

Value Based Care Model For Substance Use Disorder Continuum of Care

“SUD Carve Through”

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our impact in
2024



38

Active States

50 since 2019



988

Partners/Clients

5,146 since 2019



2,374

TA Encounters

13,411 since 2019



425

Trainings

3,692 participants



4

Peer-Reviewed

Publications (16 total)



18

Research Projects



6

Rural Houses Built



57

Housing Projects



138

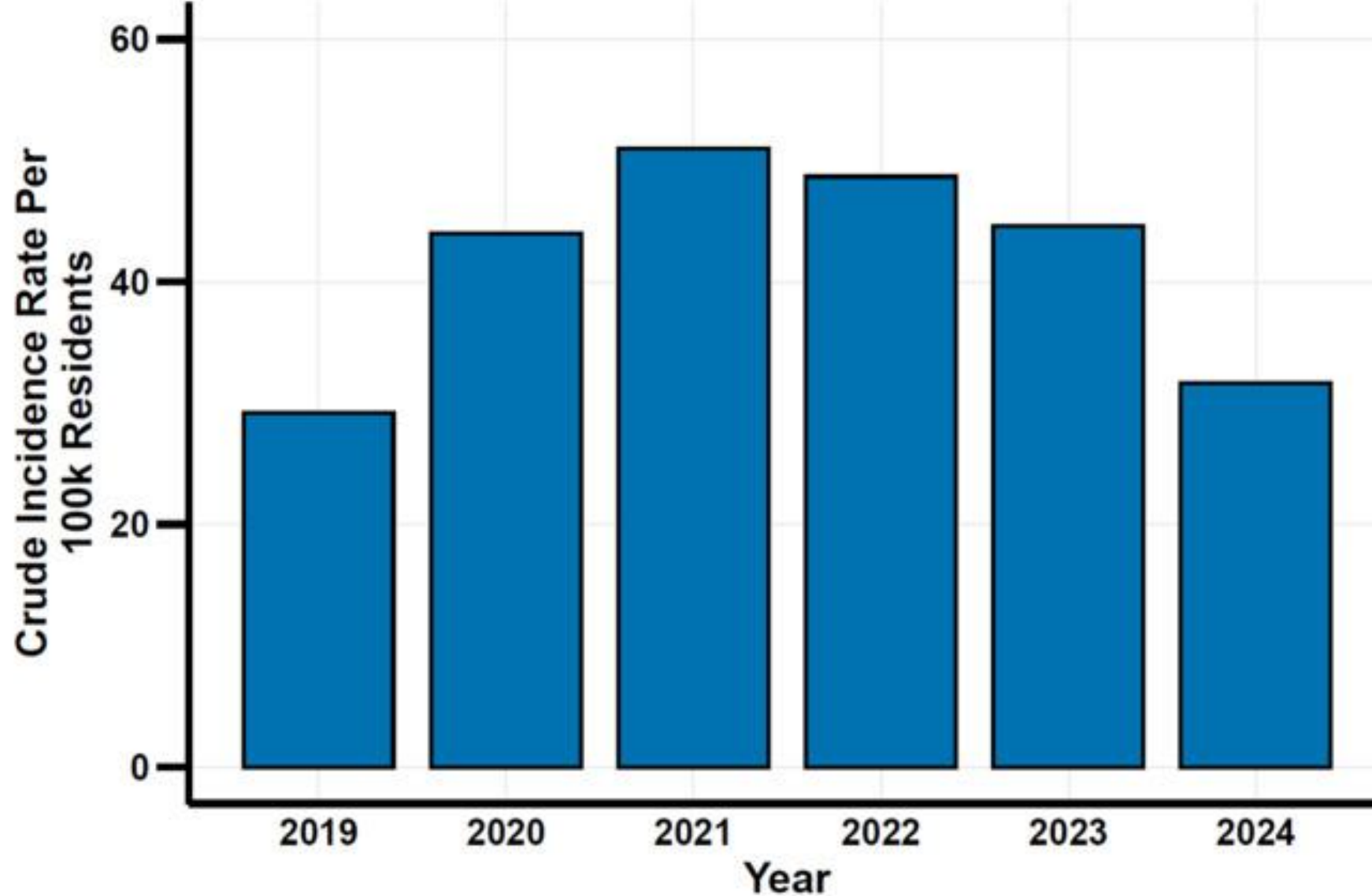
New Beds

Serving 276 annually



Disease of Despair





Returned to pre-pandemic rates of overdose deaths

Drug overdose deaths in Kentucky, 2019–2024: are we back to Pre-COVID-19 levels?, [Aaron P Smith](#),

