# Division of Mental Health and Developmental Services Substance Abuse Prevention and Treatment Agency (SAPTA) Advisory Board (SAB)

#### **MINUTES**

Access Code: 1602938

**DATE:** June 12, 2013 **Teleconference Number** 

**TIME:** 1:00 pm

**LOCATION:** Substance Abuse Prevention & Treatment Agency 1-888-363-4735

4126 Technology Way, 2<sup>nd</sup> Floor

MHDS Conference Room Carson City, NV 89706

#### **BOARD MEMBERS PRESENT**

Via Teleconference

Kevin Quint (Chairperson)Join Together Northern NevadaEd SampsonFrontier Community Coalition

Lana Robards New Frontier
Amy Roukie – for Maurice Lee WestCare

Debra Reed Las Vegas Indian Center
Dorothy North Vitality Unlimited
Brad Greenstein PACT Coalition

Ron Lawrence Community Counseling Center
Frank Parenti Bridge Counseling Associates
Tammra Pearce Bristlecone Family Resources

**BOARD MEMBERS ABSENT** 

Michele Watkins Central Lyon Youth Connections

Nancy Roget, Vice Chair

Diaz Dixon

Step 2

Steve Burt

Ridge House

STATE OF NEVADA STAFF

Carson City Site

Deborah McBride Agency Directory, SAPTA

Lisa Tuttle (recorder) Admin, SAPTA

**PUBLIC** 

Christy Navarro Community Counseling Center

Jamie Ross PACT Coalition Ester Quilici Vitality Unlimited

#### 1. Welcome and Introductions

Chairperson Kevin Quint opened the meeting at 1:02pm with introductions.

## 2. **Public Comment**

There was no public comment.

# 3. Discussion, Recommendations, and Approval of Actions Regarding the State Budget for FY 13-14 and its Impact on SAPTA Funded Providers

During the Legislative Session, Kevin Quint was concerned about the Governor's budget taking \$6.4M out of general fund money for treatment to be made up for by Medicaid billing, which may be an expansion in time. He took note of what was discussed during the last two Advisory Board meetings and Legislative Subcommittee meetings and drafted a letter to express those concerns. It is addressed to Deborah McBride and copied to Richard Whitely, Mike Willden, and Governor Sandoval. He also suggested copying Tracey Green. The idea is to present,

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as a board, their questions and concerns about how this will work. There are flaws in the budget on how this was conceived. It is Dorothy North's understanding that Medicaid money will not be available until January 1, 2014, which is one of the issues.

After Kevin reads through the letter point by point, he asked for comments and/or suggested changes from the Board. He reviewed the first paragraph which establishes the background for this meeting to approve the draft letter, and the second paragraph outlines the \$6.4M state funds to Medicaid. In summary, state funding will decrease beginning July 1, 2013. One area of concern is the six-month gap which creates a huge decrease in state funds until Medicaid money is received January 1. There are questions on how agencies will survive this transition. Point 1 – even if an agency becomes a Medicaid provider, they may not have the resources to develop certain areas needed to survive in the system. Point 2 – there has been a strong effort by SAPTA and the Health Division to help the programs become Medicaid providers. Point 3 –there may be a number of clients not eligible for Medicaid by July 1 or January 1, and some may never be enrolled. For all people this is not 100 percent panacea, so what will happen to those who cannot access Medicaid funding.

Ron Lawrence commented clients will not automatically have an entitlement from Medicaid. Agencies are faced with decreases in funds and will need personnel and methodology to certify these clients into an entitlement for Medicaid. Also, after approximately 30 days on Medicaid, clients' benefits move to an HMO. Community Counseling in the south has already been refused membership into Amerigroup. The excuse given was that they've reached the saturation point by law in the way of providers. They are at the mercy and discretion of these HMOs. He believes it is very important these issues be placed in the letter because the agencies hands will be tied. They may have only four sessions with a client, and then it will be over unless they can get paneled. The State must exercise force. He was disappointed with the statement from the Medicaid representative, Betsy Aiello, during the last meeting about reaching a saturation point. He believes Medicaid contracts with these particular HMOs and should have direction about the way they contract with the State. His comments constitute serious concerns. Dorothy's agency has been billing insurance for a long time and has been a Medicaid provider. HMOs were originally conceived because insurance companies were finding ways to not pay, and it works. The intention of Medicaid is also not to pay. The biggest budget item for agencies is personnel, meaning if they were not paid for six months staff lay off s would occur which would put them out of business. Dorothy thinks this letter must be strong. Kevin stated the fifth point in the letter reads that they currently are reimbursed through SAPTA, but will Medicaid be as reliable. The last bullet also addresses the point of survival. Kevin reiterated what Ron discussed and to integrate it into the letter. Dorothy believes this is highly political and the only way to resolve this issue is to apply pressure at the top. Ron met with a consultant who also said this will demand political pressure and asked which state representatives, senators, and assemblymen were on their board. This must be a communal effort by all the agencies. Dorothy said there would be a conflict of interest for those on his board but most of the representatives are in Clark County. She believes this is not accidental, and some people knew what they were doing.

