

ANALYSIS

Item 12: Oregon Health Authority Substance Use Disorder Provider Accreditation

Analyst: Matt Stayner

Request: Acknowledge receipt of a report reviewing the work of the Substance Use Disorder Accreditation Advisory Group and recommendations to the Legislature developed by the Oregon Health Authority regarding a path to accreditation for organizational substance use disorder treatment providers.

Analysis: A budget note in the primary budget bill (SB 5525) for the Oregon Health Authority (OHA) directed the agency to review the work of the Substance Use Disorder Accreditation Advisory Group (SUDAAG) and develop a recommendation for the Legislature regarding a path to accreditation for organizational substance use disorder treatment providers. Two specific issues required in the budget note to be addressed in OHA's recommendation are the cost of accreditation and the administrative burden impact on recognizing accreditation.

The OHA report reiterates that the SUDAAG "...recommends that the state of Oregon require substance use disorder treatment programs become accredited by any one of the following national accrediting bodies: The Commission on Accreditation of Rehabilitation Facilities (CARF), the Council on Accreditation (COA), or The Joint Commission (TJC)." The OHA report also notes that the SUDAAG recommendation was not unanimous. The SUDAAG report itself notes that the recommendation decision had consensus with only one dissenting vote. OHA's report emphasizes concerns regarding accreditation by including a statement that there were, "in addition to opposition within the SUDAAG," concerns expressed by partner organizations about an accreditation mandate during the community listening session. Although the reported questions and comments tended to capture varied concerns regarding oversight, costs, administrative burden, culturally specific services impact, etc., the OHA report highlighted three of the nearly sixty published comments and questions. The first eight pages of the June 2021 SUDAAG report and recommendations were attached to the OHA report, however, the questions and comments from accreditation listening sessions that were included in pages 13 through 21 of the SUDAAG report were not attached. The link to the full report is as follows:

<https://olis.oregonlegislature.gov/liz/2023R1/Downloads/PublicTestimonyDocument/42722>

The SUDAAG recommendation also came with an enumerated list of the reasoning behind the conclusion that an accreditation mandate would benefit Oregon's full continuum of treatment services. The OHA report takes note of these reasons, designating them as aspirational. OHA states that there is "no evidence" to indicate that mandatory accreditation would or would not increase quality of care, reduce administrative burden, increase performance improvement and quality assurance, or increase capacity. This statement is inconsistent with the statements made in the SUDAAG's recommendations and is without explanation of the evidentiary standard. The OHA report also states that "there is no example of a state analogous to Oregon that has mandated accreditation to use as a comparison." However, within the "Requirements to Succeed" section on page 3 of the SUDAAG report, subsection 1(b) states that "this process of recognition [of accreditation standards] has precedent in other states, notably Alaska, which requires all behavioral health service providers be accredited in order to receive state approval."

Included in the OHA recommendations section, a subsection on equity considerations was presented. This section restated the SUDAAG recommendations statement on preliminary research indicating accreditation would not exacerbate disparities resulting in negative impacts on culturally relevant care. OHA's equity evaluation is more of a critique on the summary language used in the SUDAAG report and recommendations than a comprehensive distillation of the advisory group's body of work around equity issues that, with additional supplemental considerations provided by OHA, would inform legislation around accreditation.

Two of the bulleted items in the recommendations summary section state that OHA "reserves the right" to do certain activities or establish and enforce certain standards around substance use disorder provider functions. This may suggest that the agency intends to have a more direct role negotiating the implementation of mandatory accreditation as opposed to facilitating a policy to be contemplated by the Legislature.

While rightfully expressing the indeterminable cost of accreditation to all provider organizations and providing a sample range of initial costs for medium-sized organizations, OHA did not provide substantive reasoning for the amount of proposed accreditation cost subsidies to organizations other than inflationary factors applied to the SUDAAG recommendations. OHA recommended that the accreditation process be "fully funded" by OHA, but the per-provider cost was not defined other than a high-level average estimated cost of \$75,000 per organization. The report also indicated that some medium-sized organizations that have gone through the accreditation process have reported costs of between \$130,000 and \$200,000. The fiscal impact table provided by OHA indicates an overall estimated cost of \$11.8 million in special payments to providers to subsidize accreditation over three years. This amount equates to 157 providers receiving \$75,000 each, or roughly 59 providers receiving \$200,000 each, to defer the accreditation costs over a three-year period. OHA also recommended a specific number of positions (four) at specific position classifications for facilitating the establishment of accreditation requirements without the actual body of work being explained or detailed discussion of existing administrative capacity currently in existence at the agency.

Recommendation: The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means acknowledge receipt of the report.

Request: Report on substance use provider accreditation as required by a budget note per Senate Bill 5525 (2023) by the Oregon Health Authority (OHA).

Recommendation: Acknowledge receipt of the report.

Discussion: The Budget Report for Senate Bill 5525 (2023), OHA's main budget bill for the 2023-25 biennium, includes a budget note with the following direction:

Budget Note:

The Oregon Health Authority (OHA) shall review the June 2021 recommendations of the advisory group described in section 4, chapter 583, Oregon Laws 2019 and develop a recommendation to the legislature regarding a path to accreditation for organizational providers, as defined in ORS 430.637, that hold a certificate of approval, including the cost of accreditation and administrative burden impact on recognizing accreditation. No later than January 1, 2024, OHA shall report its finding to the committees and subcommittees of the Legislative Assembly related to health and mental health and to the subcommittee of the Joint Committee on Ways and Means with authority over human services agencies' budgets.

