FINAL REPORT

SUBSTANCE ABUSE CARE AND TREATMENT PROGRAM
INTERIM STUDY COMMITTEE

January 1995

AUTHORIZATION AND APPOINTMENT

The Substance Abuse Care and Treatment Program Study Committee was established by the Legislative Council for the 1994 Interim and charged to "review the services and programs available in Iowa for the care and treatment of substance abuse; analyze the variety of funding sources available for services, with particular emphasis on the appropriate utilization of Medicaid and third-party sources; determine if there are gaps in the continuum of care; and closely review existing law in Chapter 125 to ensure that current law meets the needs of persons with substance abuse problems and the needs of new providers offering services."

MEMBERSHIP

The members of the Study Committee were:

Senator Robert E. Dvorsky, Co-chairperson
Representative Bob Brunkhorst, Co-chairperson
Senator Merlin E. Bartz
Senator Eugene Fraise
Senator Andy McKean
Senator Albert Sorensen
Representative Patricia Harper
Representative Jack Holveck
Representative Chuck Larson
Representative Richard Vande Hoef

COMMITTEE PROCEEDINGS

The Legislative Council authorized one meeting day for the Study Committee which was held on November 18, 1994.

The Committee's presentations, discussions, and final recommendations are summarized as follows:

Mr. Charles Larson, Governor's Alliance on Substance Abuse, informed the Committee about the substance abuse funding streams for the state which total approximately $7.9 million without consideration of private funding sources. He provided a breakdown of state, federal, and other funding sources in the areas of prevention, criminal justice, and treatment. He also gave an estimate of the costs to hospitals for unreimbursed expenditures for medical detoxification.

Ms. Janet Zwick, Director, Division of Substance Abuse, Iowa Department of Public Health (IDPH), presented the results of the work of the Task Force established pursuant to House File 2376 comprised of state-funded and nonstate-funded treatment and prevention providers. The Task Force concentrated on the treatment issue because of the time constraints. They arrived at 14 recommendations, including the following: inclusion of managed care and case management concepts in any program receiving IDPH funds, encouragement of creative approaches using regional provider networks, reporting by all substance abuse programs through a statewide data system, revision of Medicaid rules to allow payment for services from nonhospital- affiliated IDPH licensed programs, development of a planned approach to detoxification and funding, provision of a continuum of care from prevention to relapse prevention with a dedicated funding source, development of a standardized process for civil commitments with training for judicial referees, revision and updating of Iowa Code Chapter 125 to provide for responsibility of payment of civil commitments, interpretation and review of IDPH funding requirements to determine how different levels of care can be provided within the hospital setting, provision of incentives to promote collaboration among providers, and the classification of providers of substance abuse services as essential community providers as IDPH develops its guidelines for essential services.

Mr. Ralph Brown, Attorney, President's Commission on Model State Drug Laws, Dallas Center, Iowa, and Ms. Deborah Beck, President, Drug and Alcohol Service Providers Organization, Pennsylvania, talked to the Committee about the recommendations from the President's Commission, including some proposed changes in Iowa's laws with the setting up of "drug courts" and changes in insurance laws to require coverage for substance abuse treatment.

Mr. Patrick Coleman of the Department of Corrections informed the Committee that he is concerned that the implementation of a managed care model could impact unfavorably on the treatment needs of the complicated offender clientele who require a complete continuum of care services. He informed the Committee that approximately 65 percent of the publicly funded treatment population is made up of criminal justice referrals. He asked the Committee for a complete review of the treatment expectations for criminal clients.

Ms. Kathleen Masterpole, Public Defender, Des Moines Adult Office, spoke to the Committee about lengthy timelines and the difficulty of finding placement for her clients. She expressed support for a preplea assessment instead of a presentence investigation after trial. Ms. Masterpole asked the Committee to look at the procedures of the Department of Transportation regarding the revocation of driver's licenses and the realities of needing a car to access health services and jobs. She also expressed her belief that treatment providers should be evaluated to ensure they are offering needed services.

Judge Karla Fultz, Juvenile Court, Fifth Judicial District, told the Committee that there are always two questions to be resolved with court-ordered juvenile substance abusers: "Where is there a bed and who will pay for the treatment?" She said there is no licensed inpatient treatment facility for adolescents in Des Moines and that she often must refer children to Gordon's Recovery Center in Sioux City. Judge Fultz told the Committee that a commitment proceeding for an adolescent is exactly like the proceeding for an adult. She said that the Iowa Department of Public Health has stated that the responsibility for funding substance abuse treatment for adolescents should be assumed by the Department of Human Services (DHS) because Juvenile Court has jurisdiction and DHS pays for the other services ordered by the Juvenile Court. She asked the Committee to look at two changes: provision of a secured centrally located treatment facility for evaluation and treatment of under age 18 substance abusers and improvement of access to funding for evaluation and treatment without the necessity of filing a Child in Need of Assistance proceeding.

