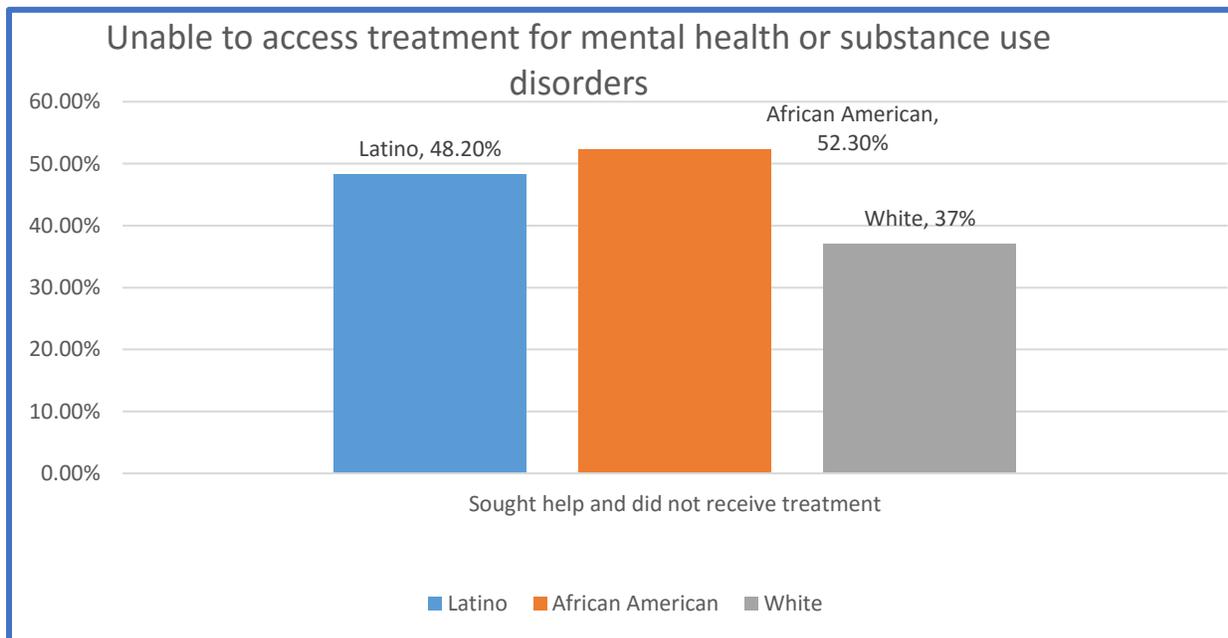


## Drug Medi-Cal Organized Delivery System: The Opportunity for California's Communities of Color

### Background

Communities of color in California face challenges in their ability to access substance use treatment services. While communities of color have similar mental health and substance use treatment needs to Whites, their ability to access services is much lower. For instance, 16.4% of Latinos and 17.3% of African Americans needed help for emotional/mental health problems or use of alcohol/drugs, compared to a similar number of Whites (17.9%). But comparing whether they were able to find the help they needed, 48.2% of Latinos and 52.3% of African Americans sought help but did not receive treatment, compared to 37% of Whites.<sup>1</sup>



This need for and lack of services has various reasons, many of them rooted in the social and environmental factors that impact our ability to live healthy lives. Studies have shown that adolescents with low socioeconomic status are more likely to have problems with substance use and associated issues including problems in school, decreased employment, and accidental deaths.<sup>2</sup> According to the 2013 National Drug Control Strategy, substance use is both a cause and a result of unemployment. Studies indicate that alcohol use disorders double the risk of

<sup>1</sup> 2014 California Health Interview Survey.

