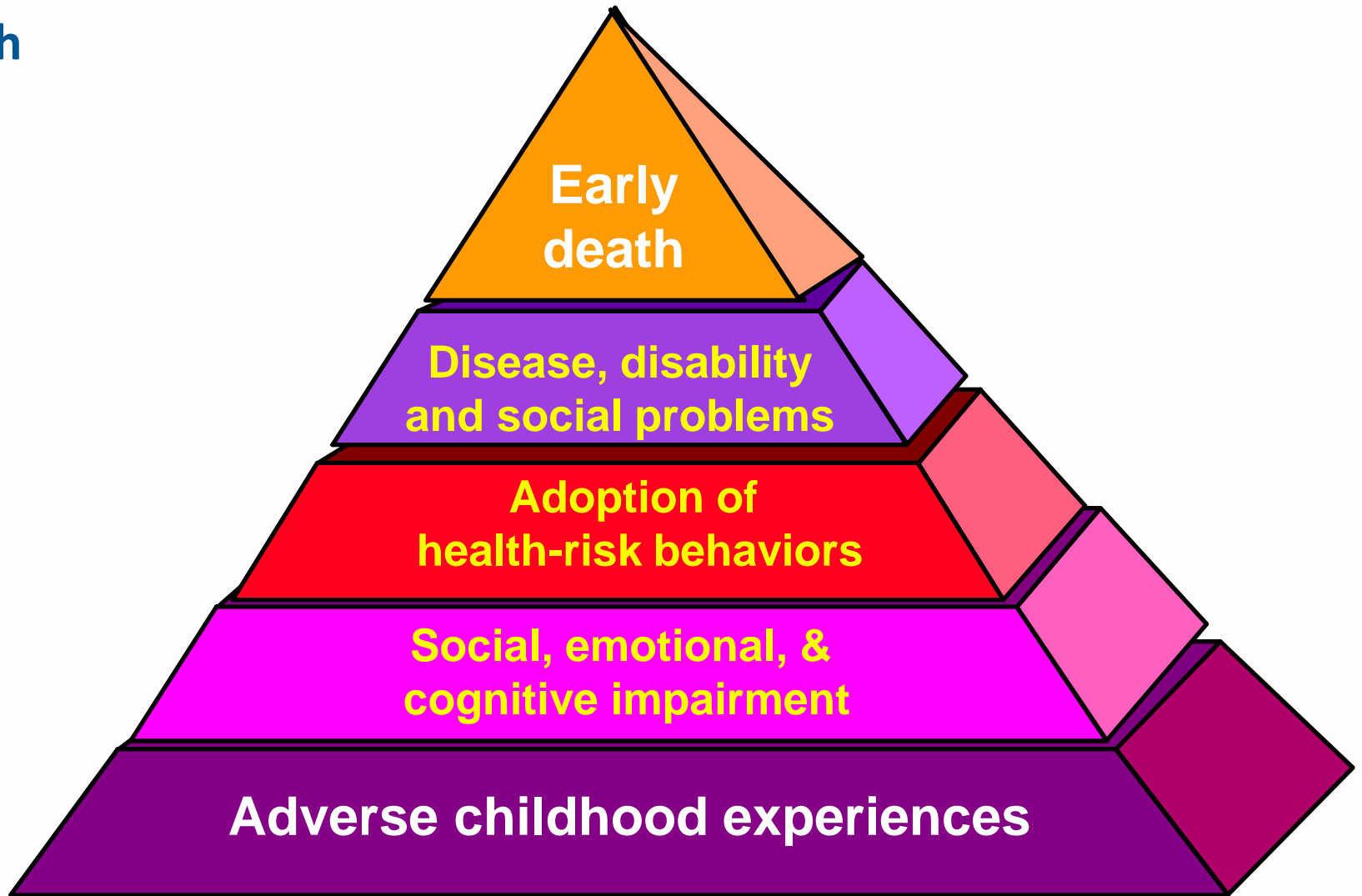
# Where addiction comes from



**No single factor determines whether a person will become addicted to drugs.**

Source: National Institute on Drug Abuse

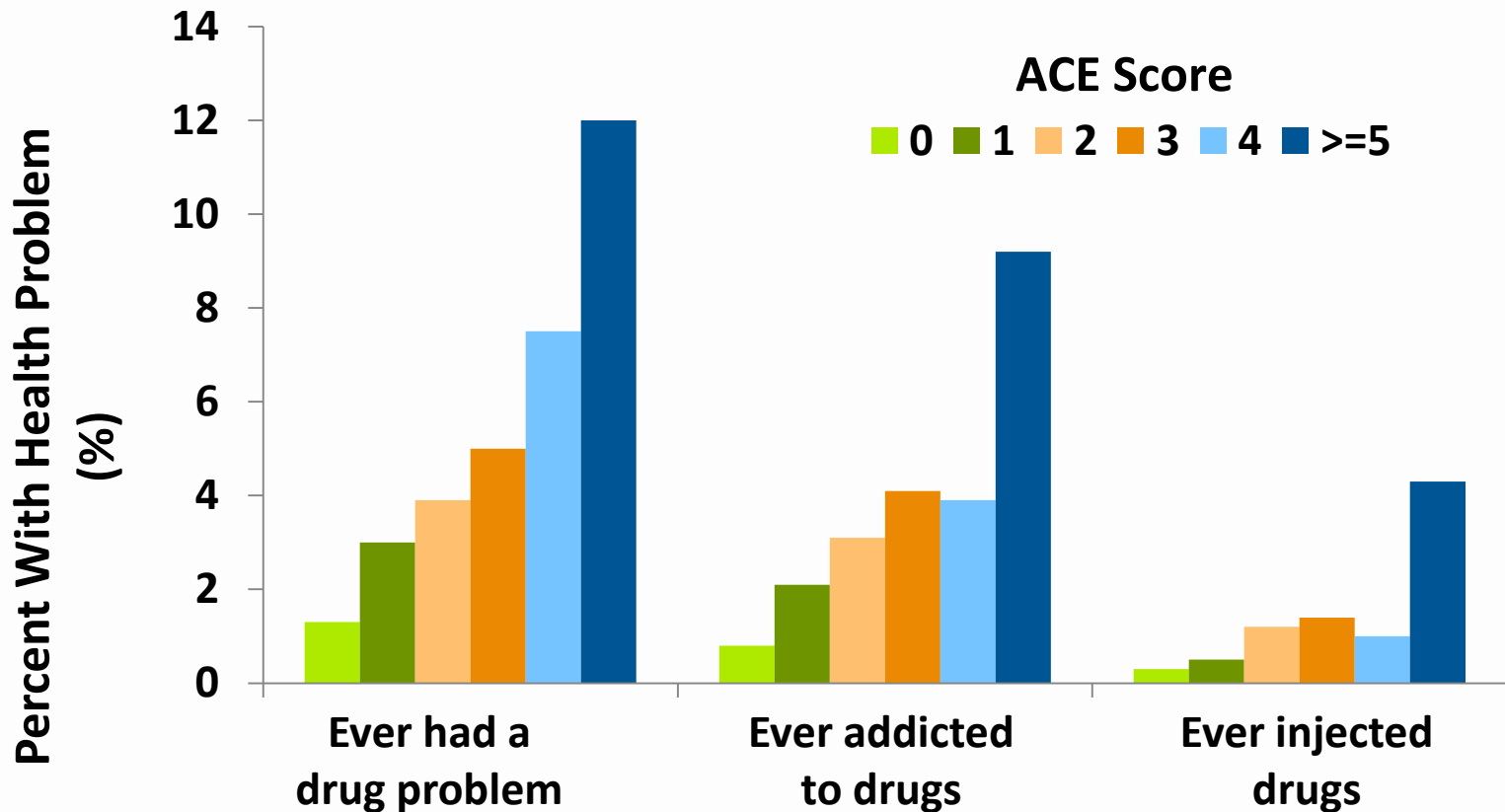
**Death**



**Conception**

Source: Centers for Disease Control and Prevention

# ACE score and drug abuse



# Cost burden

- Abuse of and addiction to alcohol, nicotine, and illicit and prescription drugs cost Americans more than \$700 billion a year in increased health care costs, crime, and lost productivity (NIDA).
- Every year, illicit and prescription drugs and alcohol contribute to the death of more than 90,000 Americans (NIDA).
- “Unaddressed substance use now costs mainstream healthcare upwards of \$100 billion annually, particularly in areas such as ER and trauma care, but also in the treatment of virtually every chronic illness” (McLellen, Statement on the Supreme Court Decision on ACA, June 2012).