He discussed the remaining bullet points and paragraphs of the letter. Point 4—the continuum of care is currently in SAPTA-funded programs which may not be reimbursable through Medicaid. He questioned if there will be a safety net. Point 5—the reliability of payment. Point 6—the role of the for-profit providers. In the paragraph, he made comments regarding what Pamela Hyde, Director of SAMHSA, said about the for-profit business model. The history of Nevada has shown the for-profit sectors were often times successful in obtaining third party payment than the non-profit sector. In the late 70s insurance began paying for treatment. A few non-profits received money but so did many of the new hospitals. Dorothy said law was passed in 1981 that policies had to carry it, but most programs did not have the resources to know how to bill for it. Many hospitals came and went. Kevin discussed for-profit sectors not always willing to treat those clients as the non-profit sectors. They are concerned about who will treat these chronic clients, which is a key point in the letter. This is not about specific agencies survival, but about the non-profit sector's survival in order to treat those individuals that no one else will treat. In Ron's experience, the for-profit sector absolutely does not take care of the continuing care needs of the client. When insurance is up then treatment is over. This is a concern to SAMHSA, but not to the for-profit sector.

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Frank heard the initial Medicaid sessions will be done based off of the prior authorization. Deborah does not know if clients are turned over to an HMO and denied if services will continue under SAPTA funding. It was suggested they find the answer; this is currently their biggest issue. It is unclear if Medicaid will expand providers due to the workload as of January 1 with the ACA. AADAPTS members will be on eligibility enrollment calls under ACA with NIATx and SAMHSA, so they will know what must be done. Frank's understanding is the state plan is changing and \$6.4M is moving between now and January 1, 2014. Once the initial prior authorization expires, clients are turned to the HMO and they can be enrolled and funded under SAPTA. Much of this has been addressed, and he is perplexed why this information isn't out. The cuts are not too dramatic on their budgets at this particular time. Brad would be very surprised if CMS allowed an HMO-enrolled Medicaid patient to be billed under federal block grant dollars. He is concerned about the assumption and should also be included in the letter. Secondly, he assumes taking the \$6.4M from state funds and adding it to the Medicaid plan should be anywhere between \$9M to \$12M net, because it should be confirmed that the \$6M state funds is matched no less than 50 to 100 percent for Medicaid. Kevin's understanding was the \$6.4M in the biennium was considered a savings to the State; however, it doesn't appear to be. Dorothy's concern is what will happen to chronically ill people that no one wants to care for. This cut will affect a group with no voice. Frank understands it comes down to customer choice. If they do not choose the HMO it doesn't mean they are not eligible for services because they will not utilize services under Medicaid. A question was asked about Block Grant stipulations and coverage paid by other means. If an HMO does not offer the services a client receives from an agency, it's not a matter of whether or not they are the payer of last resort. This is how the issue is being side stepped. Brad supports what was said; however, he suggests the answer not be taken for granted and it should be challenged. If the HMO panel is going to be closed (or fairly closed or at best competitive to get in to) after the first 30 days the non-profit providers will have time to provide services, but they cannot use block grant funds to help with continuum of care which is a huge issue. Frank is aware of this, but that was the solution offered from his source and believes it to be true. Criminal justice clients were also going to be covered. The two competing issues are: (1) what will happen with the ACA and (2) what will happen as of July 1, 2013. Consumer choice will change the entire landscape of doing business of usual. Ron is sending Christy to the face-to-face SAPTA Advisory Board meeting in July. He suggested each of them come together to create a flow chart about the certainties – to take the facts and put them to paper to find ways to fill in the gaps. Kevin's last point brings up the speculation of the finite available Medicaid dollars. It was questioned whether private agencies will consume monies from the SAPTA-funded programs, and which agencies will endure cuts or go out of business. The larger agencies may survive, but the smaller agencies may not. Medicaid pays for the mental health side, but who will pay for substance abuse treatment if Medicaid will not. Ron figured at 138% of federal poverty level an individual would only be allowed to make \$15,000 per year to qualify for Medicaid.