Ms. Cynthia Danielson, Attorney, Judicial Hospitalization Referee, Mt. Pleasant, Iowa, went over the commitment procedure, which requires that a substance abuser be treated for 30 days and then discharged. This may not be adequate time, she suggested, but the Code provision which allows for the filing of another commitment petition to extend treatment time is rarely followed. Ms. Danielson brought a copy of what she considers to be stringent commitment guidelines for the Mt. Pleasant Mental Health Institute. She also pointed out other areas of concern, such as the requirement that a person be identified as either a mental illness commitment or a substance abuse commitment and that the two identifications may not be included in the same petition, and the five-day evaluation period which permits a client to complete detoxification by the time the hearing is held, thus resulting in the client no longer fitting the Code requirement that they be a danger to themselves or to others. The Committee asked to look at changing the five-day limitation by looking back at the person's behavior at the time the petition for commitment was filed. Ms. Danielson expressed concern about the constitutionality of such a change.

Mr. Gary Gesaman, Bureau Chief, Program Services, Medicaid, Department of Human Services, provided the Committee with options for changing the current Medicaid reimbursement system if the Committee does not wish to see the current system maintained. They are: expand type of reimbursement by adding the rehabilitation option and including additional inpatient, outpatient, and other provider coverage of substance abuse treatment; include substance abuse as part of the mental health payment provisions; or develop a separate managed care contract for substance abuse. He indicated that he felt that perhaps the Medicaid program could fund services at nonhospital-based facilities, but could not pay for room and board.

Ms. Mary Dubert, Director, Community Social Services, Scott County, Iowa, urged the Committee to see that the state provide the funding for the process of involuntary commitment. This procedure is being used more frequently, according to Ms. Dubert. She mentioned that the counties have particular difficulty with the 48-hour holding period and the five-day evaluation time. She also suggested that the state fund medical and social detoxification costs, that Medicaid funding become available to cover these costs in both hospital-based and freestanding facilities, and that a mechanism be developed for determining appropriate levels of care for both

medical and social detoxification. Ms. Dubert said that the substance abuse services should have a clear interface with services for the mentally ill and that case management should maintain the public health perspective currently in place. She reminded the Committee of the counties' opposition to mandates.

Ms. Patsy Shors, Chairperson, Polk-Warren Demonstration Project, Des Moines, Iowa, gave the Committee her perspective on this pilot project by the Division of Substance Abuse to set up a model for managed care. She discussed the strengths and weaknesses of the project. One of her major concerns is that the project, which is called a case management system, in reality is not such a system. Ms. Shors questioned the necessity of having a standardized evaluation which requires a two-week waiting period when each of the providers has its own system of evaluation. She also questioned the necessity for evaluation of all first-time Operating While Intoxicated offenders and suggested that only those drivers with a blood alcohol count of .18 or above receive an assessment. Her presentation ended with a proposal that a task force composed of members from the Division of Substance Abuse, the Department of Corrections, the Department of Human Services, the Governor's Alliance on Substance Abuse, members of the judiciary, and the private sector be appointed to set up a comprehensive plan, particularly to deal with high-risk populations.

Remi J. Cadoret, M.D., Director, Iowa Consortium for Substance Abuse Research and Evaluation, gave the Committee a brief history of the Consortium. Among his recommendations to the Committee were that treatment expectations should become longer-termed, that case management and managed care models hold promise but must be carefully evaluated, and that outcomes monitoring and evaluation of programs should integrate information needs of all parties.

RECOMMENDATIONS

1. The Committee recommends the adoption of the recommendations of the Task Force created in House File 2376 as contained in the "Report to Interim Legislative Committee", which was provided to the Committee and amended by the Committee, as follows:

   a. In order to appropriately place the client, managed care and case management concepts need to be implemented in all programs receiving Iowa Department of Public Health funding. These concepts would include the utilization of a standardized placement, continued stay and discharge criteria, and outcome standards. Through the utilization of other task forces some of the recommended criteria are already in place and the rest will be ready for implementation by July 1, 1995.

   b. A managed care model needs to be implemented with programs managing the client's level of care and utilization of outcome measures. The model shall

be developed to promote competition among providers, and to the extent possible, shall provide a preference to Iowa providers. Criteria shall be developed for selecting a managed care provider.

c. Substance abuse programs must be allowed to participate in regional provider networks as well as encouraged to develop creative approaches to treatment services. The Iowa Department of Public Health must develop flexible approaches to funding these new program models.

d. All substance abuse treatment programs should report through a statewide data system. Consider how the Community Health Management Information System, State Wide Health Accounting System, or existing systems could be utilized. The possibility of an integrated statewide data system should be explored.

