

December 28, 2018

The Honorable John Kavanagh
Chairman, Joint Legislative Budget Committee
1700 West Washington
Phoenix, Arizona 85007

Dear Senator Kavanagh:

Pursuant to Laws 2018, Second Regular Session, Chapter 2885, please find the enclosed Report to the Joint Legislative Budget Committee regarding Opioid Epidemic Grant Monies. Please do not hesitate to contact me if I can answer any questions or provide additional information.

Sincerely,



Thomas J. Betlach,
Director

cc: The Honorable David Livingston, Arizona House of Representatives
Christina Corieri, Senior Policy Advisor, Office of the Governor
Matthew Gress, Director, Governor's Office of Strategic Planning and Budgeting
Bret Cloninger, Office of Strategic Planning and Budgeting
Richard Stavneak, Joint Legislative Budget Committee



**REPORT TO THE JOINT LEGISLATIVE BUDGET
COMMITTEE REGARDING OPIOID EPIDEMIC
GRANT MONIES**

**December 2018
Director, Tom Betlach**

BACKGROUND

Laws 2018, Second Regular Session, Chapter 284 requires:

On or before January 1, 2019, the Arizona Health Care Cost Containment System and the Department of Health Services shall jointly report to the joint legislative budget committee how grant monies for states to address the opioid epidemic included in the Consolidated Appropriations Act, 2018 (P.L. 115 141) will supplement the monies appropriated to the Arizona health care cost containment system administration pursuant to Laws 2018, first special session, chapter 1.

SUMMARY

State Opioid Response (SOR) Grant and the Substance Use Disorder Services Funds (SUDS)

The Consolidated Appropriations Act, 2018 (P.L. 115-141) resulted in the award of the State Opioid Response (SOR) grant to states by the Substance Abuse and Mental Health Association (SAMHSA). These monies were allocated via a formula calculation for each state to implement activities over a two year period to address the opioid crisis by increasing access to medication-assisted treatment using the three FDA-approved medications for the treatment of opioid use disorder; reducing unmet treatment need; and reducing opioid overdose related deaths through the provision of prevention, treatment and recovery activities for opioid use disorder. Arizona was awarded \$20,269,303 per year for two years for the period of September 30, 2018 to September 29, 2020.

The dollars in the State Opioid Response grants supplement the monies appropriated to the Arizona Health Care Cost Containment System (AHCCCS) administration pursuant to Laws 2018, first special session, chapter 1 as further detailed below. SOR is used to create the infrastructure and network capacity needed for timely access to OUD treatment, and SUDS is used to cover the direct treatment services for the under and uninsured population with OUD.

The SOR funds are used to maintain existing infrastructure projects built through the Opioid State Targeted Response grant and build new infrastructure to ensure network capacity and timely access to treatment for individuals with Opioid Use Disorder (OUD), including access to medication-assisted treatment. This includes operational support of six 24/7 Opioid Treatment on demand centers in the state; new Opioid Treatment Programs, medication units and telehealth options in rural Arizona; expanding peer support specialists to increase timely navigation and retention in treatment; funding to the Arizona Department of Health Services (ADHS) for the state Opioid Assistance and Referral line to facilitate 24/7 complex case management and consultation for providers, as well as treatment and referral options for the public.

Related SOR projects include:

- A stigma reduction campaign offered through the Governor's Office of Youth, Faith and Family (GOYFF).
- Creation of a real-time treatment capacity portal; marketing of the Arizona Opioid Assistance and Referral (OAR) Line and GOYFF treatment locator.
- Hospital and discharge planning.

- Connecting individuals with OUD to treatment upon release from correctional settings.
- Specialty projects for tribal populations, pregnant women and parents with OUD, veterans, military service members and their families and individuals who have experienced trauma, toxic stress or adverse childhood experiences (ACEs).

SOR additionally funds a number of prevention projects, including expanded access to naloxone, the opioid overdose reversal medication; localized community opioid prevention and education; promoting prescriber education and a statewide chronic pain self-management campaign through the ADHS; and a targeted trauma-informed prevention project through GOYFF. Likewise, SOR funds a number of recovery projects, including expanding access to recovery support services such as supportive housing, job assistance and supportive recovery programming, including a community health and recovery resource center.