<sup>2</sup> Substance Abuse Treatment, Prevention and Policy, Are adolescents with high socioeconomic status more likely to engage in alcohol and illicit drug use in early adulthood? <http://www.substanceabusepolicy.com/content/5/1/19>.

becoming unemployed;<sup>3</sup> at the same time, unemployment can result in an increase in substance use disorders (SUD).<sup>4</sup>

In addition, many people of color and Limited English Proficient populations face a lack of culturally competent and linguistically appropriate services. Stigma and discrimination associated with accessing services also remain barriers to accessing treatment for many. To address these barriers and disparities, we must ensure that communities of color – those most in need of services – are involved in the development and design of treatment options, and that policymakers consider the root causes of substance use disorders in underserved communities.

### **Drug Medi-Cal Organized Delivery System Waiver**

Substance use disorder (SUD) treatment services have historically been limited, and especially so for Medi-Cal beneficiaries. Due to funding limitations in the Drug Medi-Cal program, provider rates have been low and networks have been thin. The program has been plagued with quality and integrity and quality issues.

When California expanded Medi-Cal in 2014, it significantly expanded the populations which were able to access SUD services. However, the available services were still limited. The Drug Medi-Cal Organized Delivery System (DMC-ODS) waiver, approved by the federal Centers of Medicare and Medicaid Services (CMS) in November, 2015, expands the SUD services available to Medi-Cal beneficiaries. The goal of the DMC-ODS waiver is to offer a full continuum of SUD services to Medi-Cal beneficiaries, the greatest expansion of these services in 35 years.

The DMC-ODS waiver utilizes the evidence-based practice of the American Society of Addiction Medicine (ASAM) criteria to outline the scope of services that must be available. This adds to existing services:

- Short-term residential treatment (without the current bed limitations)
- Case management
- Recovery services<sup>5</sup>

The waiver also expands access to medication assisted treatment, and requires case management to include coordination with criminal justice entities. And, counties must have memoranda of understanding with local Medi-Cal managed care plans that outline screening and referral responsibilities.

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<sup>3</sup> Dooley, D, Catalano, R, and Hough, R.(1992).Unemployment and alcohol disorder in 1910 and 1990: Drift versus social causation, .Journal of Occupational and Organizational Psychology, 65, 277-90.

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<sup>5</sup> According to the Special Terms and Conditions, residential treatment is a non-institutional, 24-hour, non-medical, short-term residential program that provides rehabilitation services. Case management services are those that assist the beneficiary to access needed medical, educational, social, prevocational, rehabilitative, or other community services. Recovery services are medically necessary services to empower and prepare an individual to manage his or her health and health care.

Finally, county implementation plans must contain quality improvement efforts, and must propose rates and payment models.

**The Opportunity**

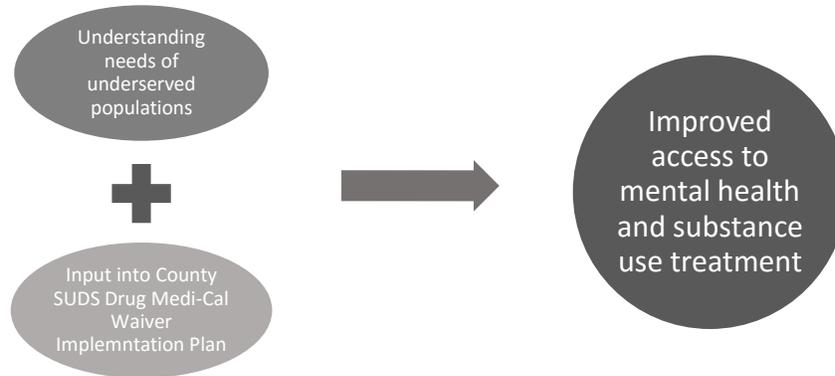
California’s Medi-Cal expansion and implementation of the DMC-ODS waiver present an important opportunity to increase access to substance use disorder treatment services and advance equity for communities of color.

