Impact of 2016 IMD Changes

An evaluation of the impact of Institutions of Mental Disease changes in 2016 on treatment admissions in Minnesota

Alcohol and Drug Abuse Division

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Summary

At the end of 2015, it became clear that how programs were or were not identified as Institution for Mental Diseases (IMD) needed to be re-evaluated. As a result, more than 30 programs that were previously not considered to be an IMD are now considered to be an IMD.

The Alcohol and Drug Abuse Division (ADAD) of DHS is working to understand how treatment program admissions were affected by these changes. Two questions considered in this report are:

1. Have the programs that are newly considered to be IMDs suffered a decrease in referrals?
2. Did residential admissions decrease for IMDs or in general?

To find the answers to these questions, ADAD evaluated Drug and Alcohol Normative Evaluation System (DAANES) data. This review has found that:

- **The programs previously considered not to be IMDs suffered no discernable overall loss in referrals due to their now being considered IMDs.**
- **There was an overall 4-percent increase in admissions (more than 500 admissions) to IMDs.**
- **There was no significant decrease in admissions overall at residential programs due to changes in IMD designation.**

Background

In Minnesota, the state, counties and Medicaid dollars fund the Consolidated Chemical Dependency Treatment Fund (CCDTF). CCDTF pays for treatment services for people who are uninsured or under-insured. In 2016, 66 percent of the annual 56,843 SUD treatment admissions are publicly funded (42 percent through the CCDTF and 24 percent by state contracted managed care). The remaining 34 percent SUD treatment admissions is funded by commercial insurance or self-pay.

The federal government, through Medicaid, reimburses the state a percentage for some treatment services. However, the federal government does not allow Medicaid funds to be used for treatment at a chemical treatment program that is determined to be an Institution for Mental Diseases (IMD).

Determining IMD status can be complex. Federal law defines IMDs as programs that have more than 16 beds or have other characteristics that make a program "institutional."

In 2015, an internal review raised concerns about how DHS has determined the eligibility of some Rule 31 chemical dependency treatment programs for Medicaid reimbursement. Therefore, DHS worked with providers, stakeholders, and the Centers for Medicare and Medicaid Services (CMS) in order to ensure alignment with federal rules.[1]

As a result, more than 30 programs formerly considered not to be IMDs are now considered IMDs.

The expected outcome for increasing the number of IMD treatment services were:

- No changes for people seeking treatment services
- Higher costs for the state and counties. CCDTF would continue to fund treatment services for public pay individuals, but the fund would not receive Medicaid reimbursement for services at the newly designated IMDs.

What seemed less clear was what, if any, affect this change would have on providers, the concern being that (despite being prohibited from doing so) placing authorities would refer fewer people to the now-designated IMD treatment programs or to IMDs in general.

[1] See: ADAD distributed E-memo 15-57 Federal Medicaid Reimbursement Status for Certain Rule 31 Programs/IMD Medicaid Manual. On 4/6/16 E-memo 16-15 provided this updated list of IMD providers. http://www.dhs.state.mn.us/main/groups/disabilities/documents/pub/dhs-285338.pdf

Impact

Therefore, to gauge that impact on the treatment system of IMD changes, ADAD examines in this report how treatment admissions changed over the last year for residential IMD, Non- IMD, and Non-residential providers.

It is important to keep in mind that:

- This report does not look at the experiences of individual providers, but offers only the overall statewide impact.
- There is a good deal of variability in treatment admissions from year to year. IMD changes are but one variable affecting admissions in 2016.

Given these caveats, the conclusion of the evaluation is that:

- For treatment funded through the CCDTF, those programs that are newly considered IMDs had 15 fewer admissions in 2016 from 2015, well within the usual variation from year-to-year. Therefore, the conclusion is that **there is no discernable loss in referrals to these programs due to their reclassification as an IMD.**
- There was a .7 percent decrease in the number of total residential admissions at residential programs (both IMD and non-IMD), but a 2.0 percent *increase* at residential programs that were newly identified as an IMD a year ago. **Therefore, there was no significant decrease in admissions overall at residential programs due to changes in IMD designation.**
- There was a **4-percent increase in admissions to all IMDs** (more than 500 admissions).

Data

The data for this report is taken from the Drug and Alcohol Normative Evaluation System (DAANES), to which licensed Substance Use Disorder treatment providers are required to submit admission data.

Following are data for all treatment admissions, CCDFT-funded admissions, and state contracted managed care organization admissions (also considered public pay). The IMD issue examined in this report does not affect non-residential ("outpatient") treatment.

- Non-IMD = treatment programs that are not considered an IMD
- Old IMD Facility = treatment programs that have been considered IMDs since before late 2015
- New IMD Facility = treatment programs that were formerly considered not IMDs but are now considered IMDs.

