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Testimony COMMENTING on S.B. 1036 SD1
RELATING TO SUBSTANCE ABUSE TREATMENT

SENATOR JILL TOKUDA, CHAIR
SENATE COMMITTEE ON WAYS AND MEANS
Hearing Date: March 2, 2015 Room Number: 211

Fiscal Implications: Appropriates $336 million in each of the years of Fiscal Biennium 2015-2017, for substance abuse and addiction treatment; no funds are appropriated for convening of the proposed task force.

Department Testimony: Section 3 of this measure assigns the Department of Health to "convene a task force to address health care and payment reform steps to implement an effective addiction treatment system as a component of health care to improve outcomes and reduce overall health care costs."

This bill or portions of the bill as currently drafted may be unnecessary since Section 431M-6, Hawaii Revised Statutes, codifies responsibility of the Insurance Commissioner to organize and implement mental health and substance abuse benefit statutes, in conjunction with state agencies, insurers, providers and consumers. The Commissioner is authorized to implement rules governing medical or psychological necessity criteria, quantity of benefits and levels of care.

Coordination with health transformation and systems planning will produce more desirable and informed results, as opposed to a task force. "We must organize our planning in a way that is consistent with our desired outcome: an integrated and coordinated healthcare

system. Significant resources –an estimated $470,000 for the actuarial expertise and operational costs to convene the proposed task force– will be needed to synthesize the quantity and quality of data to transform and integrate behavioral health. While stakeholders (e.g., payers and providers) share utilization data, current treatment needs assessment surveys for adults (last conducted in 2004) need to be updated. Such studies, however, would require outlays of an estimated $500,000 to $800,000 per survey.

The proposed $336 million appropriation in section 4 would support an estimated 84,000 adult admissions to substance abuse and addiction treatment. To achieve favorable outcomes from such an investment, the continuum of services would include recovery support services (i.e., transition care management) relapse prevention, referral to primary medical care, and other support services.

Adult and adolescent substance abuse treatment services are funded by the federal Substance Abuse and Mental Health Services Administration, Substance Abuse Prevention and Treatment Block Grant, and State General Funds. Substance abuse treatment services for adults and adolescents that are funded by the Alcohol and Drug Abuse Division are as follows:

Adults. The five-year (Fiscal 2010-2014) average annual ADAD-funded admissions for adults is 3,341 which is 3.9% of the estimated state need (85,468) for adult alcohol and drug abuse treatment. Of the adults admitted for treatment during the same period, 43.7% cited methamphetamine as the primary drug at admission which is followed by alcohol at 29.9%.

Adolescents. The five-year (Fiscal year 2010-Fiscal Year 2014) average annual ADAD-funded admissions for adolescents is 2,326, which is 29.7% of the estimated need

(7,826) for adolescent alcohol and drug abuse treatment. Of the adolescents admitted for treatment, 61.4% cited marijuana as the primary drug at admission which is followed by alcohol at 29.8%.

Substance abuse treatment services for adults consist of a continuum of residential, intensive outpatient and outpatient services; non-medical residential detoxification; and therapeutic living program services. Specialized services are provided for those with co-occurring mental illness and substance abuse disorders, injection drug users, offenders and pregnant and parenting women.

Substance abuse treatment for adolescents is a multi-disciplinary effort. The focus is on developing attitudes, motivation, knowledge and skills to bring about harm reduction, abstinence and change - including physical, psychological, social, familial and spiritual aspects. Services also address relapse issues and help to develop coping skills to prevent or interrupt dependence and relapse. Part of the core continuum of care needed for adolescents is early identification followed by early treatment. Substance abuse treatment services for adolescents consist of outpatient community-based and school-based substance abuse treatment.

If the Committee takes further action on this measure, we respectfully recommend the inclusion of the Director of Commerce and Consumer Affairs or the director's designee as a member of the task force; ensure representation from each of the three neighbor island counties; and that added members as assigned by the task force not exceed a total of fifteen members.

Thank you for the opportunity to testify on this measure.

HAWAII SUBSTANCE ABUSE COALITION

SB1036 SD1 RELATING TO HEALTH
SENATE COMMITTEE ON HEALTH: Senator Jill Tokuda., Chair; Senator Ronald Kouchi, Vice Chair

- Monday, March 2, 2015 at 1:00 p.m.
- Conference Room 211

HSAC Supports SB1036 SD1:

Good Morning Chair Tokuda; Vice Chair Kouchi And Distinguished Committee Members. My name is Alan Johnson, Chair of the Hawaii Substance Abuse Coalition, an organization of more than thirty treatment and prevention agencies across the State.

The Hawaii Substance Abuse Coalition fully supports creating a Task Force

- It may be premature to invest in funding substance use disorder treatment for super users until healthcare reform ways are better defined.
- A Task Force would determine systemic changes to decrease overall health costs while improving outcomes by addressing chronic, substance-dependent adults who are high-end users of expensive emergency and hospital services and cost a disproportionate amount of total medical costs.

The costs of drug abuse and addiction to our nation are staggering.[1]

➢ Substance abuse is associated with almost 20% of all Medicaid hospital costs and nearly 25% of Medicare dollar spent on inpatient care. Over 14% of patients admitted to hospitals have alcohol/drug abuse and addiction disorders.