# Cost burden

## Untreated substance abuse:

- Total economic impact in Oregon of \$5.93 billion in one year.
- About 4 percent of Oregon's gross state product in 2006, or \$1,600 per person (ECONorthwest, 2008).

## The costs relate to the following categories:

- \$813 million: health care
- \$4.15 billion: lost earnings
- \$967 million: law enforcement, criminal justice, and social welfare

# System and budget history

**What is available**

**Where we have been**

**What happened**

# What is available

## Prevention in each county / tribe / region:

- Community, family, school and peer focused
- Supported by Substance Abuse Prevention and Treatment (SAPT) block grant, and Beer and Wine tax revenues

## Prevention services reach more than 200,000 Oregonians each year:

- School- and community-based prevention programs reduce substance use and prevent problem gambling.









# What is available

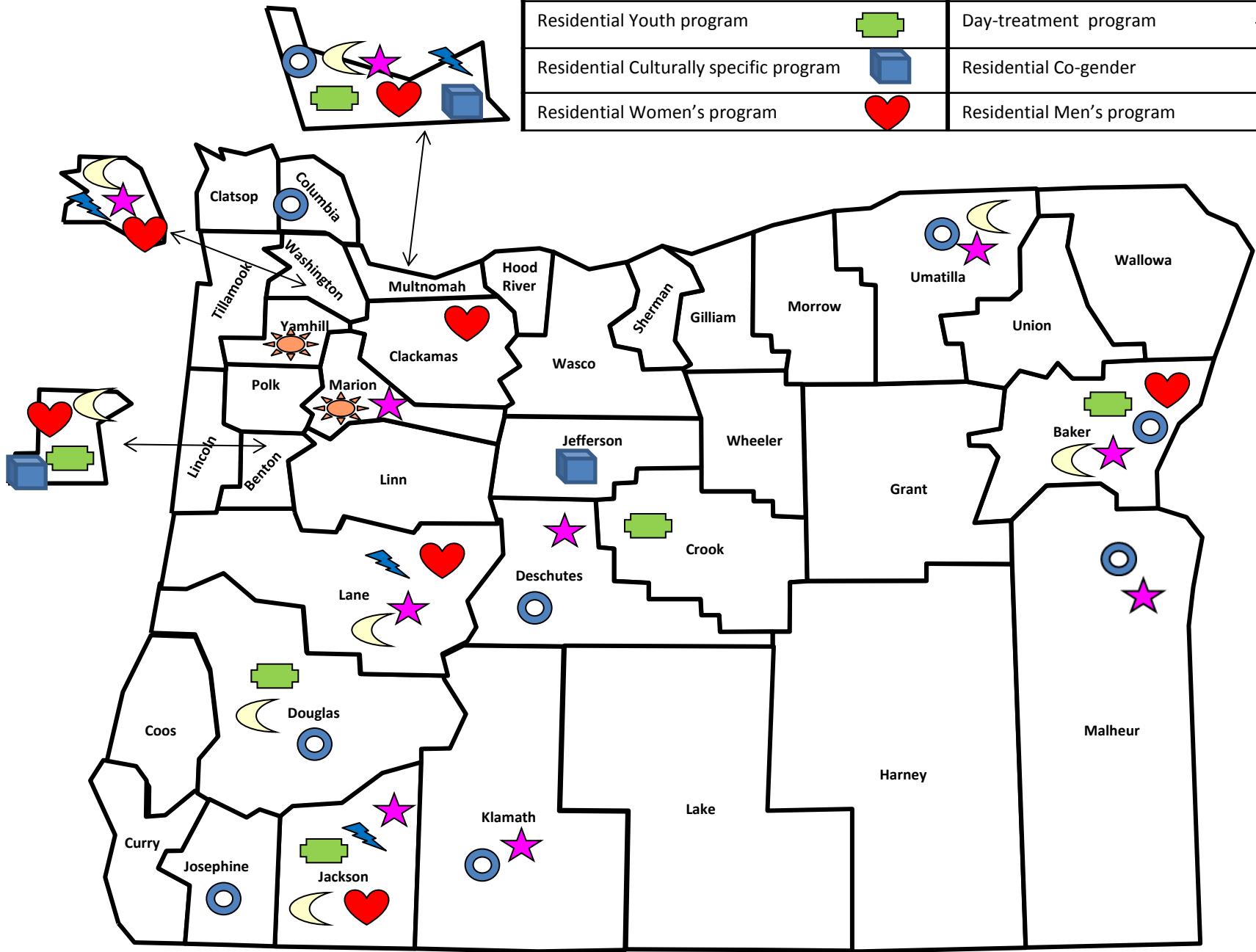
## Outpatient treatment in each county / region and most tribes:

- Clinic settings by non-profit, local government and for-profit programs. More than 60,000 people served each year
- Supported by Medicaid and General Funds, SAPT block grant, beer and wine taxes, and other funds for under- and uninsured, undocumented, and some court-mandated clients

## Medication-assisted treatment (MAT) for opiate addiction:

- 15 methadone treatment programs in Oregon.
- Methadone treatment is a covered OHP benefit.
- County governments through community mental health programs (CMHPs)
- At any given time, more than 5,000 Oregonians are enrolled in MAT.

Publicly Funded Substance Use Disorder Treatment Services			
Residential Parent w/dependent child		Detoxification (Clinical & Medical)	
Residential Youth program		Day-treatment program	
Residential Culturally specific program		Residential Co-gender	
Residential Women's program		Residential Men's program	



# What is available

## Recovery support and maintenance:

- Recovery housing (Oxford Houses)
- Rental assistance
- Peer-to-peer recovery support
- Peer wellness programs
- Wrap-around supports such as child care, transportation, and life skills training.

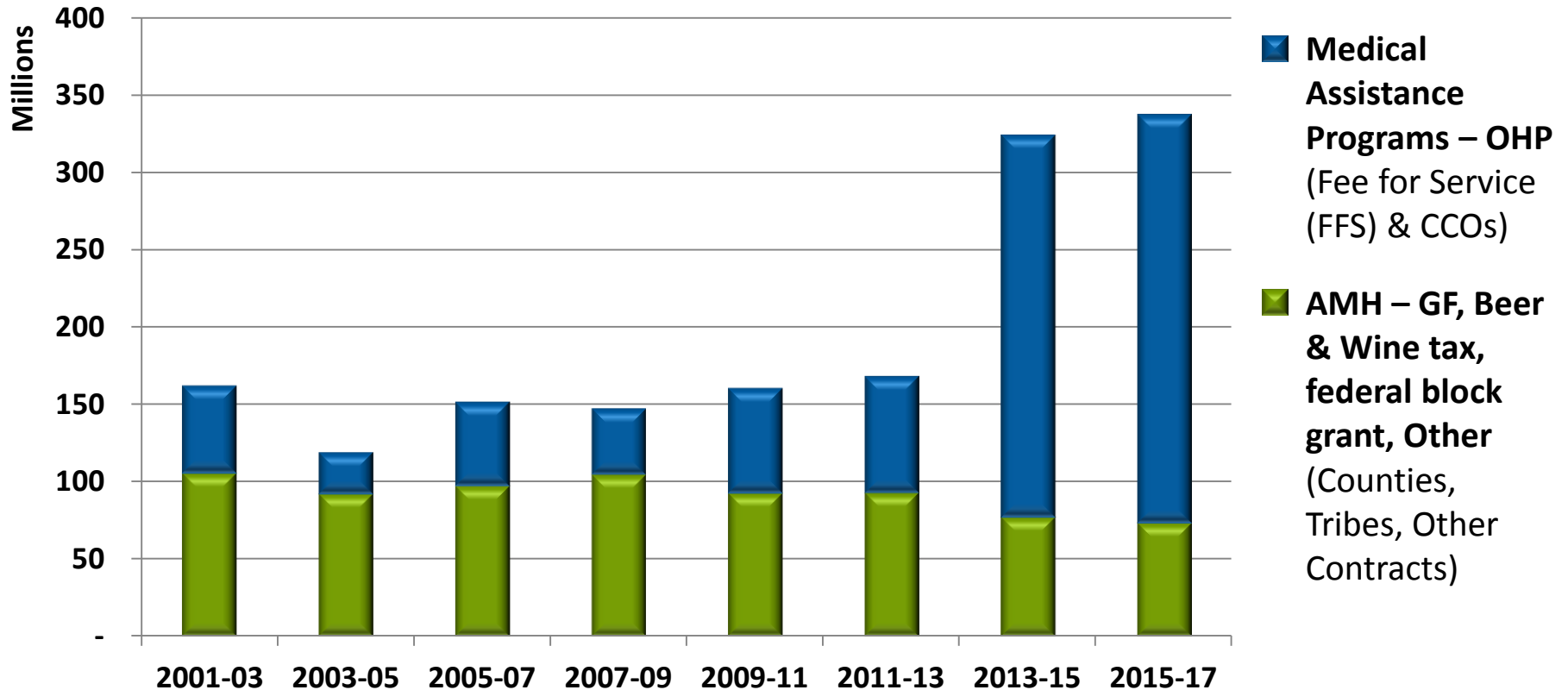
# Changes in Oregon's addiction treatment system capacity