Kevin summarized the following: (1) the need to survive is predicated on keeping the community-based capacity in place to treat chronic clients, (2) the safety net issue, (3) recognizing some individuals will not have Medicaid or any type of payer source, and (4) formally presenting the letter to the July 10 SAPTA Advisory Board meeting to discuss each point, which would give them the opportunity to invite Richard Whitley and possibly Mike Willden. The group talked about having another meeting for discussion prior to July 10, but there is not enough time. Dorothy suggested finding solutions to some of these problems that are drafted in the letter. This will be Ron's first contact with the two legislators (one being David Parks) for his board meeting next week other than by phone or email. He will present the letter with the pertinent changes and discuss the importance of the issues to see what can be done. He thanked Kevin and the Legislative Subcommittee for initializing the letter and for doing a great job.

If everyone agrees with the changes and basic premise of the letter, Kevin will make the changes to the new draft and send it out to the Board members. Dorothy stressed this letter must be strong, more direct, and to the point so the agencies' implications and positions are well understood. The agencies want it clearly known that this is not something they will allow to just happen. According to Ester, their local mental health agencies did not suffer funding cuts, so Medicaid is neutral for the state mental health department. They will acquire money from Medicaid on the expense of the substance abuse agencies. Deborah noted the new Division fiscal staff is currently working on the numbers, and she hopes to have something within two weeks. The money is no longer available after June 30 at midnight, so they are scrambling to get it done. They do not believe this will be a smooth process. At the higher levels they do not understand the dynamics of the agencies and what happens at street level, and they would be lucky to educate them on substance abuse and mental health issues. They also don't understand that

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Medicaid pays primarily for mental health and very little for substance abuse. Dorothy asked why they are so late in finding this out. Ron did not speak with the Governor's office but primarily with Medicaid who contracts with the HMOs. He was confused about the sense of helplessness. Dorothy said there is someone in the Governor's office assigned to deal with Medicaid. Deborah explained and reiterated the history of the reductions. The Legislature addressed and passed the budgets. She also reminded everyone about sequestration. Dorothy was out part of the year due to illness and wondered who was backing them up at the Legislature. Kevin testified most of these points to the Legislature, committee hearings, and to people behind the scenes. He thought they received attention but apparently not as much as he perceived.

Kevin asked to formalize a motion to move forward with the third draft of the letter. Once done, Board members should take it to people of influence. He suggested following through with presenting this at the July meeting and to invite Tracey Green, Richard Whitley, and Mike Willden. Ron Lawrence moved and Dorothy North seconded the motion to approve the letter in concept with the proposed changes and have Kevin distribute the third draft by noon tomorrow.

Kevin asked if there was any more discussion. Ron has been hesitant to go to the Governor's office without the other members. It is about the entire field, and he deeply cares about the agencies that could potentially suffer. Dorothy asked Kevin to call Richard Whitley that same afternoon to ask for help in this matter, and she will try to find some legislators that will help. She thinks Richard Whitley may not understand the entire picture due to his time spent on the Health Division reorganization. She believes he will help them if he knows what they are facing and what is imminent to happen. Kevin will contact him today at the request of the Board and will submit the next draft before noon tomorrow.

All were in favor of the motion moved by Ron Lawrence and seconded by Dorothy North, none were opposed, and there were no abstentions. The motion was carried.

## 4. **Public Comment**

There was no public comment.

Deborah recommended that Kevin invite the administrators to the July Advisory Board meeting as soon as possible so it is added to their calendars. Dorothy suggested he call an emergency meeting if he felt it necessary. Kevin, however, prefers to meet face to face and via video conference, not teleconference.

# 5. Adjourn

The meeting was adjourned by Kevin Quint at 1:50pm.