An "organizational provider" as referenced in the budget note is defined in statute as any organization besides coordinated care organizations that provides mental health treatment or chemical dependency treatment. ORS 430.637 requires OHA (or another state agency) to conduct an on-site quality assessment of a provider before providing a certificate of approval for the provider to operate in the state. Provider accreditation involves transitioning from OHA-led quality assessments to a process of quality assessments led by a national accrediting body operating in this industry.

House Bill 2257 (2019) directed OHA to convene an advisory group to make recommendations on the accreditation of substance use disorder (SUD) providers in Oregon. OHA convened the Substance Use Disorder Accreditation Advisory Group (SUDAAG) to develop recommendations regarding the establishment of accreditation requirements for substance use disorder treatment programs. The fiscal impact on this portion of the bill was indeterminate depending on the recommendations of the advisory group.

OHA's report discusses at length the proceedings of the SUDAAG and the conclusions of the workgroup. In summary, the SUDAAG recommended that the state of Oregon require all substance use disorder treatment programs to become accredited by either the Commission on Accreditation of Rehabilitation Facilities, the Council on Accreditation, or The Joint Commission. In the report, OHA recommends adopting the recommendation of the SUDAAG and proceeding with the adoption of a recognition-based approach for organizations who have been accredited nationally. This recommendation is accompanied by several conditions:

- The rollout should happen over three years rather than all at once to give the organizations time to prepare for the accreditation process. OHA would maintain current rules and standards until the transition was complete.
- Maintain and augment program staff who currently oversee the certification process. OHA would maintain the ability to monitor providers for compliance with health and safety issues. OHA also would recommend an additional four positions to assist with this work.
- There is concern that culturally specific and small rural and frontier programs would be vulnerable to financial and administrative burden due to their size and staffing challenges. Funding the accreditation work, which would address financial and administrative burdens is approximately \$11.7 million total funds; assuming average costs of \$75,000 per organization to assist with the new standards and an estimated total of 157 organizations to be accredited this.
- There is concern about the equity implications of this change, including that national accreditation standards may jeopardize the status of culturally specific SUD treatment practices in Oregon. OHA recommends that the state engage in Tribal consultation and in listening sessions with culturally specific SUD treatment programs and rural and frontier programs to better understand their concerns changing to a national accreditation standard.

OHA estimates the total cost of this change would be \$4.1 million General Fund in 2023-25 and \$9.2 million General Fund in 2025-27.

OHA raises several concerns about the administrative burden of accreditation in its report, including that it would disproportionately impact smaller, culturally specific, or rural providers. Funding for the transition costs and a three-year window to transition to accreditation would help alleviate this burden but it's not clear if providers would still be impacted. During the three-year transition OHA does not propose reducing the administrative burden of the current process. Reducing the administrative burden of Coordinated Care Organization (CCO) oversight will require amending contracts between the organizations and the CCOs themselves. OHA cautions in their report that some oversight requirements may be mandated by Medicaid and as such cannot be eliminated.



OFFICE OF THE DIRECTOR

Tina Kotek, Governor

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December 4, 2023

Senator Elizabeth Steiner, Co-Chair
Representative Tawna Sanchez, Co-Chair
Interim Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301

Dear Co-Chairs:

Nature of the Request

The Oregon Health Authority (OHA) is to review the June 2021 recommendations of the advisory group on Substance Use Disorder (SUD) Accreditation. Additionally, OHA is to develop a recommendation regarding a path to accreditation for SUD treatment providers as required by a budget note in House Bill 5525 of the 2023 Regular Session.

Agency Action

The forthcoming report will address the recommendations from the SUD accreditation advisory committee and will address the merits and challenges of those recommendations including:

- Equity concerns
- Desire to increase quality and consistency of SUD treatment
- Desire to reduce regulatory burden
- Cost
- Workforce concerns
- Client health and safety
- Clarity of scope – SUD vs. all Behavioral Health
- Logistics and implementation

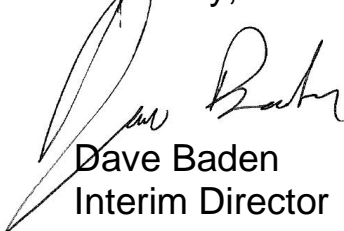
Should the Legislature choose to adopt the recommendations of the SUD accreditation advisory group or a modification thereof, there will be a need for staff support for the Health Systems Division and financial support for SUD treatment providers.

The Health Systems Divisions would need to request the following four positions (4.0 FTE):

- *Operations & Policy Analyst 4* – To lead the overall planning, implementation, regulation, and sustainability of SUD provider accreditation. Provide policy guidance and coordinate with all other positions associated with accreditation. Engage with SUD treatment providers, consumers of services, and other stakeholder agencies across the state to identify the implementation plan for the accreditation process. Engage with partners from national accreditation bodies to help guide system policy in Oregon.
- *Administrative Specialist 2* – Day-to-day calendaring and meeting scheduling, meeting notes, agenda distribution, keeping up to date email and other contact lists and support of program staff and general program needs.
- *Compliance Specialist 3 - two (2) positions* – Develop crosswalks identifying areas of congruence between Oregon Regulatory Authority, established Oregon Administrative Rules (OARs) related to the licensing and certification of SUD treatment providers, and different national accrediting organizations. Update OARs to address deemed status for accreditation while maintaining rules protecting health and safety of SUD treatment consumers.

