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Testimony On Drug and Alcohol Service Delivery
and Funding
Senate Public Health and Welfare Committee
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Good morning, as we are hearing from the testimony so far this morning, substance abuse issues and problems cut across all areas of public policy. They cut across all segments of society, and affect individuals and families of all socioeconomic levels. Thank you for including us in the discussion today and for your interest in substance abuse issues.

My name is Michele Denk, and I am the Director of the Pennsylvania Association of County Drug and Alcohol Administrators (PACDAA). We are an affiliate of the County Commissioners Association of Pennsylvania (CCAP) representing the Single County Authorities of the Commonwealth. Pennsylvania's 49 Single County Authorities (or SCAs) are responsible for planning, implementing and managing drug and alcohol prevention, intervention and treatment services at the local level. It is at the local level that the funding comes together to make services available to individuals and families who are in need. The role of the SCA is to assess the strengths and needs of local communities and work within the restrictions of each funding source to match available dollars to the needs identified. There are four organizational options for Single County Authorities. The majority of SCA's are part of county government. In 39 of the 49 SCA's, matching funds are provided by the county; in the remaining 10 SCA's local match comes from community sources such as the United Way or private foundations.

An effective local plan maximizes resources across funding streams and targets available resources to areas of highest need; an effective and comprehensive statewide plan would have the same impact.

So how does it all come together at the local level? Once the prevention and treatment needs of a community are assessed, the SCA develops a plan and chooses local priorities. All SCA's receive federal block grant funding and a base allocation from the Department of Health, and Behavioral Health and Act 152 funding from the Department of Public Welfare. Some SCA's have access to a range of additional funding through fines, fees, supplemental grants and special initiatives. All SCA's must comply with mandates of the federal block grant and various mandates of each funding stream. For example, we are also responsible for working toward reducing youth access to tobacco products as a requirement of the federal block grant. I will highlight the funding that is available to SCA's throughout the state, and then I would like to introduce Kim Bowman, from Chester County to describe some of the initiatives of her local program.

A local plan must include funding for prevention, intervention and treatment services. Local prevention efforts must be measurable and tailored to the needs of communities. SCA's have access to state and federal funding through our contract with the Department of Health. Other funding is available through the federal Strategic Prevention Framework, State Incentive Grants, targeted at reducing underage drinking, and federally funded Drug- Free Communities grants, the Liquor Control Board, Communities that Care grants through the Pennsylvania Commission on Crime and Delinquency (PCCD), Welfare's Nurse Family Partnership, and, until next year, Safe and Drug – Free Schools funding through the Department of Health.

SCA's must ensure that a full continuum of treatment services is available and must have contracts or letters of agreement with providers for all levels of care including screening and assessment, inpatient, outpatient, and half-way house services. The level of each type of service that is available is based on an assessment of the local need and the amount of funding that is available. Treatment funding comes to the SCA's through the federal block grant, state base allocation from the Department of Health, Behavioral Health Services Initiative (BHSI) and Act 152 through the Department of Public Welfare. SCA's are responsible for ensuring that a financial eligibility determination is completed on all individuals entering treatment.

Once Medicaid eligibility is determined and the individual is enrolled in the HealthChoices managed care program, treatment for individuals who qualify for Medicaid is authorized and funded through HealthChoices behavioral managed care. SCA's utilize Act 152 funding to pay for residential services

during the fee for service prior to enrollment in HealthChoices. BHSI and Department of Health funds are used for the working poor, those individuals and families who do not qualify for Medicaid. SCA's are struggling to find funding for this population group.

If we cannot reverse the trend of the past 5 budget cycles, the working poor may soon be without any assistance. The erosion of BHSI funding has forced SCA's to increase waiting lists and limit treatment admissions. With the introduction of the 2009-10 Governor's budget, we have seen a 20% decrease in funding (approximately \$8 million) that is available to the SCA's for this vulnerable population since 2004/05.

PCCD provides funding for criminal justice clients in some counties through Restrictive Intermediate Punishment Grants. This is one resource for counties that are working to establish specialty courts and work more closely with the courts and corrections systems.

Our obligation is also to ensure that insurers meet the requirements of Act 106, which mandates payment for residential treatment. We have begun working with providers and consumers to create awareness of the requirements of Act 106 and look to the state for assistance in enforcement. We are hearing of other instances where health plans are deliberately denying payment for substance abuse services and shifting the costs to the public sector. The system cannot afford this shift, and we will be working with providers and consumers to find solutions.

We are the conduit for public dollars within the community; equally important is the work many SCA's participate in with businesses and other community organizations to address substance abuse problems. These community efforts and comprehensive planning are what distinguishes one SCA from another and enables us to target dollars to areas of highest need.

The Commonwealth is disadvantaged by the lack of statewide planning and needs assessment – various agencies independently identify needs and set priorities resulting in dilution of the impact of resources that are already scarce.

I would like to introduce Kim Bowman, from Chester County; she is a past president of PACDAA and currently serves as the chair of our legislative and policy committee.

Hello, my name is Kim Bowman; I am the Executive Director of the Chester County Department of Drug and Alcohol Services. My department is the Single County Authority, or SCA, responsible for the management of federal, state and county funding in response to local strengths and needs. Just as at the state level, alcohol and other drug issues impact all of our communities, regardless of socio-economics, and cut across multiple departments at the County level.