, Inj Epidemiol. 2025 Aug 26;

	2019	2020	2021	2022	2023	2024
N	1307	1983	2298	2196	2018	1434
Rate per 100k	29.2	44.0	51.0	48.7	44.6	31.7
YoY % Rate Change	--	50.7%	15.9%	-4.5%	-8.4%	-28.9%

Remaining Challenge – 2024 Data*

- ❖ 12,207 nonfatal drug overdose ED visits, which is a 12.8% decrease from 2023.
- ❖ Increase among Hispanic Kentuckians in 2024
- ❖ 8.6% increase among children under 14

Not transforming as many lives as we save.

*University of KY College of Public Health - KIPRC

Medicaid Cost of Care for SUD

Average medical claims were approximately 8 times greater than for beneficiaries without a SUD diagnosis.

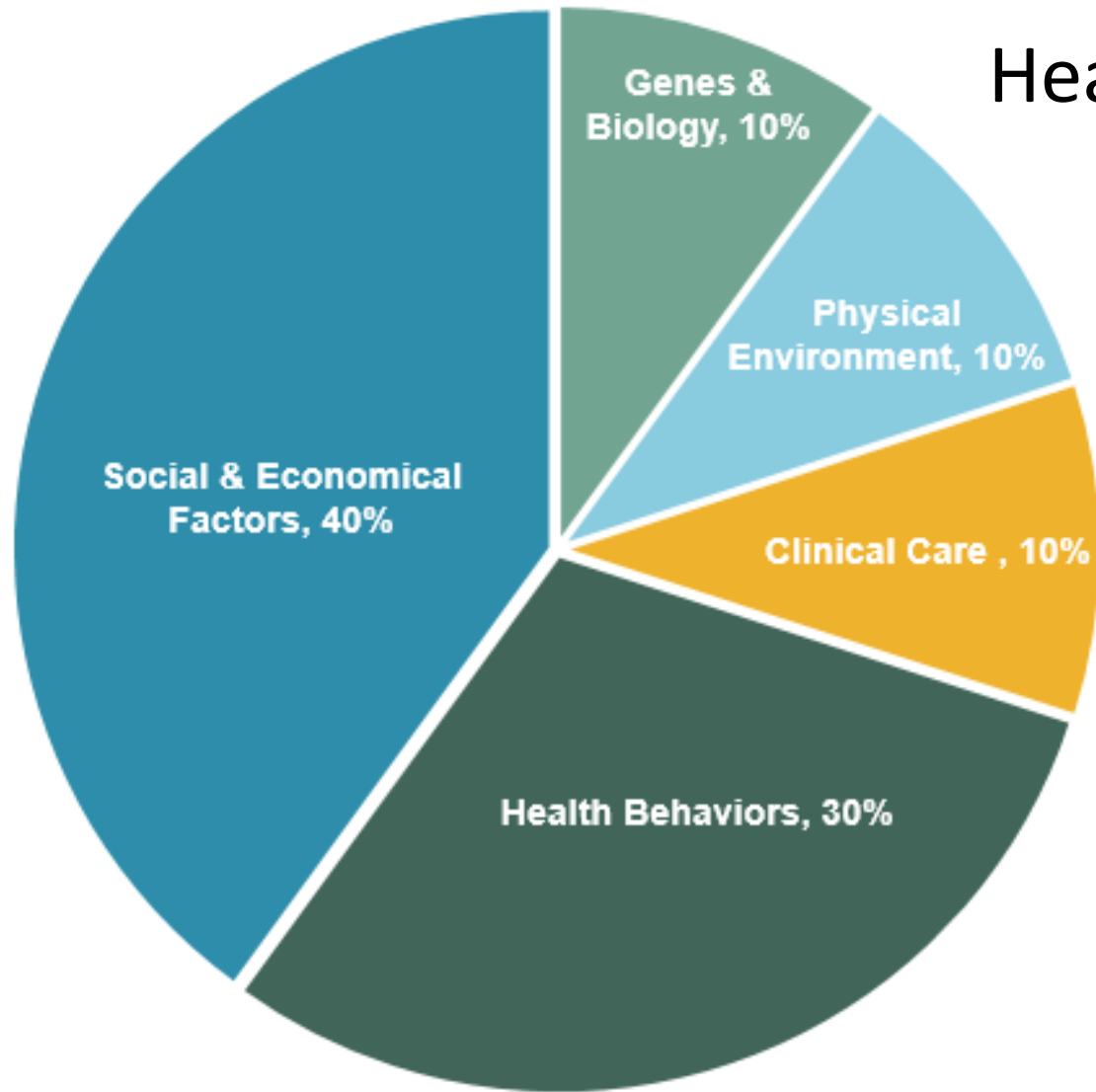
- ❖ Without SUD \$3,325
- ❖ With SUD \$24,508

