

**Quality and Productivity Commission**  
**32<sup>nd</sup> Annual Productivity and Quality Awards Program**  
**"Innovating for Impact"**

**2018 APPLICATION**

Title of Project (Limited to 50 characters, including spaces, using Arial 12 point font):

**NAME OF PROJECT: Transforming SUD Care, Transforming Lives**

**DATE OF IMPLEMENTATION/ADOPTION:** JULY 1, 2017

(Must have been fully implemented for a minimum of at least one year - on or before July 1, 2017)

**PROJECT STATUS:**  Ongoing  One-time only

**HAS YOUR DEPARTMENT PREVIOUSLY SUBMITTED THIS PROJECT?**  Yes  No

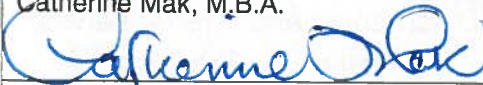
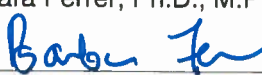
**EXECUTIVE SUMMARY:** Describe the project in 15 lines or less using Arial 12 point font. State clearly and concisely what difference the project has made.

1 For decades, substance use disorders (SUD) were not commonly viewed as chronic  
 2 health conditions (e.g., diabetes) and were often framed as a moral failing. The  
 3 Affordable Care Act and California's Drug Medi-Cal Organized Delivery System Waiver  
 4 paved the way for Los Angeles County and its provider network to transform how SUD  
 5 services are delivered and funded locally, and to create a more comprehensive benefit  
 6 package for Medi-Cal and My Health LA eligible youth and adults. This effort launched  
 7 on July 1, 2017, and 11 of the year-one priority projects were focused in two categories:  
 8 (1) improving patient access to high quality and clinically effective services; and (2)  
 9 establishing the fiscal infrastructure to maximize Federal matching funds and local  
 10 resources to improve individual and community health for safety net populations.  
 11 Combined, these achievements reflect a dramatic shift in the approach to service  
 12 delivery, and moves the SUD system towards parity with the health and mental health  
 13 systems, and more integrated health care services for residents. The second year of the  
 14 waiver brings new opportunities to design and implement innovative strategies to reduce  
 15 the impact of SUDs on individuals and communities.

**BENEFITS TO THE COUNTY**

| (1)<br>ACTUAL/ESTIMATED<br>ANNUAL COST<br>AVOIDANCE | (2)<br>ACTUAL/ESTIMATED<br>ANNUAL COST SAVINGS | (3)<br>ACTUAL/ESTIMATED<br>ANNUAL REVENUE | (1) + (2) + (3) =<br>TOTAL ANNUAL<br>ACTUAL/ESTIMATED<br>BENEFIT | SERVICE<br>ENHANCEMENT<br>PROJECT   |
|---|--|---|--|-------------------------------------|
| \$  | \$   | \$  | \$   | <input checked="" type="checkbox"/> |

**ANNUAL = 12 MONTHS ONLY**

|  |                         |  |
|--|-------------------------|--|
| <b>SUBMITTING DEPARTMENT NAME AND COMPLETE ADDRESS</b><br>Department of Public Health<br>313 North Figueroa Street, 8 <sup>th</sup> Floor, Room 806<br>Los Angeles, California 90012   |                         | <b>TELEPHONE NUMBER</b><br>213-288-8117  |
| <b>PROGRAM MANAGER'S NAME</b><br>John M. Connolly, Ph.D., M.S.Ed.<br>Interim Division Director, Substance Abuse Prevention and Control   |                         | <b>TELEPHONE NUMBER</b><br>626-299-4595<br><br><b>EMAIL</b><br>jconnolly@ph.lacounty.gov |
| <b>PRODUCTIVITY MANAGER'S NAME AND SIGNATURE</b><br>(PLEASE CALL (213) 893-0322 IF YOU DO NOT KNOW YOUR PRODUCTIVITY MANAGER'S NAME)<br>Catherine Mak, M.B.A.<br> | <b>DATE</b><br>7.2.2018 | <b>TELEPHONE NUMBER</b><br>213-288-7240<br><br><b>EMAIL</b><br>cmak@ph.lacounty.gov      |
| <b>DEPARTMENT HEAD'S NAME AND SIGNATURE</b><br>Barbara Ferrer, Ph.D., M.P.H., M.Ed.<br>   | <b>DATE</b><br>7.2.2018 | <b>TELEPHONE NUMBER</b><br>213-288-8117  |