Therefore, our planning and use of all available funds not only reflects mandated requirements but also a local needs assessment that includes input from key informants/stakeholders. We also participate in the planning and/or management for other funds not directly managed by the Single County Authority such as the Health Choices Medicaid managed care program and assist other departments, such as Chester County Prison in the planning and management of their alcohol and other drug services.

Funding at the SCA includes state and federal funds that are received via the Department of Health, state funds from the Department of Public Welfare and County funds, including match to state funding as well as funds received via fines. In addition we have competitively applied for and received additional funding including federal Community Development Block Grant funds, Substance Abuse and Mental Health Services Administration funds and Pennsylvania Commission on Crime and Delinquency funding.

Within the three major categories; federal, state and county there are more than a dozen subcategories of funding we manage. This includes, but is not limited to;

- Federal funding: Substance Abuse Prevention and Treatment Block Grant, Safe and Drug Free Schools and Communities, Strategic Prevention Framework State Incentive Grant, and Community Development Block Grant
- State funding: Drug and Alcohol Base Funding, Behavioral Health Services Initiative (BHSI), Intergovernmental Transfer IGT, Act 152 (legislatively required Medicaid coverage for rehab), and Restrictive Intermediate Punishment funds
- County funds: county match, criminal justice/drug court treatment funds, and DUI and Act 198 fine income

There are also subcategories within these sources. For example, our federal funding includes specific funding included but not limited to prevention, treatment and population specific categories such as pregnant women/women with children.

As previously stated, the use of all of our funding is based on mandated areas (e.g. federal prevention funding) as well as a local needs assessment and planning process that includes both a review of data as well as stakeholder input that meet state guidelines. In Chester County, we have extensive interactions across systems including the courts, prison and juvenile probation. We also interface with local health departments and all human services (Children and Youth, Mental Health, and Aging) all of which helps inform our planning.

As you know, the need for our services, prevention thru treatment, exceed our resources. We need to, and do braid resources to most effectively meet our local needs and look for areas where we can leverage our resources. Following are some examples of how this has been effective in Chester County:

- We have supported community prevention coalitions such as our Communities That Care groups that bring together all segments of the community to work towards the development of healthy youth as a major part of our prevention planning. In sustaining these coalitions, financial support from the SCA has resulted in significant leveraging of other resources. For example in two of our communities an investment of state and county funding over five years of \$10,000 per year, per community (\$100,000) has resulted in almost \$1 million of additional resources from federal funds and local foundations.

This has enabled these communities to implement locally tailored prevention programming that works with youth, parents, and a host of community organizations. We are optimistic that we are starting to see the results of this comprehensive prevention effort pay off. In a youth survey we conduct across the County every two years we are seeing marked improvements in both the prevalence of use among our younger grades as well as in their Risk and Protective factor scores. For example, “past 30 day alcohol use” by 8th graders has decreased by 27% and marijuana use by 51% since 2001/02.

- As a result of our local planning process we also identified the need to insure that individuals with commercial insurance receive their full treatment benefit to reduce the need for public funding. This included training of providers, information campaigns to all local physicians and the provision of a resource to assist individuals and families in fully accessing their insurance benefits. We recently had a case of a young man in his early 20's who had to leave college due to an addiction to narcotics. His parents kept him on their insurance via Cobra so he would have access to treatment. Initially, his insurer only provided five days of treatment - our office became

involved and assisted the family in accessing their insurance benefit resulting in him receiving 60 days of treatment instead of the initial five days provided. Had this assistance not been available he would have instead become a cost somewhere in a taxpayer supported system.

- Chester County has one of the oldest Drug Courts in the commonwealth, our program began in 1997. We use a combination of state, federal and county funding to support the treatment costs associated with this program. A study of our Drug Court found that our graduates had a re-arrest rate of 5.4% compared with 21.5% in a comparison control group. Treatment funding for our Drug Court participants is from a combination of state and county funds as well as client fees. The success of our program has resulted in our recent award of a very competitive federal grant that will provide \$300,000 per year over 3 years to add a vocational enhancement to our program – again resulting in long term gains for the commonwealth as our graduates become healthy taxpaying citizens.

We have since expanded our Treatment Courts through the Restrictive Intermediate Punishment program. Through this program we have saved over 38,000 jail days in just 15 months of operation. This translates to a cost savings of almost three million when you subtract the cost of the program (Based on Department of Corrections 2007 cost per inmate). The young man I spoke about earlier who received appropriate treatment via his insurer with the help of our office currently has pending legal charges due to crimes committed during his active addiction. He will be held accountable for his crimes, but may do so via the Restrictive Intermediate Punishment program. This alternative sentencing program combines a restrictive component (potentially some jail time) with treatment and intense, long term supervision. He will be held accountable for his crime but through access to appropriate treatment do it in a way that saves the Commonwealth hundreds of jail days.

- In our schools, Student Assistance Programs are supported by federal, state, and local funding. In 2009/10 we expect to lose one of the federal funding sources we have been using to support this important service (Safe and Drug Free Schools and Communities). This funding will be difficult to make up and services may be impacted but will not be totally eliminated due to the braiding of funds.

These are just a few examples of some of the ways we maximize resources. We also provide treatment funding assistance for approximately 2500 Chester County citizens a year, as well as prevention services for individuals, families, and communities. We have program partnerships with our Health Department, other county human services departments, the Court, our Prison and Youth Center, as well as related community organizations (we just partnered on a grant application with our local crime victims agency). As you can see the funding and its utilization as well as the planning and management of the local service system reflects the complexity and pervasiveness of alcohol and other drug issues in our communities.