### Bill

Received: 09/24/98

Received By: kenneda

Wanted: As time permits

Identical to LRB:

For: Administration-Budget 7-7980

By/Representing: Geisler

This file may be shown to any legislator: NO

Drafter: kenneda

May Contact: Andy Forsaith (DHFS)

Alt. Drafters:

Subject:

Public Assistance - med. assist.

Extra Copies:

TAY

Mental Health - AODA

Topic:

DOA:.....Gcislcr - Mcdical Assistance coverage for residential treatment for alcohol and other drug abuse

**Instructions:** 

See Attached

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/2	kenneda 01/19/99	jgeller 01/19/99	hhagen 01/19/99		lrb_docadmin 01/19/99		
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DOA:.....Geisler - Medical Assistance coverage for residential treatment for alcohol and other drug abuse

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For: Administration-Budget 7-7980 By/Representing: Geisler

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May Contact: Andy Forsaith (DHFS)

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Subject: Public Assistance - med. assist. Extra Copies: TAY

**Mental Health - AODA** 

**Topic:** 

DOA:.....Geisler - Medical Assistance coverage for residential treatment for alcohol and other drug abuse

Instructions:

See Attached

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# 1999 DRAFTING REQUEST

Bill

Received: 09/24/98

Received By: kenneda

Wanted: As time permits

Identical to LRB:

For: Administration-Budget 7-7980

By/Representing: Geisler

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Drafter: kenneda

May Contact: Andy Forsaith (DHFS)

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Public Assistance - med. assist.

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**Mental Health - AODA** 

DOA:.....Geisler - Medical Assistance coverage for residential treatment for alcohol and other drug abuse

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### Department of Health and Family Services 1999-2001 Biennial Budget Statutory Language Request September 11, 1998

Title: MA Coverage for AODA Residential Treatment

### **Current Language**

Medical Assistance currently offers coverage for hospital inpatient and outpatient treatment of individuals with substance abuse problems, but does not offer coverage for AODA treatment in residential facilities.

Counties fund a limited amount of outpatient and residential treatment for indigent individuals using county and state community aids funds.

### **Proposed Change**

Amend Chapter 49 to allow counties to make available through the MA program AODA residential treatment services in facilities with less than 16 beds if the county agrees to pay for the portion of the charges of those Benefits that are not provided by the federal government. Include a four year sunset provision for the benefit. Also, establish a limit of 45 days of coverage per treatment episode.

### Background and Rationale for the Change

- 1. MA recipients who are in need of 24 hour, medically supervised treatment for substance abuse problems currently must receive those services in an inpatient setting. Some individuals enter the hospital for two to four days of detoxification followed by several days of inpatient rehabilitation; others undergo inpatient rehabilitation without detoxification. In FY 98, an estimated \$3,334,000 AF (\$1,370,900 GPR) in MA funds were spent for inpatient detoxification and rehabilitation.
- 2. The Department's Uniform Placement Criteria for substance abuse treatment as well as other commonly used placement criteria identify residential substance abuse treatment as an appropriate alternative to inpatient rehabilitation in many situations. Residential treatment is generally defined as offering twelve hours of counseling per day, plus 24 hour monitoring of residents by professional staff in a licensed community based residential facility. Physicians provide general oversight of the care, in contrast to inpatient settings, in which physicians and nursing staff directly manage and provide care. Because it uses fewer medical staff hours, residential treatment is less expensive than inpatient treatment. According to 1995 HSRS data

from counties, the average daily rate for inpatient treatment is \$410 per day compared to \$86 per day for residential treatment.

- 3. It can be argued that residential care provides better outcomes for a portion of individuals with substance abuse problems. Some patients are able to stabilize or improve their condition while in the hospital, but are unable to cope with daily activities once discharged. As a result, they often relapse and return to the hospital for further treatment. Residential treatment often enables individuals to make a transition into normal life routines more effectively while receiving counseling from staff.
- 4. Existing federal rules and state law would allow the state to offer residential treatment benefits only in facilities with fewer than 16 beds.

**Desired Effective Date:** 

Upon passage

Agency:

**DHFS** 

**Agency Contact:** 

Andy Forsaith

Phone:

6-7684



# State of Misconsin 1999 - 2000 LEGISLATURE

DAKo: .....

DOA:.....Geisler – Medical Assistance coverage for residential treatment for alcohol and other drug abuse

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

AN ACT ..; relating to: the budget.

# Analysis by the Legislative Reference Bureau HEALTH AND HUMAN SERVICES

#### PUBLIC ASSISTANCE

Currently, recipients under the medical assistance (MA) program may obtain coverage for inpatient hospital services and outpatient services for treatment of alcohol or other drug abuse.