<b>DMC-ODS Component</b>	<b>Communities of Color</b>	<b>Opportunity</b>
<p><u>Early Intervention Services:</u> Required under the DMC-ODS waiver, early intervention services include MOUs with local Medi-Cal managed care plans to coordinate screening by primary care providers and referral to the county for treatment when warranted.</p>	<p>Due to the stigma surrounding SUD, individuals of color are more likely to see a primary care provider than a substance use or mental health provider. The integration of the two through the waiver is critical for communities of color.</p>	<ul style="list-style-type: none"> <li>• The screening tools must be culturally relevant.</li> <li>• The provider workforce must be developed such that it is culturally and linguistically competent.</li> </ul>
<p><u>Recovery Services:</u> A new component of DMC services, recovery services include counseling as well as community support services.</p>	<p>Recovery services may be provided anywhere in the community, not only at health facility sites. This may eliminate some access barriers and allow for community-defined practices. Additionally, the focus on addressing community support services acknowledges the social determinants of health.</p>	<ul style="list-style-type: none"> <li>• Provide recovery services at community gathering sites.</li> <li>• Utilize non-traditional providers for recovery services.</li> </ul>
<p><u>Case Management:</u> A new required component of DMC services, case management must be provided and include coordination with physical and mental health, as well as with the criminal justice system when necessary.</p>	<p>Social and environmental factors often create multiple medical conditions, especially among communities of color. New requirements for care coordination may assist in improving health outcomes. Additionally, coordination with the criminal justice system is an important aspect</p>	<ul style="list-style-type: none"> <li>• The provider workforce must be developed such that it is culturally and linguistically competent.</li> <li>• Collaborate with criminal justice entities to ensure awareness of the</li> </ul>

	to ensure inclusion of communities members whose health status is impacted by their criminal justice involvement.	services and bidirectional case management.
<u>Intersection with the Criminal Justice System:</u> Individuals on probation and parole are eligible for DMC-ODS services, and may receive extended lengths of stay in residential programs if necessary. Additionally, counties may implement promising practices to target criminal justice involved individuals.	Multiple layers of discrimination have created a criminal justice system in California that over-incarcerates people of color and people living with behavioral health conditions. The ability to implement promising practices to offer DMC-ODS waive services to criminal justice involved individuals is an important opportunity.	<ul style="list-style-type: none"> <li>Utilize community-defined best practices as promising practices for the criminal justice involved population.</li> </ul>
<u>Access Standards:</u> Counties must develop a provider network that meets a set of access standards, including the characteristics and substance use disorder needs of beneficiaries, geographic location of providers (considering distance, travel time, and means of transportation), and other measures.	The DMC provider network has been weak due to low provider rates, but the waiver requires counties to propose rates and certify providers that meet access standards. This may help overcome some of the basic access barriers faced by communities of color.	<ul style="list-style-type: none"> <li>The provider workforce must be developed such that it is culturally and linguistically competent.</li> <li>Utilize non-traditional providers.</li> </ul>

**Community Engagement Strategy**

The California Pan-Ethnic Health Network (CPEHN) is engaging in a robust community engagement process to ensure the needs of these underserved communities are included and addressed in the implementation of new services. With stakeholder input from underserved populations, counties can better meet the mental health and substance use treatment needs of vulnerable communities across the state.



CPEHN is engaging in outreach and advocacy opportunities with local community organizations to share the needs and priorities of low-income communities of color, and specifically young people/transition age youth, immigrants, and re-entry populations with county policymakers. Community engagement efforts will focus on in 10 Southern California counties including:

- Imperial
- Kern
- Los Angeles
- Orange
- Riverside
- San Bernardino
- San Diego
- San Luis Obispo
- Santa Barbara
- Ventura

### **About CPEHN**

The California Pan-Ethnic Health Network is a multicultural health advocacy organization dedicated to promoting the health of communities of color in California. Our mission is to advance health equity by advocating for public policies and sufficient resources to address the needs of communities of color in California. Founded in 1992, CPEHN works to ensure that all Californians have access to health care and can live healthy lives. For more information on CPEHN and our programs, visit [www.cpehn.org](http://www.cpehn.org).

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