e. A consolidated funding system, consistent with the standardized placement, continued stay, and discharge criteria, must be developed including at a minimum Medicaid, Center for Substance Abuse Treatment, Iowa Department of Public Health, and Psychiatric Medical Institutions for Children funding.

f. Medicaid rules should be changed to allow for payment of substance abuse services to nonhospital-affiliated, Iowa Department of Public Health licensed providers. The Committee indicated in making this recommendation that the process to change these rules should begin as soon as possible.

g. A planned approach to detoxification must be provided. Since this would be a funded service in the continuum, a clearly defined additional funding source must be provided.

h. The continuum of care from prevention to relapse prevention should be available and adequately funded. A dedicated funding source should be established to provide appropriate care for all clients.

i. A standardized process for civil commitments throughout the 99 counties must be established. Training must be provided to all judicial referees.

j. Chapter 125, regarding civil commitments and responsibility of payment, should be updated. Counties have traditionally been responsible for 25 percent of the cost of commitment at the mental health institutions (MHIs) and should continue with this responsibility. However, an additional funding source will need to be identified for commitments outside the MHIs.

k. An interpretation of the law and the Iowa Department of Public Health funding requirements will be reviewed to determine how different levels of

care can be provided within the hospital setting.

l. Incentives must be provided to promote collaboration among providers so a full range of substance abuse services will be available in all areas of Iowa.

m. Iowa Code Chapter 125 must be reviewed and revised, where applicable, in order to carry out the above recommendations.

n. As the Iowa Department of Public Health develops the rules for essential community providers, substance abuse treatment services should be considered as essential to a community. Those substance abuse agencies contracting with the Iowa Department of Public Health should be considered essential community providers.

2. The Committee recommends that an evaluation of the costs and benefits of the individual recommendations contained in recommendation number 1 be completed prior to their implementation. This evaluation shall be required by the General Assembly and shall be considered when determining whether an individual recommendation should be implemented.

3. The Committee recommends that the General Assembly review and implement a methodology for the evaluation of substance abuse treatment programs. Information obtained through such evaluations should be available to the public and should be considered when determining state funding levels.

4. The Committee recommends that the General Assembly review the procedure for the revocation of a person's driver's license upon being convicted for the possession of a controlled substance and consider changing the procedure. The Committee recommends that the Department of Transportation be requested to provide information as to how other states handle these types of revocations, how effective their procedures have been, and what problems have arisen.

5. The Committee recommends that consideration be given to enacting legislation which will allow a petition to be filed for involuntary hospitalization and for involuntary commitment or treatment of chronic substance abuse based upon a claim that the person is suffering both from a mental illness and is a chronic substance abuser. The Committee received testimony that currently a proceeding may not be instituted based upon both mental illness and chronic substance abuse, and that a decision must be made to select either mental illness or chronic substance abuse.

6. The Committee recommends that consideration be given to enacting legislation which will permit evidence of previous acts which occurred previous to and during the five-day period immediately preceding the start of an involuntary commitment hearing to be considered by the court when determining an appropriate treatment alternative. The Committee received testimony that at the time of a hearing, the court must order the use of the least restrictive alternative based

upon the condition of the respondent at the time of the hearing. Testimony was also received that changing this may raise a constitutional issue.

The following materials supplied to the Committee are on file with the Legislative Service Bureau:

1. Background Statement;

2. Past Legislative Studies Which Are Topically Related:
   a. Drug Abuse and Enforcement Study Committee, 1990
   b. Substance Abuse Treatment and Prevention Study Committee, 1986
   c. Substance Abuse Study Committee of the Senate and House Committees on State Government and Human Resources and the Senate and House Human Resources Appropriations Subcommittees, 1984;

3. Attorney General's Opinion;

4. Statewide Treatment Programs, September 1994 Update;

5. Current Version of Chapter 125, Iowa Code;

6. Administrative Code Provisions, Chapter 125;

7. Materials from Mr. Ralph Brown, President's Commission on Model State Drug Laws;

8. Department of Corrections Material;

9. Materials from Ms. Cynthia Danielson, Attorney;

10. Department of Human Services Materials;

11. Materials from Ms. Patsy Shors, Polk-Warren Demonstration Project;

12. Materials provided by Ms. Mary Dubert, Scott County.

On the day of the meeting the following additional materials were provided and are on file with the Legislative Service Bureau:

1. Annual Report of the Drug Enforcement and Abuse Prevention Coordinator;

2. Materials provided by Judge Karla Fultz;

3. Materials on the Iowa Consortium for Substance Abuse Research and Evaluation;

4. Revised Report from Ms. Patsy Shors;

5. Materials from Ms. Kathleen Masterpole;

6. Service Gap Task Force Report.

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