## 2000s:

- Economic recession caused loss of revenue and significant reduction in OHP Standard program in 2002 and 2003
- Reduced state support for workforce development and training; 1,000 counselors laid off
- Emphasis on evidence-based practices, particularly for people in the juvenile and adult justice systems
- Disproportionate impact on single, low-income adults without custody of children, many with substance use disorders who could no longer access treatment
- Impacts of this reduction still felt throughout system

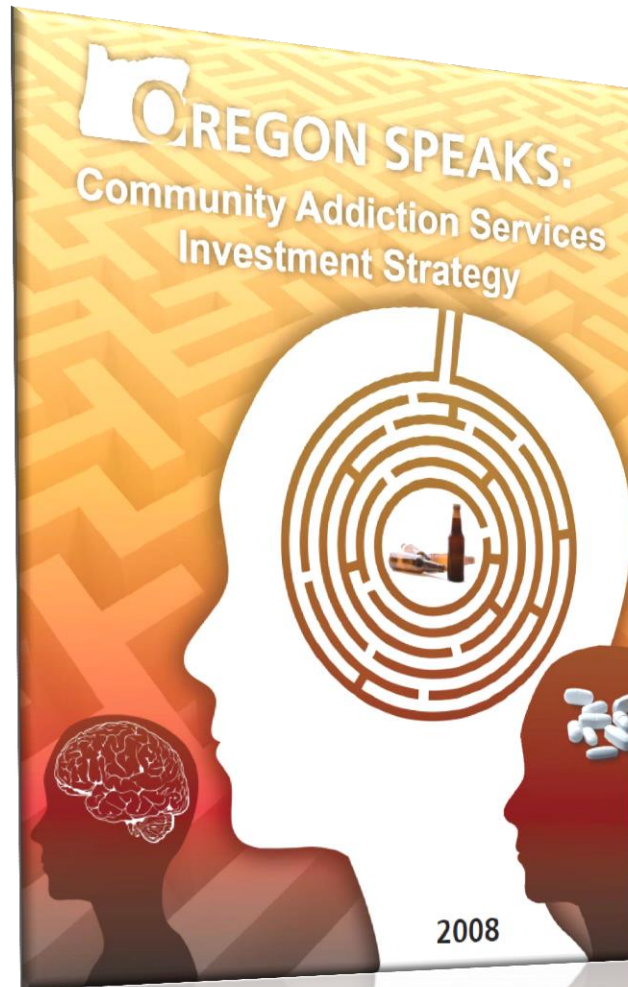
# Budget Trends

## Addiction Treatment Revenue (Includes OHP)





# 2008 Gap analysis



2008

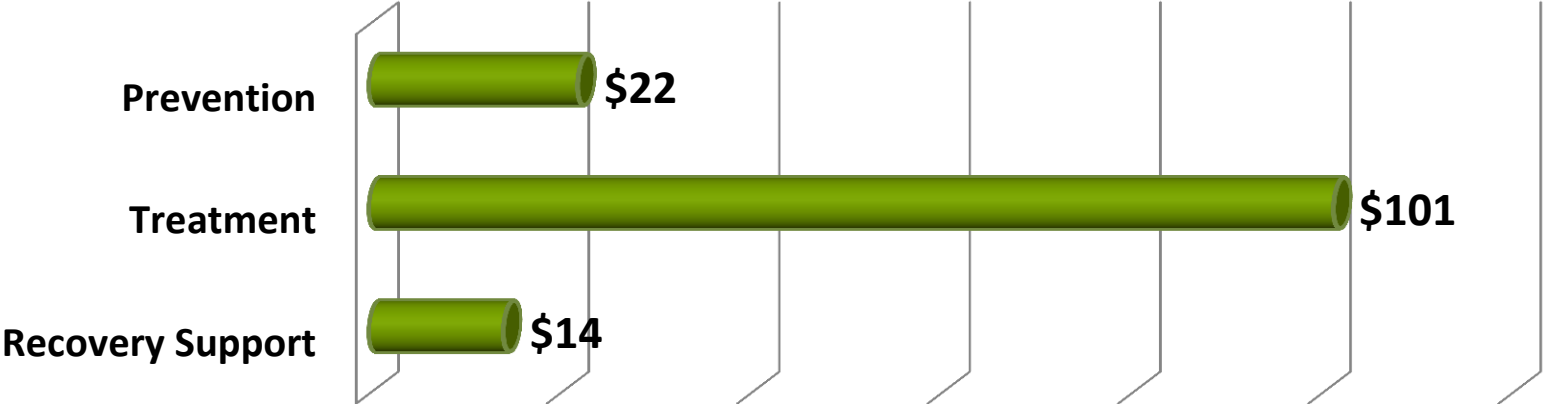
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# Investment Needs Identified in 2008