The Substance Use Disorder Services Funds (SUDS) appropriated in the Arizona Opioid Omnibus legislation pays for direct treatment services for under and uninsured individuals with OUD. The SUDS offers options for direct service access including treatment, rehabilitation, medical services, medication-assisted treatment, peer and family supports, case management, crisis intervention, inpatient services, detoxification, residential services, day program services, transportation, and assistance with high co-pays or deductibles, which often serve as a barrier to accessing treatment and other support services.

Between February 1, 2018 and October 31, 2018, the Substance Use Disorder Services Funds have supplied 12,943 services to 5,995 under and uninsured individuals with OUD in Arizona. As of October 31, 2018, the amount paid to cover these services through the SUDS funding was \$1,428,369. The five most utilized services covered by the SUDS during the reporting period include: medical services, methadone for medication assisted treatment, treatment services, case management services and peer support services. As the infrastructure projects in SOR fully launch in early 2019 and more treatment access points are made available throughout Arizona, it is anticipated that funding spent on direct services through SUDS will increase.

In addition to the SAMHSA SOR funding allocated to AHCCCS, the Arizona Department of Health Services receives federal opioid grant dollars. None of the grant funds are allowed to be used for treatment services. Funds are directed to support a variety of public health approaches, as outlined below.

SAMHSA First Responder Grant

The ADHS is in the second year of a four year grant awarded by SAMHSA. Grant funds provide approximately \$785,000 per year for a comprehensive First Responder opioid/naloxone program in partnership with the University of Arizona and the Arizona Police Officer Standards and Training Board. Grant activities will accomplish three goals:

- Train EMS and law enforcement staff on opioid overdose recognition and treatment.
- Provide naloxone kits to EMS and law enforcement staff who have completed that training.
- Train EMS staff how to conduct Strategic, Brief Intervention and Referral to Treatment (SBIRT) interviews and then deploy that training to the field as they interact with individuals

who may have a substance use disorder. To ensure that the referral will be regionally specific, the Bureau of EMS is partnering with the GOYFF regional substance abuse treatment programs and the Arizona's Opioid Assistance and Referral Line to verify that the referral handoff is effective.

CDC Prescription for States Drug Overdose Grant

In September 2018, ADHS entered its fourth and final year of funding through the CDC Prescription Drug Abuse Prevention for States grant (PFS) with an award of \$2,170,408. Funds are used to support the implementation of the Arizona Rx Misuse and Abuse Initiative Toolkit, which is available online at www.rethinkrxabuse.org. ADHS contracts with nine county health departments, the Arizona Board of Pharmacy, and the University of Arizona Center for Rural Health for the completion of grant related activities, including:

- Increasing utilization of the Controlled Substances Prescription Monitoring Program.
- Encouraging the use of safe opioid prescribing practices by healthcare providers.
- Increasing public awareness regarding the dangers of prescription drug misuse and abuse,
- Encouraging safe prescription storage and disposal practices.
- Encouraging the adoption of universal opioid use disorder screening by healthcare providers through the SBIRT model.
- Establishing local overdose fatality review teams as part of HB2493, which was enacted in May 2017. The goal of the local teams will be to investigate drug overdose fatalities to identify risk factors for overdose, provide information and education to inform programmatic and policy interventions for preventing future opioid related death and injury.

CDC Public Health Crisis Cooperative Agreement

In September of 2018, ADHS was also awarded \$4,530,305 in one-year, one-time funding through the CDC Public Health Crisis Cooperative Agreement. These funds allowed ADHS to contract with 12 county health departments, the University of Arizona Center for Rural Health, and Banner Poison Control Center. Available funds will be used to support the implementation of community-based activities geared toward enhancing local capacity on linkages to care in order to connect patients who have experienced or are at risk for experiencing an opioid overdose to available treatment and wrap around services; creating public facing data dashboards providing information on local trends for opioid prescribing, morbidity, mortality, and other related harms; and implementation and dissemination of the CDC Rx Awareness campaign. In addition to these activities, ADHS will also utilize funds to enhance the testing capabilities of the State Lab, providing resiliency training to local first responders, and to support the expansion of the Arizona OAR line to include 24/7 complex case management and consultation for providers, as well as treatment and referral options for the public.