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**1<sup>st</sup> FACT SHEET – LIMITED UP TO 3 PAGES ONLY:** Describe the **challenge(s), solution(s), and benefit(s)** of the project to the County. What quality and/or productivity-related outcome(s) has the project achieved? Provide measures of success and specify assessment time frame. Use Arial 12 point font.

**CHALLENGE:** For decades, substance use disorders (SUD) have not commonly been viewed as chronic health conditions, such as diabetes and asthma. SUDs were often framed as a moral failing. Funding for SUD treatment was primarily population-based, not patient-centered, and did not support the actual cost of providing the full continuum of evidence-based care that improves outcomes. The Affordable Care Act, and California's participation in the Medi-Cal 2020 "Bridge to Reform" Waiver, including the Drug Medi-Cal Organized Delivery System, enabled Los Angeles County and its network of SUD providers to design a more comprehensive system of SUD care.

**SOLUTION:** The System Transformation to Advance Recovery and Treatment (START) was Los Angeles County's response to the Drug Medi-Cal Organized Delivery System (ODS), which allowed participating counties to expand the Drug Medi-Cal (DMC) benefit package and propose provider payment rates. On July 1, 2017, START-ODS launched an ambitious and unprecedented multi-year system transformation that redesigned SUD service delivery. The long-term goal of START-ODS is to improve patient care and outcomes while reducing overall health costs. Year one focused on two major areas: (1) improving patient access to high quality and clinically effective services; and (2) establishing the fiscal infrastructure to maximize Federal matching funds and local resources to improve individual and community health.

**BENEFITS: Patient Access and Quality Care:** According to national data from the Substance Abuse and Mental Health Services Administration (SAMHSA), 96 percent of individuals with an SUD either do not want or believe they need treatment or help. For this reason, SUDs are a unique health condition that requires novel approaches to engage individuals in treatment. Recognizing this challenge, Los Angeles County embarked on 11 new priority efforts to encourage enrollment and sustain positive outcomes after discharge, including: (1) Call Line: The Substance Abuse Service Helpline (SASH) is a 24/7/365 toll-free phone line whose clinically-skilled agents conduct SUD screenings and referrals to treatment. Over 7,000 calls and 1,181 referrals to treatment have been made from January through May 2018, including ten potentially life-saving 911 calls; (2) Co-Located Navigators: The Client Engagement and Navigation Services (CENS) is a face-to-face SUD screening and referral service operated out of 36 County facilities (e.g., DCFS, DPSS, Probation) to support SUD access for shared clients. CENS are also co-located in 17 additional sites, including