OHA will issue a report outlining progress on the implementation of this requirement by December 11, 2023.

Sincerely,



Dave Baden
Interim Director

EC: Matt Stayner, Legislative Fiscal Office
Patrick Heath, Department of Administrative Services
Kate Nass, Department of Administrative Services
Amanda Beitel, Legislative Fiscal Office



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December 12, 2023

Senator Winsvey Campos, Co-Chair
Representative Andrea Valderrama, Co-Chair
Interim Joint Committee on Ways and Means on Human Services

Senator Deb Patterson, Chair
Senator Cedric Hayden, Vice-Chair
Senate Interim Committee on Health Care

Representative Rob Nosse, Chair
Representative Christine Goodwin, Vice-Chair
Representative Travis Nelson, Vice-Chair
House Interim Committee on Behavioral Health and Health Care

900 Court Street NE
H-178 State Capitol
Salem, OR 97301

Dear Co-Chairs, Chairs, and Vice-Chairs:

Nature of the Request

Budget Note: Provider Accreditation - The Oregon Health Authority (OHA) shall review the June 2021 recommendations of the advisory group described in section 4, chapter 583, Oregon Laws 2019 and develop a recommendation to the Legislature regarding a path to accreditation for organizational providers, as defined in ORS 430.637, that hold a certificate of approval, including the cost of accreditation and administrative burden impact on recognizing accreditation. No later than January 1, 2024, OHA shall report its findings to the committees and subcommittees of the Legislative Assembly related to health and mental health and to the subcommittee of the Joint Committee on Ways and Means with authority over human services agencies' budgets.

Background

House Bill 2257, Section 4, from the 2019 session, directed the Oregon Health Authority to convene a Substance Use Disorder Accreditation Advisory Group (SUDAAG) to develop recommendations for OHA

regarding the establishment of accreditation requirements for Substance Use Disorder Treatment programs.

Throughout its meetings, the SUDAAG discussed benefits and challenges presented by requiring accreditation. In addition, with OHA staff assistance, the group gathered and discussed information from accrediting bodies and other entities and heard from SUDAAG members whose organizations had been through the accreditation process. SUDAAG held two listening sessions with providers who were not members of the advisory group to ensure SUD providers across Oregon had the opportunity to share their perspectives on the workgroup's draft recommendations.

The SUDAAG recommended that the state of Oregon require all substance use disorder treatment programs to become accredited by any one of the following national accrediting bodies: The Commission on Accreditation of Rehabilitation Facilities (CARF), the Council on Accreditation (COA), or The Joint Commission (TJC).

It should be noted that the membership of the SUDAAG was not unanimous in supporting the accreditation requirement. The organizations that were in opposition were culturally specific and rural treatment providers. In addition to opposition within the SUDAAG, partners who attended the community listening sessions expressed concerns about an accreditation mandate. Some of those concerns were:

1. "Smaller organizations are much more likely to be serving underserved/specific populations that are already underserved. I don't really see any way that this wouldn't magnify disparities in service availability."
2. "Costs don't scale linearly. The cost of accreditation for a smaller organization would appear to likely be a much higher % of its operating budget and man hours than it would be for larger organizations. The fact that accrediting agencies would charge less for smaller organizations is only a small part of the cost equation."
3. "Accreditation is valuable for standards but does not also resolve the huge impacts of the 'social determinants of health'. That is a larger barrier to available and effective treatment."

See 2021 recommendations for complete record of partner comments.

There are currently 162 licensed and certified SUD treatment organizations in the state of Oregon. However, five of the organizations with multiple programs are Opioid Treatment Programs which are already required by federal regulations to be certified and accredited. That leaves 157 organizations of varying size that would be required to become accredited.

Through the workgroups external research and organizational experiences, they concluded an accreditation mandate benefits Oregon's full continuum of SUD treatment services, citing the following reasons:

1. "It has been demonstrated that accreditation provides organizations with a stable framework from which to deliver safe, high-quality, and effective care, treatment, and services. Accreditation standards are developed by experts in behavioral health care and addiction medicine. Accrediting bodies provide organizations with technical support and resources vetted by hundreds of other similar organizations providing SUD treatment.
2. Accreditation is an established means of assuring care is individualized, that it is evidence-based, and incorporates clinical best practices. Accrediting organizations lead the national effort to measure treatment quality and identify benchmarks to inform care delivery. Accreditation goes beyond clinical standards by focusing organizations on performance improvement, risk management and quality assurance to improve care.
3. An accreditation requirement aligns with the Alcohol and Drug Policy Commission's 2020- 2025 Strategic Plan and its goal of implementing "a statewide system that ensures that substance misuse policies, practices, investments and efforts are effective and result in healthy and thriving individuals and communities" (pg. 28). As detailed throughout this recommendation, the accreditation mandate serves to:
 - a. Increase the degree to which state agency leadership is working together to coordinate efforts and maximize resources.
 - b. Increase system capacity to solve substance use problems and implement needed changes to operations.
 - c. Increase the system's ability to use the most effective practices, processes and programs for priority populations and problems.