Managed Care plan in another state we analyzed claims data for beneficiaries with SUD, N=5,135

Natural Course of Disease - SUD

- ❖ Disease of the young - More than 81.2% drug users have experience of first-time drug intake before they reach 20 years. Earlier onset of drug use is particularly predictive of long-term impairments *
- ❖ Progressive Disease: Relapse or Reuse is part of the disease
- ❖ Frontal lobe, judgment impairment, pleasure center (Dopamine and Glutamate) tolerance and withdrawal. 9-12 months to heal.
- ❖ Reluctance to access treatment – only 5-15% receive treatment
- ❖ Most are multi-drug users
- ❖ Significant risk of death ~250,000 per year (includes AUD)
- ❖ Co-morbidities – MH, Chronic Pain, Cardiovascular, Infectious

Determinants of Health



Health Related Social Needs (HRSN)

Clinical Care Alone is only 10% of the impact on health and wellbeing.

<https://www.orpca.org/initiatives/social-determinants-of-health>

Outcomes Recovery Kentucky 2024

Consistent findings
reported over 12-years of
annual evaluations
conducted by Center for
Drug and Alcohol
Research at UK.

Outcome Measure	Baseline— At Intake	Follow- up—at 12 months	Relative Change
Illegal Drug Use	89%	11%	-88%
Opioid Use	44%	3%	-93%
Alcohol Use	40%	05%	-88%
Homelessness	32%	4%	-88%
Rearrest	65%	7%	-89%
Anxiety	67%	26%	-61%
Depression	62%	16%	-74%
Suicidal ideation	28%	4%	-86%
Employment	50%	85%	70%

Perverse Incentives

- ❖ FFS incents utilization not wellness
- ❖ Increasing level of care
- ❖ Keeping people “needing care”
- ❖ Doesn't incent COC to leverage all the resources
- ❖ Encourages Fraud

The Incarcerated

- 80% have used drugs ¹
- Only 20% have been treated ²
- 68% are re-incarcerated within 3 years ³
- Decreased tolerance while in jail can lead to overdose and death when released

1 and 2: Adam Chamberlain et al., "Illicit Substance Use after Release from Prison Among Formerly Incarcerated Primary Care Patients: A Cross-Sectional Study," *Addiction Science and Clinical Practice* 14, no. 1 (2019): 7.

3: Steven Belenko et al., "Treating Substance Use Disorders in the Criminal Justice System," *Current Psychiatry Reports* 15, no. 11 (2013): 1-11.