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Federally Qualified Health Centers, homeless encampments, and CENS Area Offices. From July 2017 to April 2018, 3,530 individuals were screened for SUD and 2,449 were referred to treatment; (3) Online Provider Directory: The Service and Bed Availability Tool (SBAT) is a web-based, filterable search tool that locates one of the 341 provider sites according to level of care, geographic location, as well as linguistic, cultural, and developmental needs of individuals seeking SUD treatment services. The SBAT provides real-time availability (e.g., beds) for residential and withdrawal management services, and is used by the SASH and CENS to identify appropriate referral sites; (4) Equitable Access: GIS mapping and analysis determined service gaps and patients access to outpatient treatment at a location within 15-miles of home and START-ODS funded the same no-cost benefit package for My Health LA eligible individuals as is available to Medi-Cal beneficiaries; (5) New Benefits to Vulnerable Populations: Recovery Bridge Housing (RBH), an abstinence-based interim living environment for homeless patients 18 years and older while concurrently enrolled in outpatient SUD treatment, is an added benefit that DPH's Substance Abuse Prevention and Control Program secured \$6.2 million in Measure H funding to fund 500 beds for individuals exiting institutions; (6) Quality Standards: Conducted 12 workgroups with stakeholders to design each component of the new benefit package (e.g., residential, recovery bridge housing), 78 technical assistance meetings with Division and contractor leadership at provider sites to review agency-specific development needs, ten clinical and five business-related trainings to support contractor ability to meet new system requirements and thrive in a more outcome-focused environment; and drafted a 202-page Provider Manual that outlined new operational, programmatic and clinical standards and contract expectations; and (7) Marketing: Redesigned patient-facing materials (e.g., brochure) to promote participation in services and educate patients on their rights and the Medi-Cal managed care grievances/appeals process.

**Fiscal Structure and Accountability**: With the ability to negotiate higher DMC rates, came the responsibility to effectively manage non-DMC funds and redesign contracts to ensure accountability. To meet this aim, the Division implemented the following new efforts in addition to the above 7 projects: (8) Single Benefit Package and Contract: Moved from funding source (e.g., AB 109) specific to an all-inclusive single treatment contract with a unified benefit package, thereby reducing overall statements of work by a total of 167, shifting approximately \$50,000,000 from non-DMC to DMC and allowing for more efficient use of funds and streamlined monitoring practices; (9) Expenditures Plan: Developed a funding hierarchy that prioritized DMC funding over other Federal, State, and local resources to draw-down additional financial resources into the County via the Federal match (generally 50-94 cents per dollar depending on Medi-Cal eligibility date) and better leveraging of other funding sources to expand non-DMC covered benefits; (10) Quality Improvement (QI) & Utilization Management (UM) Unit: Established a new unit of approximately 45 multidisciplinary clinicians (including physicians, nurses, psychologists, and social workers), and developed associated

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protocols and service standards to authorize approximately 35,000 residential and RBH admissions, and verified eligibility for approximately 35,000 outpatient admissions; and (11) Electronic Health Record (EHR): Launched a system-wide EHR known as Sage with 51 primary addresses SUDs as a chronic condition required significant dedication and innovation from each of the units that comprise the Department of Public Health’s Substance Abuse Prevention and Control (SAPC) Division. This expansive system transformation necessitated new efforts in community and provider engagement, including a stakeholder process to increase collaboration with each of SAPC’s 79 treatment network providers, as well as County and external partners.

Each of the 11 referenced projects detailed above could stand alone as a major accomplishment that moved forward Los Angeles County’s SUD and health care system. Combined, these achievements reflect a tremendous advancement in service delivery toward parity with the health and mental health systems.

**CHALLENGE:** A significant gap remains between those who need treatment and those who take the steps to access it.

**SUCSESSES:** Despite this challenge, START-ODS is succeeding because of the shared goal to improve patient care and outcomes, and a commitment to service that meets or exceeds the clinical standards of a modern evidence-based SUD system of care. During this first year of implementation (data through March 2018), the delivery system served 19,313 Medi-Cal, 144 My Health LA, and 2,939 other County-funded eligible/enrolled individuals. SAPC’s Federal and State DMC funding is estimated to have increased by 157 percent (\$51.8 to \$133.4 million) between this fiscal year and the previous one. This reflects more patients’ care being reimbursed by DMC rather than other funding sources (e.g., CalWORKs, AB 109) which will enable the repurposing of some of these non-DMC funds for services next year. The system expanded its residential capacity, adding 491 new beds, and required all contracted providers in the network to extend available hours on at least one weekend day and two evenings per week. In addition, the CENS increased the number of location from 36 to 74 sites, including at DCFS, permanent supportive housing (Measure H), and hospital emergency department sites.