- d. Increase the system's ability to reduce health disparities and to promote health equity among all vulnerable and at-risk populations.
 - e. Increase the system's ability to be accountable.
 - f. Increase the system's ability to be sustainable.
- 4. Accreditation for SUD care will move behavioral and addiction treatment in Oregon closer to parity with medical/surgical care, which has required accreditation for decades. Essentially, accreditation will help to “level the field” between behavioral health care organizations and medical/surgical care providers. Increased scrutiny of the behavioral health field is imminent, with governing bodies and insurers rightly expecting assurance of quality, application of standards and organizational accountability. Accreditation for substance use programs supports Oregon’s capability to respond to this growing demand, rather than leaving it to react to external influence after the fact.
- 5. Above and beyond this ambition, members of the workgroup assert that the adoption of an accreditation requirement will accelerate Oregon’s goal of truly integrating care for substance use and mental health disorders. The national accrediting bodies have fully integrated their accreditation requirements for substance use and mental health disorders such that behavioral health care organizations can be accredited to provide care, treatment and services for individuals who have either a substance use disorder, a mental health disorder, or who have both a substance use and a mental health disorder. Rather than taking on this work itself, Oregon’s behavioral health leadership can adopt accreditation standards and be confident that high-quality, responsive, and meaningful care can be assured statewide.”

It is important to note that these reasons provided in support of mandatory accreditation are aspirational. There is no evidence to indicate that mandatory accreditation would or would not increase quality of care, reduce administrative burden, increase performance improvement and quality assurance, or increase capacity. There is no example of a state analogous to Oregon that has mandated accreditation to use as a comparison.

The workgroup listed the following requirements to succeed in implementing accreditation requirements:

1. “Recognition” of Accreditation Standards

The accreditation requirement must be accompanied by a reduction of state and CCO surveillance to avoid duplication and undue administrative burden. Achieving accreditation by one of the three national accrediting bodies will be sufficient for programs to meet specified OHA and CCO requirements. Therefore, accredited organizations shall be “recognized” as meeting specified state licensing and CCO auditing conditions.

2. Oregon Health Authority Staffing and Oversight

The workgroup recommends that the Oregon Health Authority dedicate two FTE, including one senior administrative position, to lead and publicly champion the SUD accreditation requirement.

3. Timing of Implementation

The workgroup recommends that the Oregon Health Authority, through its dedicated staff and advisory group(s) shall develop and oversee a “phased” or “rolling” approach to implementing the accreditation requirement, beginning with a statewide educational and technical assistance campaign, allowing reasonable time during which organizations can review their accreditation provider options, prepare for accreditation, apply for any available funding and complete the required steps for an initial survey.

OHA Recommendations:

Recognition of Accreditation Standards

The SUDAAG recommended a reduction in oversight by OHA and CCO by using a “recognition” status when a program holds national accreditation. This means a program is automatically issued a certificate of approval or license from the Oregon Health Authority by providing proof of accreditation.

The Oregon Health Authority agrees with using a “recognition” status, often called accreditation-based licensing and certification, but recommends that

it reserves the right to adopt rules and establish additional standards for monitoring accredited programs, services, and facilities that the Oregon Health Authority has determined are not covered by the accreditation standards and processes. Also included would be OHA's access to client charts, personnel records, and the program/facility for the purpose of investigating complaints and critical incidents. These additional standards for accredited programs, services, and facilities and the associated monitoring must not duplicate the standards and processes already covered by the accrediting bodies. In addition, the Oregon Health Authority, by accepting the survey or inspection of an accreditation organization, does not forfeit its rights to perform inspections at any time, including contract monitoring to ensure that services are provided in accordance with the contract.

The Oregon Health Authority also must reserve the right to monitor a provider of substance use disorder treatment services when a survey or inspection by an accrediting body has established any deficiency in the accreditation standards and processes, or when a health or safety concern has been reported.

The SUDAAG calls for a reduction in CCO oversight. While OHA contracts with all CCOs, individual provider CCO oversight requirements are part of the contractual agreement between the treatment provider and the CCO. A reduction in CCO oversight must be part of contract negotiations. Some CCO requirements are related to Medicaid compliance and may be difficult or impossible to eliminate.

Oregon Health Authority Staffing and Oversight

The workgroup recommends that OHA dedicate two FTE, including one senior administrative position to lead and publicly champion the SUD accreditation requirement.

OHA has concluded that creating a new accreditation program will require the following additional staff:

- Accreditation Coordinator (OPA4): One Full FTE
- Two Compliance Specialist 3 (CS3): Two Full FTE
- Administrative Specialist 2 (AS2): One Full FTE

In addition to the recommended OHA staff, the Addiction Treatment, Recovery, and Prevention unit and the Licensing and Certification unit would act as accreditation champions. Their role would be to assist the project manager and compliance specialist with educating and engaging SUD providers in the accreditation process, importance, and rationale.

Provider Fiscal and Administrative Burden

During the preparation and accreditation process, the facility and staff open their doors for the accrediting bodies to perform onsite visits and evaluations. Several practices are evaluated at the facility—including the organization's day-to-day operations, aspects of the facility's management, staffing, training, policies and procedures, safety plans, client residential areas, treatment areas and equipment, programming schedules, and the effectiveness of the clinical services and therapies. The preparation process can take up to one year and requires providers to dedicate FTE to bring their policy and procedure, clinical practices, facility management, etc. up to accreditation standards.