This bill provides an additional MA benefit, until July 1, 2003, of residential treatment services for alcohol and other drug abuse, limited to 45 days of treatment services per treatment episode. The benefit may be provided only in a facility of fewer than 16 beds in a county that elects both to become certified as a provider of the services and to pay the amount of the allowable charges for the services under the MA program that is not provided by the federal government.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 49.45 (46) of the statutes is created to read:

49.45 (46) ALCOHOL AND OTHER DRUG ABUSE RESIDENTIAL TREATMENT SERVICES. (a)

If a county elects to become certified as a provider of alcohol and other drug abuse

residential treatment services, the county may provide alcohol and other drug abuse residential treatment services in facilities with fewer than 16 beds under this subsection in the county to medical assistance recipients through the medical assistance program. A county that elects to provide the services shall pay the amount of the allowable charges for the services under the medical assistance program that is not provided by the federal government. The department shall reimburse the county under this subsection only for the amount of the allowable charges for those services under the medical assistance program that is provided by the federal government.

(b) This subsection does not apply after June 30, 2003.

**Section 2.** 49.46(2)(b) 17. of the statutes is created to read:

49.46 (2) (b) 17. (a) Alcohol or other drug abuse residential treatment services

of no more than 45 days per treatment episode, under s. 49.45 (46).

b This subdivision does not apply after June 30, 2003.

(END)

Kennedy, Debora From: Geisler, Jeffrey [jeffrey.geisler@doa.state.wi.us] Monday, January 18, 1999 11:38 AM Sent: Kennedy, Debora To: FW: Draft for MA AODA Residential Treatment - LRB 0315/1 Subject: Debora, Sorry about the lateness of this forward. I endorse these changes to LRB 0315/1. Thanks Jeffrey A. Geisler 267-7980 DOA State Budget Office > ----Original Message-----> From: Forsaith, Andrew > Sent: Monday, December 21, 1998 3:15 PM Geisler, Jeffrey > To: McCullough, Phillip; Lang, Keith; Wolf, Christine; Johnston, James; > Cc: > Agnew-Lyon, Victoria; Bormett, Michael > Subject: Draft for MA AODA Residential Treatment > Jeff \* here are our comments for the MA AODA residential treatment draft > (LRB > 0315/1), which would create a residential treatment benefit in MA so long > as the > county provided the match: >1. Wherever the word "county" appears, we would like to replace it with > "county, city, town or village." This is "just in case" language \* in the > instance that municipalities other than counties would choose to fund > residential treatment, this language would allow them to claim federal > also. Since they also would provide the match, there would be no cost to > the > state. >2. The current draft allows the benefit to be provided through MA only if > the > county provides the service directly as a certified AODA provider. We > like to change the language to allow federal reimbursement if the county > directly provides or contracts with another certified provider for the

> 3. We would like to add language that the benefit to be provided through > MA

> only in cases where it is the least restrictive alternative. (This would > avoid

> funding residential treatment when the treatment could be provided on an > outpatient basis instead, for example.)

Thanks for considering these comments.

> service.

From J. Gersler: i gnore



# State of Misconsin 1999 - 2000 LEGISLATURE

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DOA:.....Geisler – Medical Assistance coverage for residential treatment for alcohol and other drug abuse

FOR 1999-01 BUDGET -- NOT READY FOR INTRODUCTION

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#### 1999 - 2000 LEGISLATURE

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DOA:.....Geisler – Medical Assistance coverage for residential treatment for alcohol and other drug abuse

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other drug abuse residential treatment services or to contract with a certified
provider to provide the services, the county, city, town or village may provide directly
or under contract alcohol and other drug abuse residential treatment services in
facilities with fewer than 16 beds under this subsection in the county, city, town or
village to medical assistance recipients through the medical assistance program. A
county, city, town or village that elects to provide or to contract for the services shall
pay the amount of the allowable charges for the services under the medical
assistance program that is not provided by the federal government. The department
shall reimburse the county, city, town or village under this subsection only for the
amount of the allowable charges for those services under the medical assistance
program that is provided by the federal government.
(b) This subsection does not apply after June 30, 2003.
SECTION 2. 49.46 (2) (b) 17. of the statutes is created to read:
49.46 (2) (b) 17. Alcohol or other drug abuse residential treatment services of
no more than 45 days per treatment episode, under s. 49.45 (46). This subdivision
does not apply after June 30, 2003.

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#### 1999 - 2000 LEGISLATURE

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DOA:.....Geisler – Medical Assistance coverage for residential treatment for alcohol and other drug abuse

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(END)

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# STATE OF WISCONSIN – **LEGISLATIVE REFERENCE BUREAU** – LEGAL SECTION (608–266–3561)

D-NOVE)
To Jeff Beislu:
This redrapt is made to avoid a conflict with
18B 1M-0261, which also creates a 5.49.46 (2)(6)17.
<b>^</b>
DAK

# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-0315/4dn DAK:jlg&ksh:hmh

Sunday, January 31, 1999

To Jeff Geisler:

This redraft is made to avoid a conflict with LRB-0261, which also creates a s. 49.46 (2) (b) 17.

Debora A. Kennedy Managing Attorney Phone: (608) 266–0137



# State of Misconsin 1999 - 2000 LEGISLATURE

LRB-0315/4 DAK:jlg&ksh:hmh

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49.46 (2) (b) 18. Alcohol or other drug abuse residential treatment services of no more than 45 days per treatment episode, under s. 49.45 (46). This subdivision does not apply after July 1, 2003.

(END)