## Alcohol and other drug need (in millions)

Total six-year need:  
\$137 million



# Current State

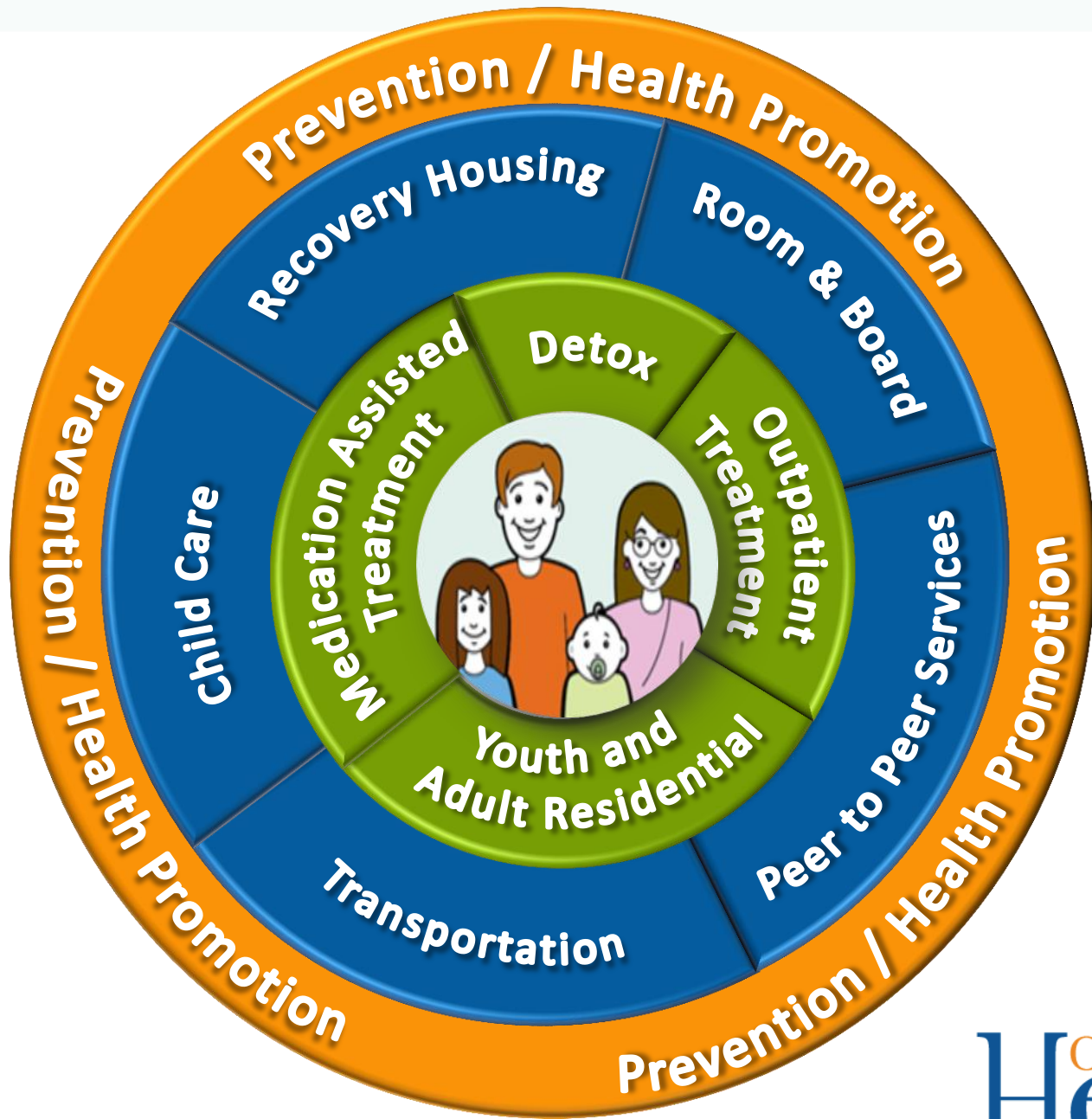
Where we need to go

# Health System Transformation

Where We Were:	Where We are:
<p>Managed care, fee for service, payments based on encounters only. Mental health care carved out to mental health organizations (MHOs).</p>	<p><b>2012:</b> CCOs, coordinated care, payments accountable to health outcomes. CCOs responsible for managing all physical and behavioral health including mental health.</p>
<p>Residential and detox services carved out of managed care – paid by state through counties and non-profit organizations.</p>	<p><b>2013:</b> Full continuum of addiction services, including residential and detox, managed by CCOs. Room and board payments still made by AMH.</p>
<p>Uninsured and under-insured Oregonians (especially single adults) unable to access substance use disorder treatment.</p>	<p><b>2014:</b> Medicaid expansion January 2014 includes significant growth in number of people with health insurance and benefit coverage that includes addiction treatment.</p>
<p>Inadequate residential treatment rates do not support full cost of care (Residential Rate Study, 2013).</p>	<p><b>2014:</b> Room and board rates increased; service rates still not in line with the rate study recommendations.</p>

