

DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS



ADP BULLETIN

Title: CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CalWORKs) UPDATE		Issue Date: March 6, 1998 Expiration Date:	ADP Bulletin No. #98-07
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PURPOSE:

The purpose of this bulletin is to provide an update on the status of various CalWORKs activities related to the alcohol and other drug (AOD) treatment field.

DISCUSSION:

Background

In August 1997 the Governor signed CalWORKs into law, the State's program for implementing the federal Temporary Assistance for Needy Families (TANF) welfare reform program. Just as the TANF program gave states the latitude to design their own programs within certain parameters, CalWORKs gives county governments the flexibility to design their programs specific to their local needs.

CalWORKs implementation began January 1, 1998, and even though we are in the early stages of implementation, planning at the state and county levels continues, due in large part to the complexity of the task and the many entities that must be involved to build a comprehensive program. At the state level, the Department of Social Services (DSS) has been designated as the department responsible for coordinating the implementation of CalWORKs, and at the county level, it is the county welfare departments (CWD) that have that responsibility.

Substance abuse treatment has been identified in CalWORKs as a support service which will be necessary to assist some CalWORKs recipients to become job ready and subsequently, to retain those jobs. Collaboration between the CWDs and the county alcohol and drug programs is a required component of CalWORKs to ensure that a system is available to provide substance abuse services to those recipients whose substance abuse problem creates a barrier to employment.

Funding

An appropriation of \$40 million was provided for substance abuse treatment services and mental health treatment services for CalWORKs recipients for the 1997-98 fiscal year (FY). Twenty million dollars of this amount was identified for substance abuse treatment services and \$20 million for mental health treatment, however, CWDs have been given the latitude to move the funds between these two services based on local needs.

Seventeen million dollars of the substance abuse appropriation is being administered by DSS and was allocated to CWDs via a county fiscal letter no. 97/98-16 on September 10, 1997. The \$17 million is comprised of \$12 million State General Fund (SGF) and \$5 million Substance Abuse Prevention and Treatment (SAPT) block grant funds. The \$12 million SGF which was allocated is counted toward the TANF maintenance of effort (MOE) requirement and, therefore, is not eligible to be used for Title XIX (Medicaid) claiming in either the substance abuse or mental health claiming systems. The \$5 million SAPT funds which were also allocated fall under the same federal treatment requirements as the SAPT funding which is currently allocated by ADP to county AOD programs. The SAPT funds are only for specific substance abuse treatment services and cannot be used to fund mental health treatment services. CWDs will be required to adhere to the required reporting and restrictions for the SAPT funds as a condition of expenditure of these funds. In negotiating with CWDs for the provision of substance abuse services for CalWORKs recipients, it will be important for county AOD programs to know the type of funding being received as well as the amount since there are certain conditions on the different funding sources (i.e., SAPT).

The remaining \$3 million of the \$20 million appropriation will be administered by ADP and is for Drug/Medi-Cal (D/MC) treatment services for CalWORKs recipients. The \$3 million is comprised of \$1.5 million SGF and \$1.5 million federal financial participation (FFP). These services must be claimed through ADP's existing D/MC claiming system in order to be reimbursed. ADP will be issuing special CalWORKs D/MC claiming instructions in order to account for these services separately from the regular non-CalWORKs D/MC claims. ADP will also be allocating these funds to county AOD programs based on the legislatively mandated CalWORKs allocation methodology which DSS will provide.

The \$20 million identified for mental health treatment services is comprised of \$10 million SGF (which can be used for Title XIX claiming) and \$10 million FFP (the federal share for the Medi-Cal service).

Any of these funds which are unspent can be rolled over into the next fiscal year, however, they must be used for the same purpose (i.e., substance abuse or mental health treatment services).

Proposed Governor=s Budget FY 1998-99

The proposed Governor=s budget for FY 1998-99 contains \$63.5 million for the provision of substance abuse treatment services to CalWORKs recipients whose substance abuse problem creates a barrier to employment. Of the \$63.5 million, \$55.5 million is SGF that has been identified as TANF MOE (i.e., it cannot be used for Title XIX claiming), \$5 million is SAPT block grant funds, \$1.5 million is SGF identified for Title XIX claiming (Medicaid), and \$1.5 million is FFP (the federal share for the D/MC services).

The current plans for the funds are for the \$55.5 million SGF and \$5 million SAPT funds to be administered by DSS and allocated to the CWDs. The \$1.5 million SGF and \$1.5 million FFP for D/MC services will be administered by ADP.

