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DCTS Action Memo 2022-01

To: Subscribers of the DCTS Action Memo Email Distribution List

From: Rose Kleman, Administrator

Funding to Cover Room and Board Costs for Medicaid Members with an Opioid Use Disorder in Residential Substance Use Disorder Treatment Programs

Summary

This memo provides instructions on how county and tribal nations can apply for funding to cover room and board costs for Medicaid members with an opioid use disorder who are in residential substance use disorder treatment programs. Applications for funding for calendar year 2022 are due by 4 p.m. January 31, 2022.

Background

Wisconsin Medicaid has offered a residential substance use disorder treatment benefit since February 2021. It provides treatment for youth and adults to promote recovery from substance use disorder and reduce the incidence and duration of institutional care Medicaid members might otherwise need. Coverage is available in Wis. Admin. Code § DHS 75.11 certified medically monitored treatment facilities and Wis. Admin. Code § DHS 75.14 certified transitional treatment facilities. Services offered include assessment and treatment planning, individual and group and family counseling, psychoeducation, medication management, nursing services, case management, peer support services, recovery coaching, and drug testing to monitor and reinforce individual progress. Federal law prohibits Medicaid from reimbursing for the costs of room and board.

The Department of Health Services (DHS) was awarded nearly \$10.4 million to address Wisconsin's opioid epidemic in a recent multistate settlement with McKinsey & Company, a global consulting firm that for years fueled the opioid epidemic nationwide through its work with the manufacturers of opioid drugs. Covering the costs of room and board has been identified as a barrier to residential substance use disorder treatment for many Medicaid members. To make this benefit more accessible, DHS is using a portion of the McKinsey & Company settlement to provide counties and tribal nations funding to cover the room and board costs with an opioid use disorder. The Division of Care and Treatment Services is managing this funding opportunity with support from the Office of the Secretary.

Only Medicaid members with an opioid use disorder who are in a residential substance use treatment program can be supported with funding through this request for applications. However, should additional funding become available, DHS will consider funding the residential substance use disorder treatment room and board costs for all people with any type of a substance use disorder. Data collected from successful applicants under this request for applications will help determine how much funding may be needed for this purpose.

Eligibility for funding

Applicants must:

- Be a county agency or a federally recognized tribal nation located in Wisconsin.
- Contract with or plan to contract with a residential substance use disorder treatment program certified under Wis. Admin. Code ch. DHS 75 that is a Medicaid enrolled provider.

Award and contract terms

Awards will be for calendar year 2022 (January 1-December 31). If funding requests exceed the available funding, awards will be equally prorated.

Awards will be made through an amendment or modification to the state-county contract or the state-tribal contract.

There is no match requirement for this funding opportunity.

All funds must be spent during calendar year 2022. Funds cannot be carried over to 2023.

The state reserves the right to reject any and all applications. The state may negotiate the terms of the contract, including the award amount, with a successful applicant prior to entering into a contract.

Successful applicants utilizing subcontractors are responsible for ensuring the subcontractors abide by all terms and conditions of this request for applications and resulting contract.

Reporting requirements

Successful applicants must submit two performance reports to assist DHS in obtaining data on the total funding that would be necessary to cover room and board costs for people with opioid use disorder as well as for people with other substance use disorders. One report will cover the first six months of the funding (January 1-June 30), which is due July 30, 2022. The second report will cover the last six months of the funding (July 1-December 31), which is due January 31, 2023.

The following information is required in these reports:

- The total number of individuals with any substance use disorder who were in need of and/or requested funds to cover room and board expenses.
- The total number of individuals with an opioid use disorder who were in need of and/or requested funds to cover room and board expenses.
- The names and dates of birth for people with Medicaid and an opioid use disorder who were provided funds to cover room and board expenses.
- The number of total days funded for people with Medicaid and an opioid use disorder, with a breakdown by the rate for each residential substance use disorder treatment agency.
- The total for all funds spent to cover room and board for individuals with Medicaid and an opioid use disorder.
- The county or tribal total expenditures in the reporting period to cover room and board expenses for all people with a substance use disorder (noting the proportion of individuals with Medicaid).

Successful applicants also must comply any additional reporting requirements specified by DHS.

Failure to report this data on the schedule listed will result in the loss of funds and repayment of the funds provided to the county or tribal nation.

Application design

The application for this funding opportunity must include the sections listed here and the information requested for each section. All pages should be single spaced with one-inch margins using 12 point Times New Roman font.

Number of people in need

Estimate the number of people in the county or tribal nation in need of residential substance use disorder treatment. Specify the estimated percentage with an opioid use disorder. Additionally, outline the overall need in the county or tribal nation for funding to cover residential substance use disorder treatment room and board costs for Medicaid members. Specify the estimated percentage of Medicaid members with an opioid use disorder. Document how the data cited was estimated, including what sources were consulted. Some sources for this information may include the statistics available on the [DHS website](#), Program Participation System data, Medicaid data, and agency data of the historic number of people in the county or tribal funded residential substance use disorder treatment services.

Fiscal need

Estimate how much funding is needed in the county or tribal nation to cover residential substance use disorder treatment room and board costs for people with Medicaid and an opioid use disorder. Use this formula:

| | | | | |
|--|----------------------|--|----------------------|--|
| Estimated number of people with Medicaid and an opioid use disorder in need of residential substance use disorder treatment in a 12-month period | X (multiplied by) | The estimated average duration or number of days for treatment stays | X (multiplied by) | The estimated average daily rate from residential substance use treatment providers for room and board costs |
|--|----------------------|--|----------------------|--|

- Include information on how the daily rate was calculated.
- Include the method by which rates are set (standard rate, negotiated rate, or based on added features such as inclusion of children or family members).

Policy and process

Explain how the county or tribal nation will provide funding to cover residential substance use disorder treatment room and board costs to people in need, including outreach activities, how eligibility will be determined, the enrollment process, etc.

Data collection

Explain how the county or tribal nation will track data regarding people served, days funded, and rates paid to comply with the reporting requirements of this funding opportunity listed on page 2 in this request for applications.

The following forms must also be completed as part of the application.

- [DCTS Annual Grant/Contract Application: Condensed, F-21276C](#)

- [DCTS Summary Line Item Budget: Condensed, F-01601C](#)

Application submission

Send an email with the following attachments to [Paul Krupski](#) by 4 p.m. January 31, 2022.

- Narrative covering the items listed in the Application Design section as a Microsoft Word document or a PDF.
- Completed and unprotected [DCTS Annual Grant/Contract Application: Condensed, F-21276C](#).
- Completed and unprotected [DCTS Summary Line Item Budget: Condensed, F-01601C](#).

DHS servers can accommodate an email with attachments up to a size of 10 MB. Emails and attachments over the 10 MB limit are discouraged. If the applicant is unable to send all attachments in one email due to attachment size limitations, the applicant must indicate how many emails DHS should be receiving.

Applicants will receive an email confirming receipt of their application within two business days. If you do not receive an email confirmation within three business days, contact [Paul Krupski](#).

CENTRAL OFFICE CONTACT

Bureau of Prevention Treatment and Recovery
Division of Care and Treatment Services
Department of Health Services
1 W. Wilson St., Room 850
Madison, WI 53703
dhswebmaildcts@dhs.wisconsin.gov

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