Through a concerted effort to leverage Federal and State DMC funds over local funds, SAPC seized the opportunity to leverage local funds more effectively to maximize resources. This strategy enables the County to more robustly address one of the major chronic conditions that contributes to poor health outcomes.

Moving into the second year of implementation, SAPC is focused on continuing to advance clinical care and treatment outcomes, improving integration of physical and mental health services, and realizing local cost savings so that the County can more meaningfully reinvest funds in other critical services.

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**Linkage to the County Strategic Plan – 1 page only.** Which County Strategic Plan goal(s) does this project address? Explain how. Use Arial 12 point font.

The Los Angeles County Department of Public Health, Substance Abuse Prevention and Control (SAPC) project is in alignment with the following 2016-2021 County Strategic Plan Goal:

**Goal I. MAKE INVESTMENTS THAT TRANSFORM LIVES**

Strategy I.2. Enhance Our Delivery of Comprehensive Interventions

**I.2.3. Integrate Substance Use Disorder (SUD) Treatment Services:**

Implement the Drug Medi-Cal waiver to integrate SUD treatment services for youth and adults into the County’s mental and physical health care delivery systems.

As discussed above, the Los Angeles County Department of Public Health, Substance Abuse Prevention and Control’s ambitious multi-year system transformation launched on July 1, 2017, completely redesigned how SUD service are delivered. The System Transformation to Advance Recovery and Treatment improves patient care and outcome while reducing overall health costs.

**Year One**

Year one focused on the following two areas: (1) improving patient access to high-quality and clinically effective services; and (2) establishing the fiscal infrastructure to maximize Federal matching funds and better leverage local resources to improve individual and community health.

**Year Two**

Year two focuses on the following three areas: (1) advancing clinical SUD care, and improving outcomes across SUD, health and social service systems; (2) integrating physical and mental health; and (3) reinvesting treatment cost savings into other critically needed services.

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**COST AVOIDANCE, COST SAVINGS, AND REVENUE GENERATED (ESTIMATED BENEFITS TO THE COUNTY):** If you are claiming cost benefits, include a calculation on this page. Please indicate whether these benefits apply in total or on a per unit basis, e.g., per capita, per transaction, per case, etc. You must include an explanation of the County cost savings, cost avoidance or new revenue that matches the numbers in the box. Remember to keep your supporting documentation. Use Arial 12 point font

**Cost Avoidance:** Costs that are eliminated or not incurred as a result of program outcomes. Please indicate whether these are costs to the County or to other entities.

**Cost Savings:** A reduction or lessening of expenditures as a result of program outcomes. Please indicate whether these were expenditures by the County or by other entities.

**Revenue:** Increases in existing revenue streams or new revenue sources to the County as a result of program outcomes.

| (1)<br>ACTUAL/ESTIMATED<br>ANNUAL COST<br>AVOIDANCE | (2)<br>ACTUAL/ESTIMATED<br>ANNUAL COST<br>SAVINGS | (3)<br>ACTUAL/ESTIMATED<br>ANNUAL REVENUE | (1) + (2) + (3)<br>TOTAL ANNUAL<br>ACTUAL/ESTIMATED<br>BENEFIT | SERVICE<br>ENHANCEMENT<br>PROJECT   |
|---|---|---|--|-------------------------------------|
| \$  | \$  | \$  | \$   | <input checked="" type="checkbox"/> |

**ANNUAL= 12 MONTHS ONLY**

As stated above, SAPC’s Federal and State DMC funding is estimated to have increased by 157 percent (\$51.8 to \$133.4 million) between this fiscal year and the previous one. This reflects more patients’ care being reimbursed by DMC rather than other funding sources (e.g., CalWORKs, AB 109) which will enable the repurposing of some of these non-DMC funds for services next year. The system expanded its residential capacity, adding 491 new beds, and required all contracted providers in the network to extend available hours on at least one weekend day and two evenings per week. In addition, the CENS increased the number of location from 36 to 74 sites, including at DCFS, permanent supportive housing (Measure H), and hospital emergency department sites.