All Admissions

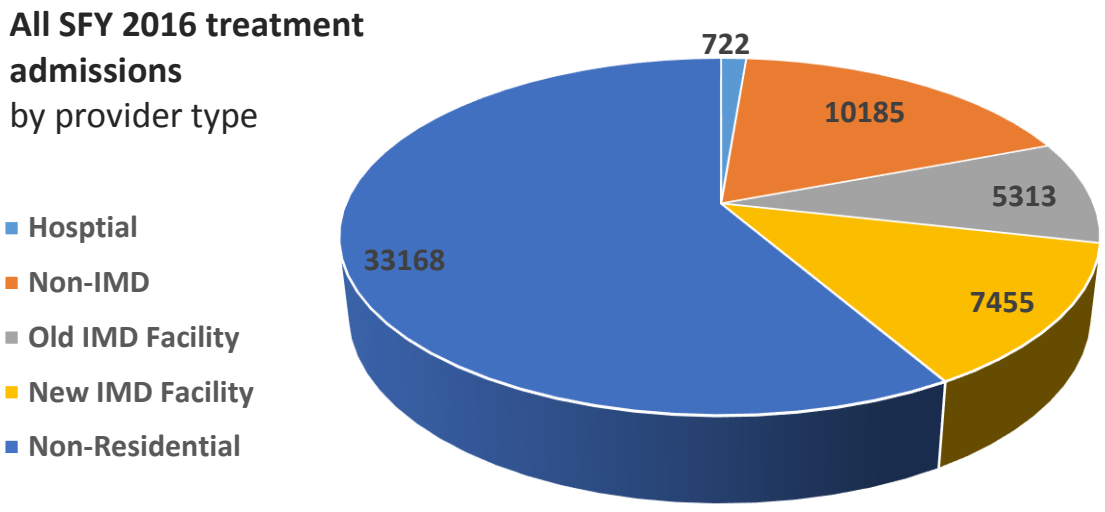
This admissions total is inclusive of all funding streams, the Consolidated Chemical Dependency Treatment Fund (CCDTF), state-contracted Managed Care Organizations and self-pay/commercial insurance.

Findings

- **2.0 percent increase (146 more admissions) at residential programs that were newly identified as an IMD a year ago.**
- **There was an overall 4-percent increase in admissions (more than 500 admissions) to IMDs.**
- **A .7 percent decrease in the number of total residential admissions at residential programs (both IMD and non-IMD).**

		SFY2015		SFY2016		Change in
		Count	Col %	Count	Col %	Admissions
Hospital		681	1.2	722	1.3	6.0%
Residential	**Non-IMD**	10873	47	10185	44.4	**-6.3%**
	Old IMD Facility	4939	21.4	5313	23.1	**7.6%**
	New IMD Facility	7309	31.6	7455	32.5	**2.0%**
	Total Residential	23121	41.5	22953	40.4	-0.7%
Non-Residential*		31953	57.3	33168	58.3	3.8%
Total		55755		56843		2.0%

* Non-Residential includes Methadone Clinics



CCDTF funded admissions

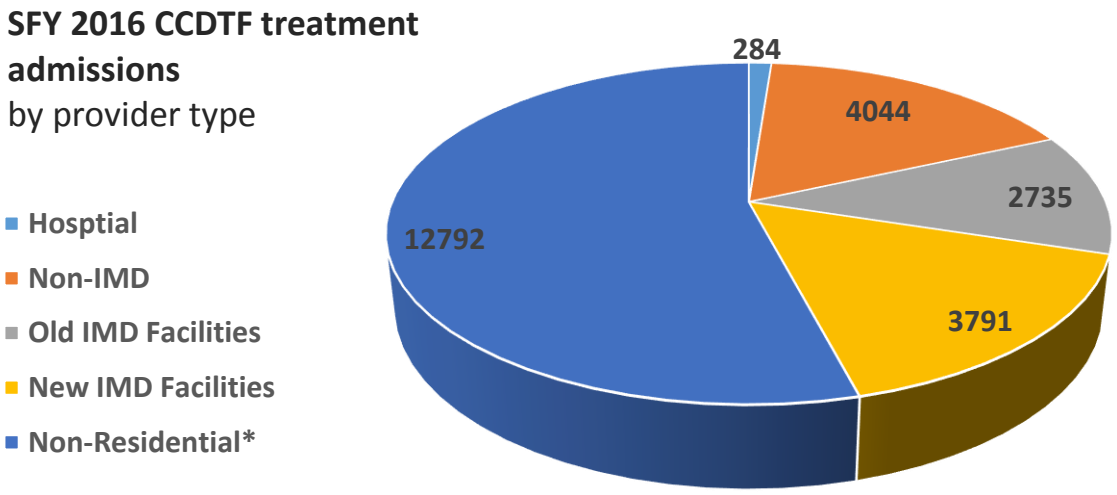
CCDTF pays for treatment for people who are uninsured or underinsured and meet income eligibility guidelines. CCDTF is the most common payer of treatment services in Minnesota.

CCDTF-paid admissions are controlled by the county or tribal placing authority. Because Medicaid does not share in the cost of treatment at an IMD, when individuals enter treatment at an IMD, the county and state financial shares increase.