In addition, the proposed Governor=s budget includes \$8 million for substance abuse and mental health treatment services for the Cal-LEARN program (the welfare reform teen parent program). At this time, the administration of these funds is still being discussed at DSS. Upon final determination of how the funds will be administered, ADP will provide the information to the AOD field.

Administrative Practices

All 58 county plans, detailing the county CalWORKs implementation strategies, have been received by DSS. As of the first week of February 1998, 21 county plans had been certified with 14 more reviewed and in the certification process. The remaining 23 county plans are under discussion between the county and DSS. DSS= goal is to have all plans certified by the end of the month. The certification of the county plan means that it is in compliance with all state and federal laws and requirements.

The county plans reflected some variance in the required hours per week of work participation activities. The law requires single parent families to participate in work activities a minimum of 20 hours per week beginning January 1, 1998, growing to 26 hours per week beginning July 1, 1998, and 32 hours per week beginning July 1, 1999 and thereafter. The counties have the latitude to require up to 32 hours per week now. According to the county plans submitted, 26 counties are requiring 20 hours per week of work participation activities; 21 counties are requiring 32 hours per week; 1 county is requiring 30 hours per week; and 10 counties are requiring 26 hours per week.

Some of the other trends which were identified from the review of the county plans were the enhanced collaboration between local entities, the integration of services within the welfare departments, the use of Aone stop shops@, the use of interdisciplinary teams for assessment and placement of recipients, and the co-location of mental health and substance abuse services.

At the state level, ADP continues to support the field in the implementation of CalWORKs by ongoing coordination with DSS; developing a Request for Proposal (RFP) to contract for a CalWORKs consultant to provide technical assistance to the AOD field; conducting a survey on the impact to the AOD field of the loss of benefits to drug felons; participating on various state level workgroups to represent our AOD interests; gathering and collecting CalWORKs substance abuse related data; and, providing ongoing information and technical assistance through coordination with CADPAAC and the Policy Forum.

Data Management

CalWORKs requires that data be collected to measure the supply, demand and utilization of substance abuse treatment services by CalWORKs recipients. Each county must report annually to the state the number of recipients who receive substance abuse treatment and the extent to which the allocation of funds appropriated by the Legislature for this purpose is sufficient to meet the need. This means that the data reporting for this population will be extremely important since funding will be looked at in comparison to the number of recipients receiving treatment to determine whether the funding is sufficient.

To capture the supply and utilization data, ADP has revised the California Alcohol and Drug Data System (CADDs) form and the Drug and Alcohol Treatment Access Report (DATAR). The instructions for the submittal of these revised reporting instruments were disseminated in ADP Letter #97-65 on November 19, 1997. DSS is responsible for capturing the demand data.

In addition, measuring performance outcomes is required in CalWORKs. ADP is coordinating with DSS on this issue and will initiate the data collection to measure the effectiveness of substance abuse treatment in assisting CalWORKs recipients in becoming employable. This data collection area is also an integral component in highlighting substance abuse treatment services as a key element in the welfare to work effort.

ADP is also participating on a DSS workgroup which is instrumental in the process of contracting for a consultant to provide an objective evaluation of the entire CalWORKs program.

Method of Delivery

Many counties are using CalWORKs as the motivation to relook at their method of service delivery based on the new collaborative relationships, changing rules and added funds. We are seeing some counties co-locating their substance abuse and mental health treatment services. Also, many counties are using multidisciplinary teams for an integrative case management approach to screen and assess clients to identify the needed services to move the client into the workforce.

Some of the more widely used substance abuse screening and assessment tools are the Sacramento County modified CAGE¹ screening tool, the Center for Substance Abuse Treatment (CSAT) simple screening tool, and the Stanislaus County Behavioral Health screening tool.

The majority of the work accomplished, to date, has been in building the necessary structure to support the delivery of services. At this point, it appears that the biggest task still ahead for counties is capacity development. The impact to the AOD system is still unknown, however, even conservative projections indicate an influx of clients needing substance abuse services. This means that capacity development within the AOD system, as well as the capacity to meet the child care and transportation needs of these clients in treatment will be a huge undertaking. The problem for some counties in building the necessary capacity has been the lack of dedicated funding to do so, since their local level agreements are fee-for-service based, while other counties have access to funds in order to Aramp up@.

