

INTERIM JOINT COMMITTEE ON APPROPRIATIONS AND REVENUE

Budget Review Subcommittee on Human Resources

Minutes of the 2nd Meeting of the 2019 Interim

July 9, 2019

Call to Order and Roll Call

The 2nd meeting of the Budget Review Subcommittee on Human Resources of the Interim Joint Committee on Appropriations and Revenue was held on Tuesday, July 9, 2019, at 10:00 AM, in Room 129 of the Capitol Annex. Senator Matt Castlen, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Matt Castlen, Co-Chair; Representative Danny Bentley, Co-Chair; Senators Christian McDaniel, Morgan McGarvey, and Stephen Meredith; Representatives Melinda Gibbons Prunty and Susan Westrom.

Guests: Stephanie Bates, Deputy Commissioner, Department for Medicaid Services, Cabinet for Health and Family Services (CHFS); Ann Hollen, Senior Behavioral Health Policy Advisor, Department for Medicaid Services, CHFS; Allen J. Brenzel, M.D., M.B.A., Medical Director, Department for Behavioral Health, Developmental and Intellectual Disabilities (BHDID), CHFS; Stephanie Craycraft, Deputy Commissioner, BHDID, CHFS; and Katherine Marks, Ph.D., Kentucky Opioid Response Effort (KORE) Project Director, BHDID, CHFS.

LRC Staff: Miriam Fordham, Kevin Newton, and Jay Jacobs.

Funding for Substance Use Disorder Treatment and Prevention Services Department for Medicaid Services

Deputy Commissioner Bates and Ms. Hollen, discussed the Section 1115 Substance Use Disorder Demonstration being implemented by the Department for Medicaid Services (DMS).

In response to questions by Senator Meredith, Ms. Hollen stated that methadone is now covered as a key component of treatment of Opioid Use Disorder (OUD), and there is coverage across the Commonwealth with 191 residential treatment providers. Deputy Commissioner Bates stated that all five of the Medicaid Managed Care Organizations (MCOs) do serve the foster care population which also includes adoption subsidy children.

Deputy Commissioner Bates stated that the foster care population is not vulnerable if one of the MCOs drops out, CHFS would fall back on the other MCOs and the details for handling that situation are written in the MCO contracts which are posted to the Finance Cabinet's website.

In response to questions by Representative Bentley, Ms. Hollen stated that withdrawal management was covered prior to July 1, 2019, and has been expanded in the DMS implementation plan to cover all four levels of withdrawal management.

Approval of Minutes

Senator Meredith moved that the minutes from the June 4, 2019, meeting be approved, the motion was seconded by Representative Bentley and all were in favor.

Department for Behavioral Health, Developmental and Intellectual Disabilities

Dr. Brenzel and Deputy Commissioner Craycraft gave an overview of the department and funding for substance abuse disorders.

In response to questions by Representative Westrom, Dr. Brenzel stated that there have been around 150 contracts granted to the community from federal funds to help treat substance abuse disorders. There are some specific expectations on data collection and the responsibility for those community programs to collect that data with the goal of service provision is written into the contracts. The administrative regulations are under revision regarding the qualifications for staff working at the treatment facilities which varies by facility and which program licensure is being utilized. Dr. Marks stated that all KORE funded programs are Alcohol and Other Drug Treatment/Behavioral Health Service Organization (AODE/BHSO) licensed facilities. Dr. Brenzel stated that the Cabinet's goal is treatment on demand, and the Cabinet is close to meeting that goal as long as it continues to increase awareness of what services are available. There has been a dramatic expansion in the number of providers, the size of those providers, and the number of individuals that can be treated.

In response to questions by Senator Meredith, Deputy Commissioner Craycraft stated that the \$20 million SAPT block grant requires the Cabinet to maintain a certain level of general fund in order to retain those funds. CHFS will be requesting an appropriation increase of around \$30 million to be able to use the federal funds it will be receiving.

In response to questions by Representative Prunty, Dr. Brenzel stated that the hospitals are now required by the Joint Commission to track each provider, how much opiates each provider prescribes, and then try to identify which provider is an outlier. The Kentucky Hospital Association's (KHA) statewide initiative has an advisory board that is working with all the hospitals, and the advisory board's job will be to train and monitor across those health care organizations. KHA is working with residents and funding training

for the recognition of opiate use disorder and the risk factors to the University of Pikeville, University of Louisville, and the University of Kentucky medical centers and trying to influence as many individuals in medical schools to have the training introduced into the curriculum. Dr. Brenzel stated that most of the housing that the commonwealth funds are provided by agencies as part of the continuum. Dr. Marks stated that there is a section of recovery housing that is not operated by any of the treatment or recovery community. This housing consists of standalone houses, and there is no oversight at the current time. Dr. Brenzel stated that since many of the services are paid for by MCOs, those organizations have to justify on a day to day basis the necessity of that service.

There being no further business before the subcommittee, the meeting was adjourned at 11:03 PM.