➢ **A vast majority of "super-frequent users" who seek care in the Emergency Department (ED) have a substance abuse addiction, according to a study. A patient is considered a super-frequent user who visits the ED at least 10 times a year.[2]**

➢ The study's key findings for patients considered "super users" at ED:

- 77% of patients had a substance abuse addiction.
- 47% were addicted to pain-relief narcotics such as Vicodin and Dilaudid
- 44% were addicted to "other" illicit drugs such as [meth], cocaine or marijuana
- 35% were addicted to alcohol.

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[1] Estimating the costs of substance abuse to the Medicaid hospital care program. Fox K1, Merrill JC, Chang HH, Califano JA Jr. http://www.ncbi.nlm.nih.gov/pubmed/7832261Am J Public Health. 1995 Jan;85(1):48-54.

[2]Henry Ford Health System. "Most emergency department 'super-frequent users' have substance abuse addiction." ScienceDaily. ScienceDaily, 18 May 2014. <www.sciencedaily.com/releases/2014/05/140518092635.htm>.

- Super-frequent users seeking pain-relief narcotics were mostly women.

➢ Around 70% of individuals in state prisons and jails have used illegal drugs regularly. Drug offenders account for more than one-third of the growth in state prison population and more than 80 percent of the increase in the number of prison inmates since 1985.

➢ The economic burden in the United States for addiction is twice that of any other disease affecting the brain, including Parkinson's and Alzheimer' Disease, as well as all the others.

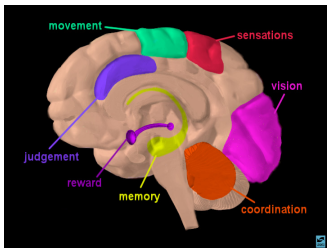
➢ Alcohol and Drug-related hospital emergency (ED) visits increased 81 percent from 2004 to 2009 while ED visits involving the non-medical use of pharmaceuticals increased 98.4 percent.[3]

Science-Based Prevention and Treatment Works. [4]

➢ Substance abuse and/or addiction as well as their exorbitant costs are avoidable. Like any other disease, it is preventable, it is treatable, and it changes biology.

➢ Discoveries in the science of addiction have led to advances in drug abuse treatment that help people stop abusing drugs and resume their productive lives.

➢ Research has shown that every $1 invested in addiction treatment programs, there is
  - o $4 to $7 reduction in the cost of drug-related crime,
  - o $3 - $5 reduction in emergent medical care use (ER and Crisis Center) and
  - o Among women – a $4 reduction in welfare and child welfare costs
  - o Among employed men, a $7 increase in productivity (fewer absences and health claims)
  - o Among returning Iraq veterans – a 35% reduction in family medical claims
  - o And reductions in family violence problems



Not only is substance abuse a leading cause of preventable hospitalization, it is one of the primary cause of homelessness.

This bill will establish new processes and procedures to identify and coordinate care for high end users of care that have multiple chronic conditions of health issues. An evaluation will be performed to determine how we can effectively coordinate care, treat multiple conditions, and improve the effectiveness of treatment outcomes. The proposed funding can validate the cost effectiveness of providing treatment for the super-user population and provide justification for continued funding.

We appreciate the opportunity to testify and are available for questions.

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[3]Substance Abuse and Mental Health Services Administration, Center for Behavioral Health Statistics and Quality (formerly the Office of Applied Studies). *The DAWN Report: Highlights of the 2009 Drug Abuse Warning Network (DAWN) Findings on Drug-Related Emergency Department Visits*. Rockville, MD, December 28, 2010. Available at: http://www.oas.samhsa.gov/2k10/DAWN034/EDHighlights.htm

[4] William Dewey, Baord of Scientific Advisors, Friends of NIDA November 2008.http://www.cpdd.vcu.edu/Pages/Index/Index_PDFs/TransitionPaperOctober20081.pdf

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Aloha Senator Tokuda and Committee members,

Thank you for your consideration of my testimony in emphatic support of SB1036; particularly as it relates to the task force. As a substance abuse treatment provider, an educator and the current President of the Hawaii chapter of Social Workers, I ask that this bill be passed for three main reasons:

1) There is an overabundance of data both locally and nationally that shows substance abuse is a major public health issue that causes or exacerbates other social issues such as homelessness, crime and public health care costs to taxpayers.

2) Substance abuse treatment must remain at the forefront of public health policy, planning and service implementation in Hawaii in order to efficiently and effectively address the cycle of homelessness, crime and chronic health issues discussed above.

3) The task force would ensure that the issue of substance abuse treatment remains a factor in policy development where integrated care is the primary objective for implementation.

I ask the committee to imagine how different our community would be if the rates of substance abuse and addiction were diminished by 50 percent. Think of how the rates of crime, homelessness and chronic health issues would decrease simply by eliminating substance abuse. The task force as described in this bill is a key component in making this a reality.

Please pass SB1036

Mahalo, Eddie Mersereau
LCSW, CSAC

Sincerely

Eddie Mersereau LCSW, CSAC
Action with Aloha LLC

SB1036
Submitted on: 2/28/2015
Testimony for WAM on Mar 2, 2015 13:00PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Teresa Parsons	Individual	Support	No

Comments:

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