The SUDAAG recommended that OHA award a maximum of \$60,000 per SUD treatment program applying for national accreditation. They recommend that the total allowable award be prorated based on a program's number of FTE (example from 2021 SUDAAG recommendations).

0-75 FTE	76-150 FTE	151-300 FTE	301+ FTE
100%	75%	50%	25%

The true cost of accreditation for every SUD treatment organization in the state is indeterminable as fees vary among accrediting entities based on the number of provider locations, number of individuals served, and complexity of services provided.

Existing medium-sized SUD treatment organizations in Oregon (at least five programs under their umbrella) who have been through the accreditation process report a minimum of one year to prepare for the initial accreditation survey, and a cost between \$130,000 and \$200,000. They report the activities that factor into the cost included, but were not limited to, application fees, accreditation consultation, dedicated FTE, and building retrofitting. It is unlikely that the subsidy recommended by the SUDAAG

would be sufficient to cover the costs associated with accreditation by all providers.

The SUDAAG met and made its financial recommendations in 2020 and 2021. The Health Systems Division's budget analysis factored in wage increases and inflation to calculate a more current funding amount to support statewide accreditation implementation.

To avoid potential program closures due to financial and administrative burdens it is recommended that OHA fully fund the accreditation process for all programs, allowing providers to invoice for all accreditation fees and related work. There are cost increases and workforce shortages that have occurred in the time since the recommendations were made that will impact the possible implementation of accreditation.

Equity Considerations

The SUDAAG recommendations state, "Preliminary background research found no indication that accreditation would exacerbate disparities, but this must remain a focus. It is critical that these programs are able to maintain culturally specific clinical and operational practices."

OHA's equity evaluation includes the following issues and concerns:

- The source of the "preliminary research" noted in the SUDAAG recommendations is not provided.
- The report states that, "accreditation is an established means of assuring care is individualized, that it is evidence-based and incorporates clinical best practices." Culturally responsive and culturally specific care practices are seldom designated as evidence-based given Westernized, Eurocentric standards required for the label. Clinical best practices must account for care practices used within minoritized communities identified as efficacious, despite the possibility they are not identified as "evidence based."
- The report states that "the workgroup reflected on and heard concerns about the potential for negative impacts on culturally relevant care and the possibility of unintended impacts on disparities." The concerns presented regarding negative impacts on culturally relevant care need to be explicitly stated as well as the reflections

assumed to address those concerns. How those concerns would be addressed is not reflected in the recommendations.

- The report states that “the group found no indication that accreditation represented an insurmountable achievement for small/rural providers.” Evidence of research results is needed to verify this indication.

Culturally specific and small rural and frontier programs are especially vulnerable to financial and administrative burden due to existing staffing challenges and smaller operational budgets. If the Legislature chooses to mandate and fund accreditation for all SUD treatment providers, OHA recommends that, before the announcement of the accreditation requirement, we seek Tribal consultation and engage culturally specific SUD treatment programs and rural and frontier programs in listening sessions to gain a better understanding of the specific concerns/barriers associated with achieving national accreditation. OHA must ensure that culturally specific practices are allowed to continue, despite not being considered an evidenced-based practice.

Implementation

The SUDAAG recommends that a “phased” or “rolling” approach is used for implementing the accreditation requirement.

If the Legislature chooses to accept the recommendations of the SUDAAG, the Oregon Health Authority recommends that all SUD treatment providers apply for accreditation within the first 18 months and achieve accreditation within the first three years of the requirement going into effect. Oregon’s existing rules and standards will remain in effect until the implementation period is over.

A crosswalk will be developed for all three approved accrediting bodies and the Oregon Administrative Rules, Oregon Statutes, and pertinent Federal law to ensure that the accreditation policy and programming standards comply.

Providers must stay current with their accreditation status to be issued a license or certificate of approval by OHA.

Summary

- OHA agrees with using a “recognition” status.
- OHA reserves the right to adopt rules and establish additional standards for monitoring accredited programs, services, and facilities that the Oregon Health Authority has determined are not covered by the accreditation standards and processes.
- OHA must reserve the right to monitor a provider of substance use disorder treatment services when a survey or inspection by an accrediting body has established any deficiency in the accreditation standards and processes, or when a health or safety concern has been reported.
- OHA recommends the following dedicated four FTE be funded to facilitate the establishment of accreditation requirements for Substance Use Disorder Treatment programs:
 - Accreditation Coordinator (OPA4): One Full FTE
 - Two Compliance Specialist 3 (CS3): Two Full FTE
 - Administrative Specialist 2 (AS2): One Full FTE
- OHA recommends fully funding the accreditation requirement at an average of \$75,000 per program, allowing providers to invoice for all accreditation fees and related work. Underfunding the requirement will potentially cause a decrease in system capacity by forcing programs to close due to financial burdens.
- It is recommended that, before the announcement of the accreditation requirement, OHA seek Tribal consultation and engage culturally specific and rural and frontier programs SUD treatment programs in listening sessions to gain a better understanding of the specific concerns/barriers associated with achieving national accreditation.
- OHA has identified concerns that are not addressed in the SUDAAG’s recommendations. OHA providers consistently provide feedback about the challenges of recruiting and retaining workforce, ability to pay for a skilled workforce, lack of culturally specific services, and administrative burden. A statewide mandate to accredit

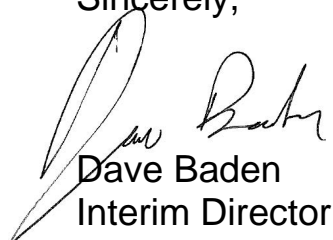
all providers could exacerbate these challenges if implemented without sufficient financial and logistical support.

