

DASA Treatment Expansion Update

Expanding access to alcohol/drug treatment



Doug Allen, Division Director, Department of Social and Health Services, Health and Recovery Services Administration, Division of Alcohol and Substance Abuse

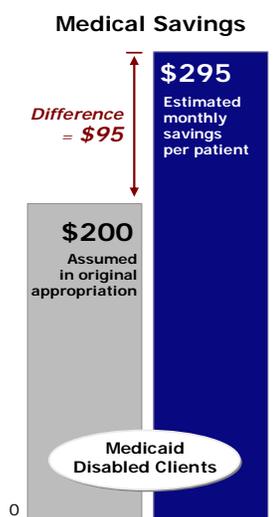
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Background

SENATE BILL 5763, The Omnibus Treatment of Mental and Substance Abuse Disorders Act of 2005 provided expanded funding for chemical dependency treatment of approximately \$32 million for adults and \$6.7 million for youth. The adult expansion was targeted for adults on Medicaid and General Assistance and was funded primarily by assumed savings in medical and long-term care costs. Youth expansion funds were earmarked for adolescents in households with income below 200 percent of the federal poverty level. No offsetting savings were budgeted for the youth treatment expansion.

Due to the slower than anticipated ramp-up of the Treatment Expansion, supplemental budget actions reduced Treatment Expansion funding from the originally budgeted amounts. The original budget allocation for the adult target populations for SFY 2007 was reduced from \$20.4 million in the original appropriation to \$10.6 million, while expansion funding for youth in SFY 2007 was reduced from the original \$3.36 million to \$469,000.

Actual cost savings per treated patient are better than expected

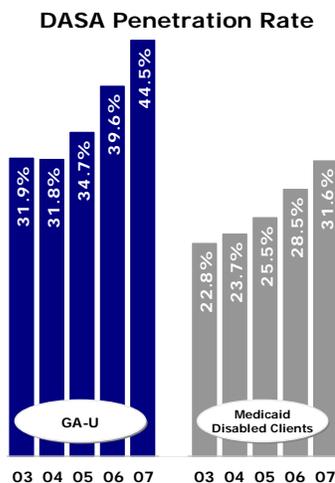


Medical savings per treated client are exceeding the original budget assumptions.

- For adult **Medicaid Disabled** clients, **medical savings** are now estimated to be **\$295** per treated client per month, compared to \$200 in the original appropriation.
- For adult **Medicaid Disabled** clients, **nursing home savings** are estimated to be **\$58** per treated client per month—the same as in the original appropriation.
- Medical savings** for **GA-U clients** are estimated to be **\$166** per treated client per month, compared to \$119 in the original appropriation.

2005-07 BIENNIUM	Assumed	Actual	Difference
Disabled – Medical Savings	\$200	\$295	+ \$95
Disabled – NH Savings	\$58	\$58	+ \$0
GA-U – Medical Savings	\$119	\$166	+ \$47

Treatment Expansion has increased DASA penetration rates



Treatment Expansion has resulted in dramatic increases in penetration rates for GA-U and Medicaid Disabled clients. The “penetration rate” is the proportion of clients with alcohol/drug problems who receive DASA-funded treatment in the fiscal year.

- The DASA penetration rate for **GA-U** clients increased from 32 percent in SFY 2004 to 45 percent in SFY 2007. The number of clients served increased by 1,008 from SFY 2005 to SFY 2007.
- The penetration rate for **Medicaid Disabled** clients increased from 24 percent in SFY 2004 to 32 percent in SFY 2007. The number of clients served increase by 2,115 from SFY 2005 to SFY 2007.

BOTTOM LINE: Despite slower than expected ramp-up, impressive gains in treatment penetration have been achieved and cost savings on a per-treated-client basis have been better than expected.