

### **De Paul Treatment Centers**

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# **Alcohol and Drug Treatment Rate Increase**

Unless the legislature takes action to raise drug and alcohol treatment rates set by the State, Oregonians covered by the Oregon Health Plan may not be able to obtain treatment. At current State rates, De Paul Treatment Centers and other non-profit treatment centers cannot afford to provide top-of-the-line, evidence-based drug and alcohol treatment.

- In January 2014, the Addictions and Mental Health Division conducted a study of the costs of treatment in Oregon. Even their own study concluded Oregon was providing debilitating rates to addiction treatment providers. Their study showed that **the rates Oregon pays treatment providers to provide alcohol and addiction treatment under the Oregon Health Plan is** ½ **the actual cost of treatment.** According to the study, it costs providers between \$229 and \$245 per day to provide treatment. Yet, the State pays providers only \$120 per day to provide treatment to indigent individuals and Oregonians on the Oregon Health Plan.
- To make up the difference between the cost of treatment and the amount of the State's payment, treatment centers like De Paul must defer facilities maintenance, deplete cash reserves, and open lines of credit. For De Paul, in 2014 alone the gap between the cost of treatment and the amount the State paid under its contracts amounted to more than \$2 million. Unfortunately, De Paul and other non-profit treatment centers simply cannot continue to subsidize this gap. The State must raise treatment rates in order for non-profit treatment centers to continue to serve Oregonians.
- Substance abuse residential treatment rates are about 1/3 the rate at \$124 of mental health residential treatment rates (\$312) for adults; this discrepancy is unjust given substance abuse is a mental health diagnosis
- Oregon's adult substance abuse treatment rate should be raised to \$245 per day. The state should a.) raise rates for addiction providers through increased room and board rates, and a higher provider treatment rate for the indigent and, b.) require AMH and CCOs to increase the allocated portion attributable to A&D treatment in the CCO capitated rate.
- The legislature should support Senate President Peter Courtney's behavioral health funding package (total \$94.8m) for the 2015-17 biennium, \$20 million of which is designated for A&D Treatment, Recovery, and Prevention.

# Alcohol and drug treatment is good public policy

- 1 in 4 Oregonians have used illicit drugs in the last month
- It's not just marijuana Oregon ranks #6 for use of illicit drugs other than marijuana
- **Oregon ranks #3** in the country for illicit drug use yet we rank 47<sup>th</sup> for funding of treatment
- 9.5% of American workers have a substance use disorder (55% are full time employed)
- 75% of addicted youth also have mental health challenges such as ADHD
- 8 out of 10 of the leading causes of death in Oregon are at least partially caused by the use of alcohol, tobacco or other drugs
- A&D Treatment saves money. Every dollar invested in alcohol and drug addiction treatment saves \$12 in criminal justice and health care costs. For one youth served by De Paul, the cost will be \$16,380 for a 45 day residential stay and another \$3-4,000 for outpatient treatment. For that same youth it would have cost more than \$220,000 in criminal justice and health care and thereby treatment saved over \$200,000 for just one person!