



**County Alcohol and Drug Program
Administrators Association of California**

*Dedicated to the reduction of individual and community problems related to the use of alcohol and other drugs
and the chronic disease of addiction*

CADPAAC Policy Statement: Department Restructuring

Background & Issues:

As part of the anticipated FY 2012-13 Budget plan, the Administration has proposed the elimination of the Department of Alcohol & Drug Programs, along with the Department of Mental Health, and the transfer of those departments' functions to other, as-yet-to-be-identified state departments.

Given that the Administration has not yet submitted a policy or plan for how it proposes to address the impact of substance use disorders and the need for SUD services in California, it seems premature to eliminate the department that is the sole focus for these services. The fact is, substance abuse is one of the major health issues of our time. Eliminating a department is not a policy, and it does not eliminate the problem. Undiagnosed and untreated substance use disorders are a major driver of preventable costs of the medical care system, child welfare system, criminal justice system, and others. The goals of health care reform cannot be realized without a strong and comprehensive substance abuse system of care. Currently the State Dept. of Health Care Services is conducting a comprehensive behavioral needs assessment, as mandated by the Center for Medicaid Services. As part of this mandate, the state will be required to submit a plan detailing how it proposes to meet the need for mental health and SUD services. CADPAAC believes that, if the Administration believes that the need for these services would best be met by eliminating ADP and DMH, and transferring those functions to another department, that proposal should be included in the needs assessment plan, rather than in a separate budget proposal.

ADP serves a key role as the federally-designated Single State Agency (SSA) for SUD services, and directs numerous public policy initiatives in addition to various core functions, such as administering the Federal Block Grant, assuring compliance with federal and state regulations, licensing and certifying treatment programs, collecting and reporting data, maintaining outcomes measurement systems, providing technical assistance and training, interfacing with criminal justice and other state services, conducting needs assessment and planning, workforce development, etc. The ability and commitment of another department or departments to adequately manage all of these responsibilities, along with the data systems and information technology changes that will be required, has not yet been demonstrated.

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A national study commissioned by the Substance Abuse Mental Health Services Administration (SAMHSA) in 2005 (*State Substance Abuse Agencies and Their Placement Within Government: Impact on Organizational Performance and Collaboration in 12 States*, by The Avisa Group) found that, in states where the SSA for alcohol & drug programs was merged with or submerged under another department, the state was unable to advance significant SUD education, prevention, treatment and policy objectives, particularly those objectives that are held jointly with other agencies including mental health, criminal justice, Medicaid and public health, and that Federal funders increasingly mandate.

CADPAAC Recommendations:

- While CADPAAC believes that some efficiencies can be achieved by realigning specific SUD programs to the counties, and by moving the state administration of Drug Medi-Cal services to the state's Medicaid agency (DHCS), we support maintaining the integrity of the state's SUD continuum of services, including prevention, treatment, recovery, continuing care, etc. We believe that the best way to do this is to have a high-level single state agency or division with strong leadership devoted to bringing the needed statewide focus to this continuum of services, and to help the state develop a plan and policy for addressing SUD issues.
- Any future plans regarding placement of SUD services in the state organizational structure must adhere to the following principles:
 - If mental health and substance use disorder services are located within the same single state agency or division, the integrity of both fields must be preserved. Each field would maintain a distinct identity, while collaborating on integrated services at the state and local levels – not only integrated co-occurring services for MH & SUD, but also integration of both fields with primary care. This model would be akin to the federal Substance Abuse and Mental Health Services Administration (SAMHSA).
 - Strong statewide leadership on MH and SUD policy is essential. Given the additional responsibilities assumed by counties under realignment, we need leaders at the state level who will work with counties and support county structures. Effective leadership requires Director or Deputy Director-level leaders who:
 - Are equally experienced and articulate in both MH and SUD issues, have demonstrated knowledge and credibility in MH & SUD and are strong statewide advocates for both fields.
 - Have the ability to move the fields forward in health care reform.
 - Can provide direction across all state departments that are affected by MH & SUD.
 - Understand and can address federal issues (especially federal Maintenance of Effort requirements), and can develop linkages to federal structures.
 - Can improve administrative efficiencies and provide common solutions to information technology implementation.
 - Will be strong voices in addressing cultural disparities.

- If the Administration goes forward with its department restructuring proposal as part of the FY 2012-13 budget plan, CADPAAC supports the proposal undergoing a full set of legislative hearings, in both policy and budget committees, where its practicality, cost-effectiveness, impacts on the continuum of services, etc. can be fully analyzed. Any department restructuring must be accompanied by a cost-benefit analysis of the reorganization. In addition, any proposal to restructure the department should be included in the federally-mandated SUD and Mental Health Needs Assessment plan with a full explanation of the benefits and risks of the restructuring proposal.
- Although CADPAAC recommends keeping the SUD functions under a single high-level state agency or division, CADPAAC also believes that it is important to create better access to care for Health Insurance Exchange beneficiaries. Consequently, CADPAAC recommends the creation of a state Mental Health/Substance Use Disorder Health Care Exchange, which would manage the SUD & MH benefits/services for those individuals who are beneficiaries of the State Health Benefits Exchange.