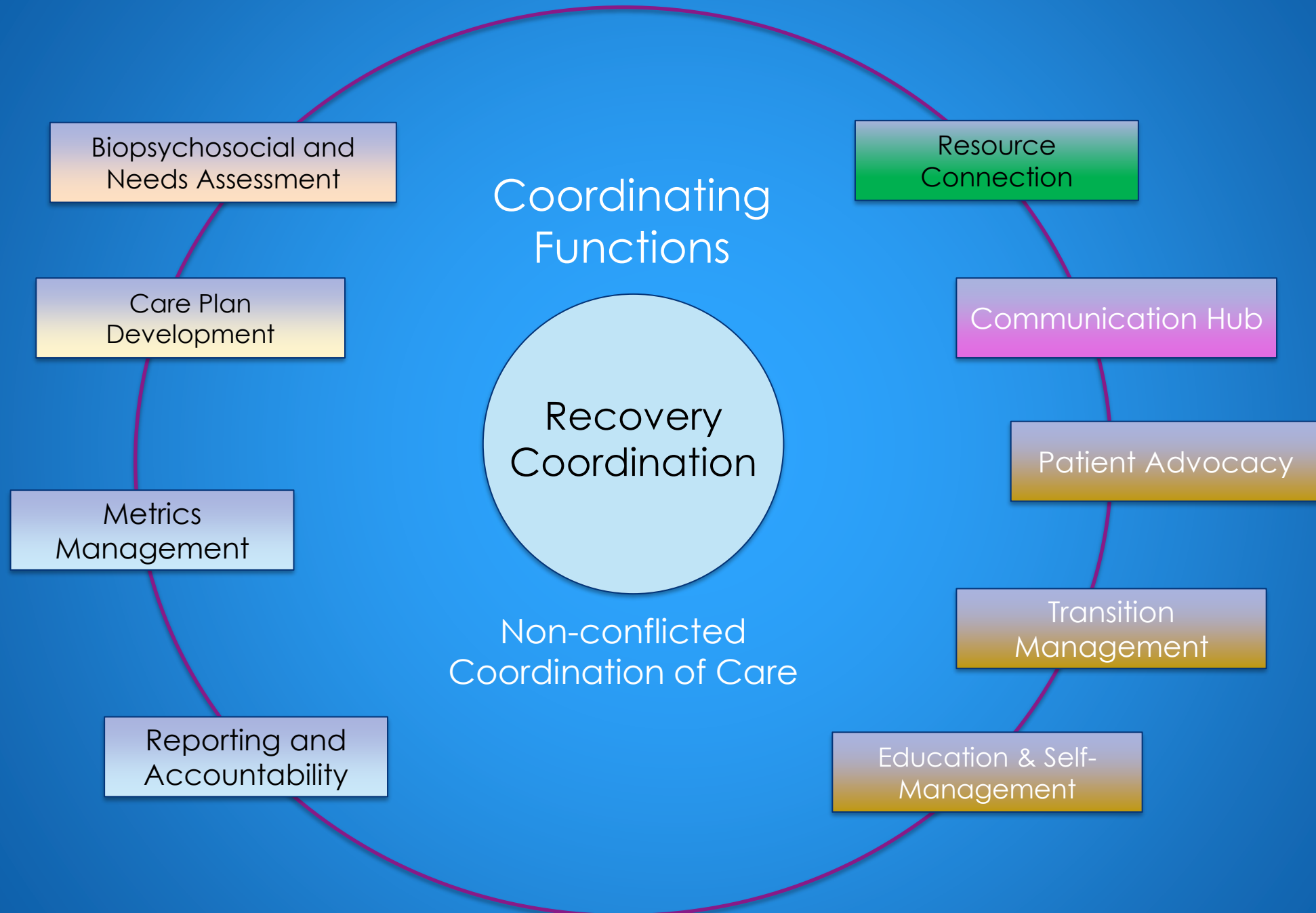
Other State Initiatives for Housing

- ❖ **California's Recovery Bridge** Housing program combines a subsidy for recovery residences with concurrent treatment in outpatient services, intensive outpatient treatment, opioid treatment, or outpatient withdrawal management.
- ❖ **Michigan and Washington** are using Substance Abuse Block Grant (SABG) funding to provide housing vouchers for Recovery Housing and blending Medicaid service funding to allow for payment of peer services. RH is partnering with outpatient provider delivering assessment and clinical services
- ❖ **West Virginia, Oregon, and Arizona** recently obtained an 1115 waivers to pay for housing and other health related social needs
- ❖ **North Dakota** SUD voucher promotes access to Recovery Housing for Medicaid eligible individuals and can cover individuals for up to 200% of FPL