- When evaluating the SUDAAG recommendations, it is important to be aware of the fact that there is no way to be certain that mandating accreditation for all SUD providers would achieve the goal of increasing access to quality treatment.

Fiscal impact of implementation of the SUDAAG recommendations is summarized in the table below:

<u>2023-25</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>TOTAL FUNDS</u>	<u>Position</u>	<u>FTE</u>	<u>Months of Impact</u>
Personal Services	\$ 407,851	\$ -	\$ 139,153	\$ 547,004	4	2.52	15
Services and Supplies	\$ 48,284	\$ -	\$ 16,114	\$ 64,398			
Special Payments	\$ 3,532,500	\$ -	\$ -	\$ 3,532,500			
Total	\$ 3,988,635	\$ -	\$ 155,267	\$ 4,143,902			
<u>2025-27</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>TOTAL FUNDS</u>	<u>Position</u>	<u>FTE</u>	<u>Months of Impact</u>
Personal Services	\$ 652,557	\$ -	\$ 222,640	\$ 875,197	4	4.00	24
Services and Supplies	\$ 65,858	\$ -	\$ 21,978	\$ 87,836			
Special Payments	\$ 8,242,500	\$ -	\$ -	\$ 8,242,500			
Total	\$ 8,960,915	\$ -	\$ 244,618	\$ 9,205,533			

Sincerely,



Dave Baden
Interim Director

Attachment: Final SUDAAG Recommendations June 2021

EC: Matt Stayner, Legislative Fiscal Office
Patrick Heath, Department of Administrative Services
Kate Nass, Department of Administrative Services
Amanda Beitel, Legislative Fiscal Office

Substance Use Disorder Accreditation Workgroup

Report and Recommendations

June 2021

Background and process

As required under House Bill 2257, the Substance Use Disorder Accreditation Advisory Group (SUDAAG) met in 2020 and 2021 to determine a recommendation to the Oregon Health Authority about the establishment of accreditation requirements for treatment programs for substance use disorders (SUD). The legislation required that these recommendations be completed by June 30, 2020, but given the Covid-19 pandemic, meetings were postponed. After a hiatus, the Workgroup resumed its work.

Throughout its meetings, the SUDAAG discussed the benefits and challenges presented by requiring accreditation. In addition, with OHA staff assistance, the group gathered and discussed information from accrediting bodies and other entities and heard from SUDAAG members whose organizations had been through the accreditation process. The SUDAAG held two listening sessions to ensure SUD providers across Oregon had the opportunity to share their perspective on the Workgroup's draft recommendations. Treatment providers and stakeholders across Oregon brought forward concerns and questions that can be categorized in the following ways: 1) implications for small, rural, and/or culturally specific providers; 2) administrative and/or financial burden; and 3) relevance and value of accreditation. Workgroup members compiled and synthesized the feedback with the goal of determining if the recommendation was unrealistic, or if it could be revised in a manner that addressed any potential negative or unforeseen consequences. The group believes the recommendations, implemented as outlined below, adequately address the concerns raised.

Final Recommendation

The SUDAAG recommends that the state of Oregon require substance use disorder treatment programs become accredited by any one of the following national accrediting bodies: The Commission on Accreditation of Rehabilitation Facilities (CARF), the Council on Accreditation (COA), or The Joint Commission (TJC).

Building upon Oregon's ambitious position of leading health reform, the Workgroup believes it is in the best interests of individuals currently served by substance use disorder treatment programs in Oregon, those in need of care, and all the residents of the state that this requirement be put into effect for the benefit of all impacted by the preventable devastation of substance use disorders.

Through the Workgroup's external research and organizational experiences, we concluded an accreditation mandate benefits Oregon's full continuum of treatment services because:

1. It has been demonstrated that accreditation provides organizations with a stable framework from which to deliver safe, high quality, and effective care, treatment, and services. Accreditation standards are developed by experts in behavioral health care and addiction medicine. Accrediting bodies provide organizations with technical support and resources vetted by hundreds of other similar organizations providing SUD treatment.
2. Accreditation is an established means of assuring care is individualized, that it is evidence-based and incorporates clinical best practices. Accrediting organizations lead the national effort to measure treatment quality and identify benchmarks to inform care delivery. Accreditation goes beyond clinical standards by focusing organizations on performance improvement, risk management and quality assurance to improve care.
3. An accreditation requirement aligns with the Alcohol and Drug Policy Commission's 2020-2025 Strategic Plan and its goal of implementing "a statewide system that ensures that substance misuse policies, practices, investments and efforts are effective and result in healthy and thriving individuals and communities" (pg. 28). As detailed throughout this recommendation, the accreditation mandate serves to:
 - a. Increase the degree to which state agency leadership is working together to coordinate efforts and maximize resources
 - b. Increase system capacity to solve substance use problems and implement needed changes to operations
 - c. Increase the system's ability to use the most effective practices, processes and programs for priority populations and problems
 - d. Increase the system's ability to reduce health disparities and to promote health equity among all vulnerable and at-risk populations
 - e. Increase the system's ability to be accountable
 - f. Increase the system's ability to be sustainable
4. Accreditation for SUD care will move behavioral and addiction treatment in Oregon closer to parity with medical/surgical care, which has required accreditation for decades. Essentially, accreditation will help to "level the field" between behavioral health care organizations and medical/surgical care providers. Increased scrutiny of the behavioral health field is imminent, with governing bodies and insurers rightly expecting assurance of quality, application of standards and organizational accountability. Accreditation for substance use programs supports Oregon's capability to respond to this growing demand, rather than leaving it to react to external influence after the fact.
5. Above and beyond this ambition, members of the Workgroup assert that adoption of an accreditation requirement will accelerate Oregon's goal of truly integrating care for