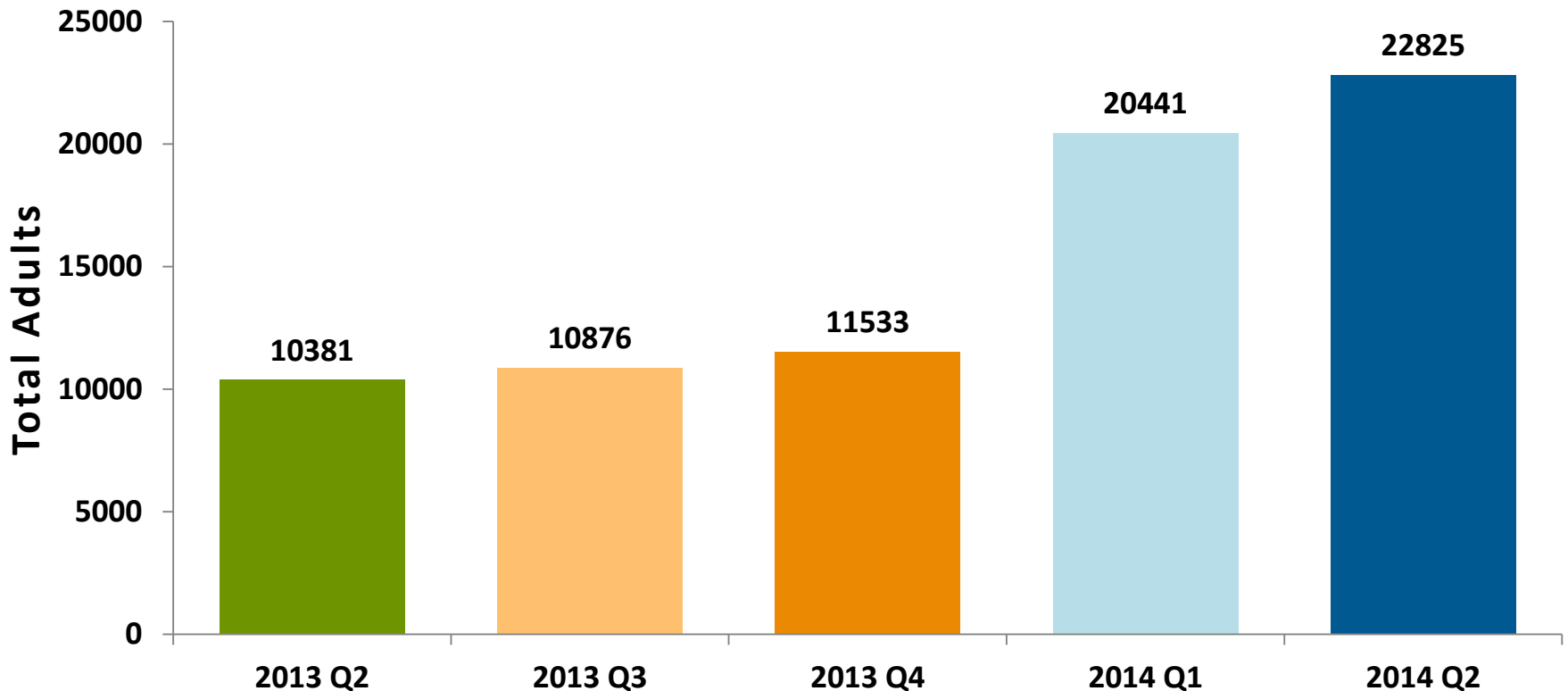
# How the system works together





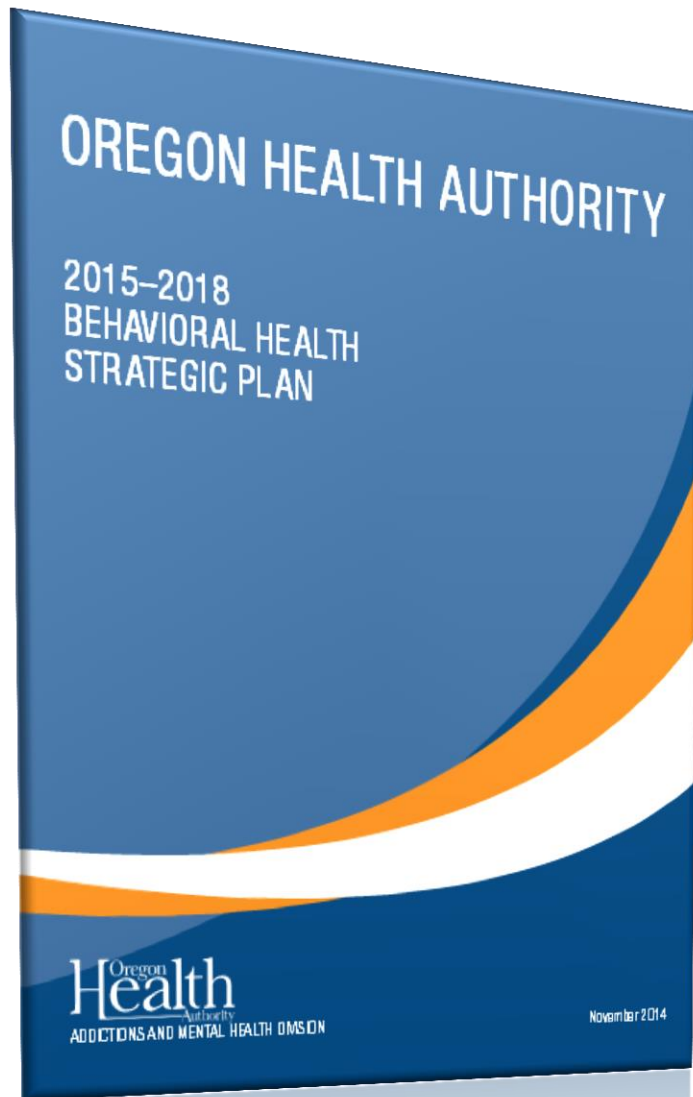
# ACA and service trends

Unique Count of Adults 18 and Older that Received any Substance Use Disorder Service



Source: MMIS claims

# Planning for the Future



- **Improve transitions for people leaving residential settings**
- **Expand access to opioid-specific treatment**
- **Work with Public Health, Medical Assistance Programs and local partners to reduce overdose deaths**



# Opportunities

- **Increase community prevention capacity**
- **Focus more effort on supporting the workforce**
- **Build capacity to implement and sustain evidence-based strategies**
- **Housing supports for people in recovery**
- **Increase capacity to deliver peer-to-peer recovery services**
- **Improve coordination across systems**

# Thank You

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