TennCare

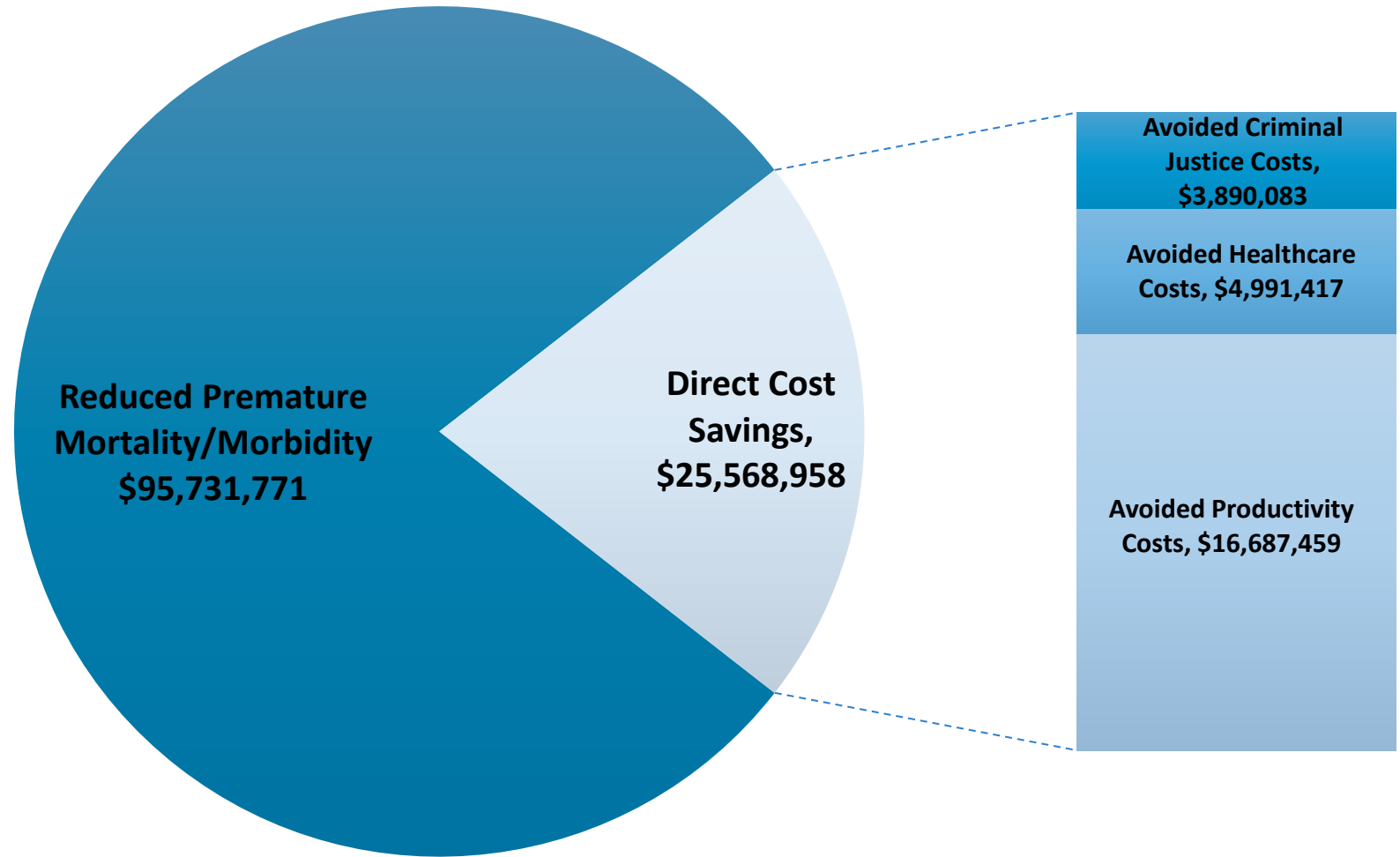
- ❖ Rates, some higher than commercial carriers
- ❖ Standardization across MCO's
- ❖ Joint participation
- ❖ Bundled Payments for MH
- ❖ Flexibility across MCO's on how bundled payment work
- ❖ Shared savings incentives
- ❖ Data sharing