substance use and mental health disorders. The national accrediting bodies have fully integrated their accreditation requirements for substance use and mental health disorders such that behavioral health care organizations can be accredited to provide care, treatment and services for individuals who have either a substance use disorder, a mental health disorder, or who have both a substance use and a mental health disorder. Rather than taking on this work itself, Oregon's behavioral health leadership can adopt accreditation standards and be confident that high-quality, responsive and meaningful care can be assured statewide.

We acknowledge the mandate of accreditation may bring with it confusion or anxiety, and it will not be achieved without effort. While the Workgroup recommends the state require accreditation of all SUD providers that would otherwise be mandated to hold license or certification of approval from Oregon Health Authority (OHA), the mandate must be accompanied by the following qualifications so as to eliminate unnecessary redundancy and minimize burden to organizations:

Requirements to Succeed

1. "Recognition" of accreditation standards

- a. The accreditation requirement must be accompanied by a reduction of state and CCO surveillance to avoid duplication and undue administrative burden. Achieving accreditation by one of the three national accrediting bodies will be sufficient for programs to meet specified OHA and CCO requirements. Therefore, accredited organizations shall be "recognized" as meeting specified state licensing and CCO auditing conditions.
 - To sufficiently maintain licensing and certification responsibility, OHA and the CCOs shall utilize a crosswalk of standards, to be produced by applicable accrediting bodies (CoA, CARF, Joint Commission) as their guidance when determining *what if any* Administrative Rules or CCO contractual requirements are not sufficiently and meaningfully captured by the accrediting body's published standards. The state would then only conduct reviews on those state standards that the accrediting bodies do not capture in their accreditation. CCOs, by the direction of OHA, would engage in a similar process to streamline and unify provider auditing.
 - The Workgroup acknowledges some changes to CCO requirement(s) may not be feasible until the renewal of the current CCO contract period ending in 2024. The Workgroup expects this requirement will be incorporated into the next iteration of CCO contracting.
- b. "Recognition" is a specific term used to formally accept that, when an organization meets provisional or fully accredited status, it can be recognized as thereby meeting state-imposed standards. This process of recognition has precedent in other states, notably

Alaska, which requires all behavioral health service providers be accredited in order to receive state approval.

- c. OHA shall maintain its role in certification and licensing facilities, but through this process of recognition it agrees not to burden organizations with duplication of review by their own body when an organization is able to successfully adopt and maintain independent national accreditation.

2. Oregon Health Authority staffing and oversight

- a. The Workgroup recommends that the Oregon Health Authority dedicate one to two FTE, including one senior administrative position, to lead and publicly champion the SUD accreditation requirement. The work of this staff would include, but may not be limited to:
 - Convening an advisory group that will meet regularly to provide guidance and support to OHA in the development and implementation of the accreditation initiative.
 - Planning and implementing of the state's SUD accreditation initiative. OHA staff are strongly encouraged to engage with other states that have previously implemented similar requirements
 - Proactively, clearly and regularly communicating with SUD providers about the planning and progress of the state's SUD accreditation initiative.
 - Facilitating provider accreditation education sessions that are readily accessible to all SUD providers in the state.
 - Convening provider, CCO and accrediting body representatives on a regularly scheduled basis (frequency TBD) to ensure continued alignment in goals, understanding of impacts, and to allow input in the implementation
 - Creating an informational repository and linkage resource so providers may connect directly with technical assistance, consulting services, and connection to currently accredited SUD providers who are willing to mentor organizations through the process.
 - Developing and auditing the process by which organizations will apply for and be awarded financial support.
- b. The Workgroup recommends that the Oregon Health Authority report annually to the Oregon Legislature on the progress of the SUD accreditation initiative throughout the implementation term.

3. Timing of implementation

- a. The Oregon Health Authority, through its dedicated staff and advisory group(s) shall develop and oversee a "phased" or "rolling" approach to implementing the accreditation requirement, beginning with a statewide educational and technical assistance campaign, allowing reasonable time during which organizations can review their accreditation

options, prepare for accreditation, apply for any available funding, and complete the required steps for an initial survey.

- Phases shall include:
 1. A statewide campaign directed to behavioral health providers, focused on promoting a) awareness of the new requirement and its implications for existing state certification/licensing; b) the phases, including a timeline, that demonstrates how implementation will occur statewide; and c) an overview of the value of accreditation.
 2. Initiation, completion, and publication of the results of the recognition process, including justification of any OARs and CCO requirements that must be certified directly and separately from accreditation standards. Opportunity for public question and comment is encouraged prior to final publication.
 3. A staggered approach to statewide adoption that geographically distributes timeline requirements so as to mitigate any foreseeable disruptions to services that could occur if several local organizations seek accreditation simultaneously
 4. The state will be transparent in notifying providers about the phases, the timeline, and all relevant deadlines. These notifications will be published and shared with providers.
- Total time to complete all phases will be no less than 24 months, no more than eight years, and will commence no later than 1/1/2022.