Services

In providing substance abuse treatment services to CalWORKs recipients, it is important for counties to keep in mind the CalWORKs definition of substance abuse treatment services, and the three types of funding which is available to provide substance abuse treatment for these clients.

The CalWORKs legislation, in Section 11325.8(a) of the Welfare and Institutions Code, states that substance abuse treatment services shall include evaluation, substance abuse treatment, employment counseling, provision of community service jobs, or other appropriate services.

The three types of funding which are available to provide substance abuse treatment for CalWORKs clients are D/MC funds (\$1.5 million SGF and \$1.5 million FFP), TANF MOE SGF (\$12 million), and SAPT block grant funds (\$5 million). Each of these fund sources has limitations as to what services can be purchased with the funds. The following is a discussion of the services as it relates to the funding.

X D/MC Services

D/MC has five approved treatment modalities for which reimbursement can be claimed. They are Perinatal Residential, Day Care Habilitative (DCH), Outpatient Drug Free (ODF), Narcotic Treatment Program (currently outpatient methadone maintenance and LAAM), and Naltrexone. Within these five modalities, certain limitations and restrictions apply in regard to reimbursable activities, as well as eligibility for the service.

Perinatal residential is residential treatment for women who are pregnant or 60 days postpartum. D/MC reimburses for the treatment only. It does not reimburse for room and board. DCH is an intensive day treatment program which is a minimum of 3 hours per day 3 days a week. It is for perinatal clients (pregnant or 60 days postpartum) and Early and Periodic Screening, Diagnosis and Treatment (EPSDT) adolescents only. ODF is an outpatient treatment program with the emphasis on group counseling. It has limitations on the type of individual counseling available to beneficiaries. Narcotic treatment program is an outpatient treatment program which dispenses methadone or LAAM to opiate addicts as a treatment strategy. It has a 200 minute per month counseling limit for reimbursement. Naltrexone is an outpatient treatment program which dispenses naltrexone to

¹The CAGE asks four questions about alcohol and other drug use: need to Cut down Annoyance created by criticism from loved one or friends, Guilt Feelings, and whether an Eyeopener is ever needed, hence CAGE.

detoxified opiate addicts as a treatment strategy.

This is a brief overview of the D/MC services for which reimbursement can be claimed. For a more detailed and complete accounting reference California Code of Regulations, Title 22, Sections 51341.1, 51490.1 and 51516.1.

X SAPT Services

The services allowable under this funding category are substance abuse treatment only. Prevention services are not allowable for CalWORKs clients, therefore, SAPT funds must be used for substance abuse treatment. The same rules and requirements apply to these SAPT funds identified for CalWORKs clients as has been required in previous years for the AOD population for treatment services. The exception is that the CalWORKs SAPT funds cannot be used for prevention services.

X CalWORKs Services

CalWORKs requires an array of services which is geared towards assisting the client to become employable. In addition to evaluation and substance abuse treatment, employment counseling, provision of community service jobs and other services deemed appropriate in assisting the client to move from welfare to work fall within the substance abuse treatment services arena. This gives the counties much latitude in fashioning their services to meet their local needs. However, in determining the services that will be offered under substance abuse treatment, the funding for those services must also be considered to ensure that sufficient and appropriate funds are available to meet the need.

Also, in order to capture more specifically the type of services provided to CalWORKs clients, the Department is establishing a new service code for CalWORKs short term treatment. It will be for brief treatment episodes of group and/or individual counseling services. Instructions for utilizing this new service code will be forthcoming.

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The information provided in this bulletin is meant to provide you with an update and an understanding of how far we have come in implementing CalWORKs as it relates to AOD issues, as well as where we have yet to go. There will certainly be modifications along the way as we encounter real life situations and circumstances that were not planned for, however, keeping the lines of communication open and sharing best practices will assist us all in creating solutions. Although there is a tremendous amount of work still ahead, this is an exciting time for our field and an opportunity to forge new alliances and working relationships that did not exist before.

REFERENCES:

Proposed Governor=s Budget for FY 1998-99
CalWORKs County Plans

[ADP Letter #97-65](#)

Welfare & Institutions Code, Section 11325.8(a)

California Code of Regulations, Title 22, Sections 51341.1, 51490.1 and 51516.1

QUESTIONS/MAINTENANCE:

If you have questions about any of the information in this bulletin, please contact Victor Rea at (916) 324-5523.

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