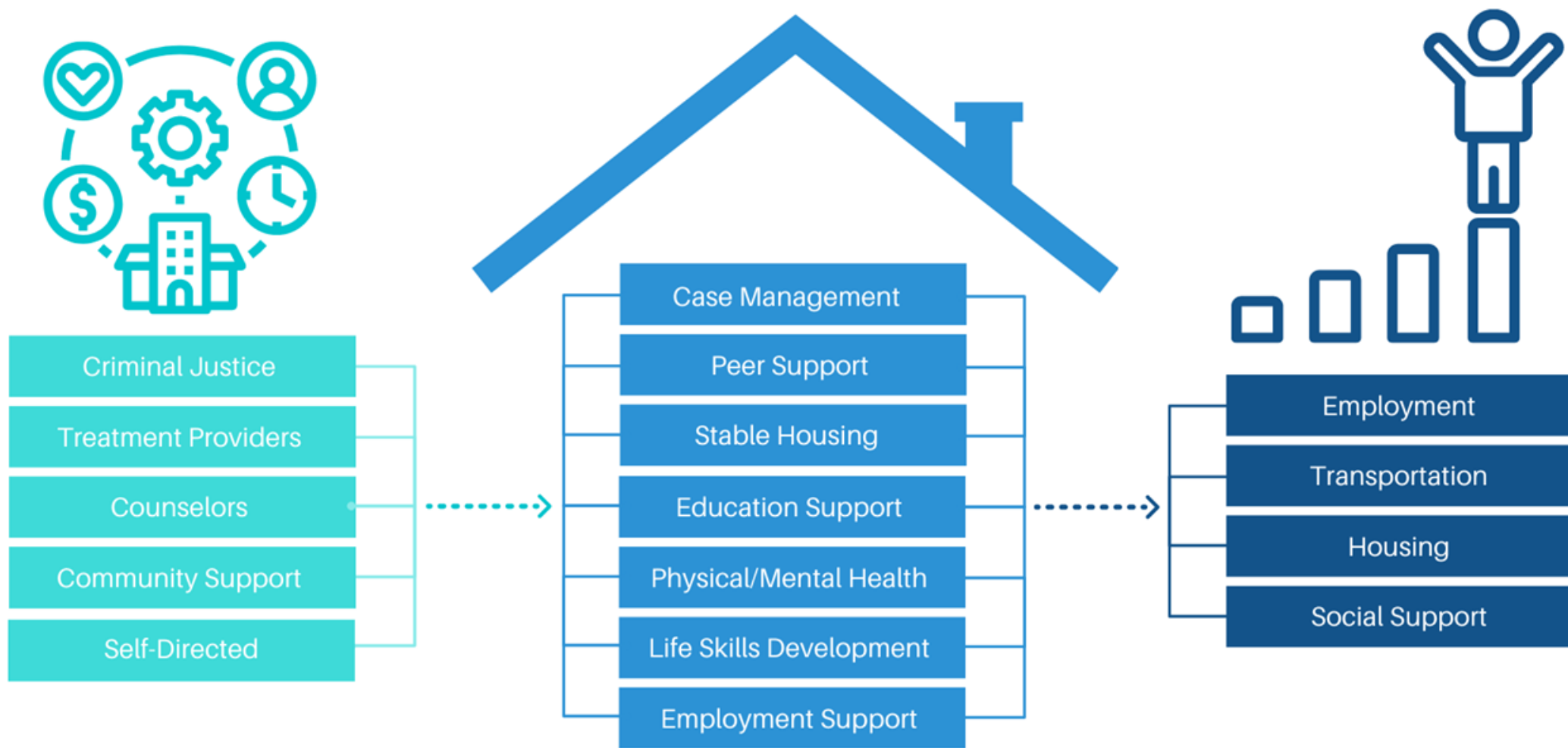
Economic Impact of a KY Recovery House

Using the Fletcher Group Economic Calculator, a representative recovery house* in Kentucky yields **\$24.61 in economic benefits per dollar invested** over 15 years.



*A representative recovery house is assumed to serve 50 residents annually, spend \$250,000 in annual operating costs, and have a success rate of 35%.

How A Recovery Ecosystem Creates Recovery Capital



Q & A