4. Financial support for organizations

- a. Financial resources must be designated by the Oregon Legislature in order to assure complete and successful implementation of the requirement. This is of specific concern for SUD providers that are small, rural, and/or offer culturally specific services. The legislature and OHA should investigate all possible sources of funds, including but not limited to Medicaid dollars, tax revenue (marijuana, tobacco, alcohol), lottery funds, Covid-19 relief funds, opioid settlement funds, and cost savings from shifts in Health Systems Division: Licensing and Certification funding.
- b. The Workgroup emphasizes that funding to support the recommendation ***must not be diverted away from existing reimbursements or provider funds.***
- c. Funds identified by the Oregon Legislature to support this initiative would be dispersed over the full length of the timeframe, suggesting that only a portion of the funds must be identified and set aside each year.
- d. Organizations need financial support to achieve initial accreditation. Funding should be targeted toward the dedication of staff, participation in technical assistance provided by the accrediting body or a private consultant, and for the application for initial accreditation.

- e. Given significant variability in organizational size and existing provider accreditation status, the Workgroup recognizes it is difficult to know the cost for all SUD providers to achieve accreditation. While this group does not have access to all of these details, we submit with this recommendation a template for determination of provider funding levels. We recognize further analysis by OHA is required to estimate full cost over the lifetime of the project.
- f. The Workgroup suggests below a strategy for dissemination of funding. *It should be considered draft*, but we believe the format and parameters effectively mitigate concerns about equitable distribution and disproportionate impact. Essential is the designation of full support to organizations providing tribal, culturally, or linguistically specific care:

SAMPLE

OHA will fund initial accrediting activity at the following rates, with a total maximum allowable of \$60,000 per provider across the designated period. Organizations will be required to submit budget detail and justification prior to approval.

Permissible activities for funding include:

- Staff FTE dedicated to implementation and assurance of required policies. FTE may represent staff exclusively dedicated to accreditation, or may be portions of FTE distributed across individuals employed by the organization.
- External consultant(s) or contractors
- Technical Assistance provided directly by an accrediting organization
- Onsite initial survey fees and first year of accrediting fees
- Up to 10% of total requested funds may be dedicated toward facility improvements.

The following formula will be used to determine the percentage of funding provided:

0-75 FTE	76-150 FTE	151-300 FTE	301+ FTE
100%	75%	50%	25%

- Organizations for whom at least 51% of operations are dedicated to tribal, culturally or linguistically specific care will be funded at the 0-75 FTE level regardless of organization's FTE
- Organizations for whom all or a portion of programs are already accredited will be funded at a maximum of 50%, regardless of organization's FTE

SAMPLE

Equity considerations

The Workgroup wants to ensure that accreditation promotes, rather than negatively impacts health equity. The Workgroup reflected on and heard concerns about potential for negative impacts on culturally relevant care and the possibility of unintended impacts on disparities. Preliminary background research found no indication that accreditation would exacerbate disparities, but this must remain a focus. It is critical that these programs are able to maintain culturally specific clinical and operational practices.

Impacts on small/rural providers

The Workgroup is concerned about the impact on small and rural providers. As with concerns raised about equity impacts, the group found no indication that accreditation represented an insurmountable achievement for small/rural providers. However, we anticipate disproportionate financial burden for those organizations with limited infrastructure and the distribution of funds must recognize this. Additionally, any implications for the workforce, which is already strained, need to be considered when rolling this requirement out statewide.

Attached to these recommendations are the following:

- Workgroup roster with additional information about represented organizations
- Public input
 - Summation of questions and comments from two listening sessions
 - Letter submitted to Oregon Health Authority by the Tri-County Behavioral Health Provider Association
 - Letter submitted to the SUDAAG Workgroup by CareOregon

This report is submitted by the Substance Use Accreditation Advisory Group. We had consensus on our recommendations with one dissenting vote from Lifeworks NW.

First Name	Last Name	Title	Organization
Francesca	Barnett	SUD Services Director (member until 12/2020)	Lifeworks NW/Project Network Lifeworks NW
Barb	Seater	Associate Clinical Director (member starting 12/2020)	
Dr. John	Hardy	Medical Director	AMG Physicians LLC
Barbara	Heath	CEO	Transformations Wellness Center
Lisa	Hubbard	Director of Training and Staff Development	Adapt
Dr. Alan	Ledford	Executive Director	OnTrack, Inc.
Cynthia	Levesque	Director/Therapist	Kolpia Counseling Services
Dr. Moxie	Loeffler	President	Oregon Society of Addiction Medicine
Megan	Marx	Director of Integrated Care	ORTC, LLC
Tim	Murphy	Executive Director	Bridgeway Recovery

Alison	Noice	Executive Director	CODA, Inc.
Eva	Williams	Deputy Director	Willamette Family, Inc.
DJ	Alex*	Behavioral Health Peer Support Outreach Specialist	Providence Health & Services *Appointed to Workgroup; did not participate.