Findings

- **0.4 percent decrease (15 fewer admissions) at residential programs that were newly identified as an IMD a year ago.**
- **13.2 percent increase in admissions for existing IMDs.**
- **Resulting 4.2 percent increase (423 admissions) in the number of total residential admissions (both IMD and non-IMD).**

		SFY2015		SFY2016		Change in
		Count	Col %	Count	Col %	Admissions
Hospital		264	1.2	284	1.2	7.6%
Residential	**Non-IMD**	3925	38.7	4044	38.3	**3.0%**
	Old IMD Facilities	2416	23.8	2735	25.9	**13.2%**
	New IMD Facilities	3806	37.5	3791	35.9	**-0.4%**
	Total Residential	10147	46.2	10570	44.7	4.2%
Non-Residential*		11575	52.6	12792	54.1	10.5%
Total		21986		23646		7.6%



State Contracted Managed Care Organization (MCO) Admissions

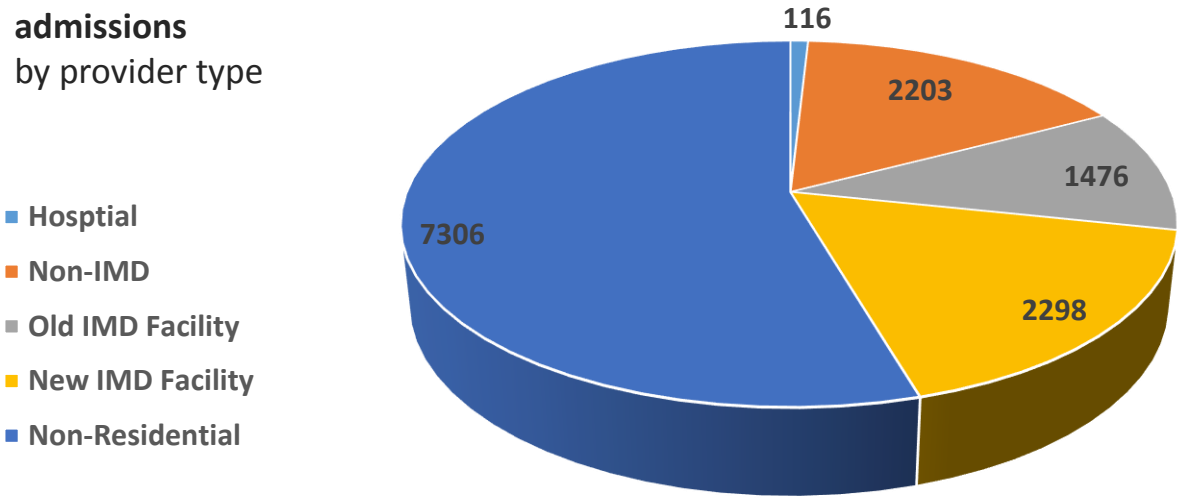
The treatment services are funded by state-contracted MCOs and are also considered public pay. The state pays for the related room and board costs, but there is no county share.

Findings

- **3.6 percent decrease (86 fewer admissions) at residential programs that were newly identified as an IMD a year ago.**
- **31.2 percent increase (351 more admissions) for existing IMDs**
- **.6 percent decrease (36 fewer admissions) in the number of total residential admissions (both IMD and non-IMD).**

		SFY2015		SFY2016		Change in
		Count	Col %	Count	Col %	Admissions
Hospital		104	0.8	116	0.9	11.5%
Residential	**Non-IMD**	2504	41.6	2203	36.9	**-12.0%**
	Old IMD Facility	1125	18.7	1476	24.7	**31.2%**
	New IMD Facility	2384	39.6	2298	38.4	**-3.6%**
	Total Residential	6013	44.8	5977	44.6	-0.6%
Non-Residential*		7319	54.5	7306	54.5	-0.2%
Total		13436		13399		-0.3%

SFY 2016 MHCP-PMAP treatment admissions
by provider type



Trends

The following tables looks at admission trends over a five-year span:

SUD Treatment Admissions by Treatment Environment SFY2012 - SFY2016

	SFY2012		SFY2013		SFY2014		SFY2015		SFY2016	
Treatment Environment	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Hospital	1802	3.4	1622	3	1167	2.2	681	1.2	722	1.3
Residential	21846	41.3	21939	40.6	22271	41.3	23121	41.5	22953	40.4
Non-Residential	26953	50.9	27691	51.2	27480	51	28286	50.7	29336	51.6
Methadone	2342	4.4	2838	5.2	2959	5.5	3667	6.6	3832	6.7
Total	52943		54090		53877	100	55755		56843	

CCDTF Funded SUD Treatment Admissions by Treatment Environment SFY2012 - SFY2016

	SFY2012		SFY2013		SFY2014		SFY2015		SFY2016	
Treatment Environment	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Hospital	482	2.1	373	1.7	320	1.4	264	1.2	284	1.2
Residential	10521	45.3	10368	46	10590	46.6	10147	46.2	10570	44.7
Non-Residential	11059	47.6	10543	46.7	10511	46.3	10136	46.1	11460	48.5
Methadone	1170	5	1279	5.7	1297	5.7	1439	6.5	1332	5.6
Total	23232		22563		22718		21986		23646	100

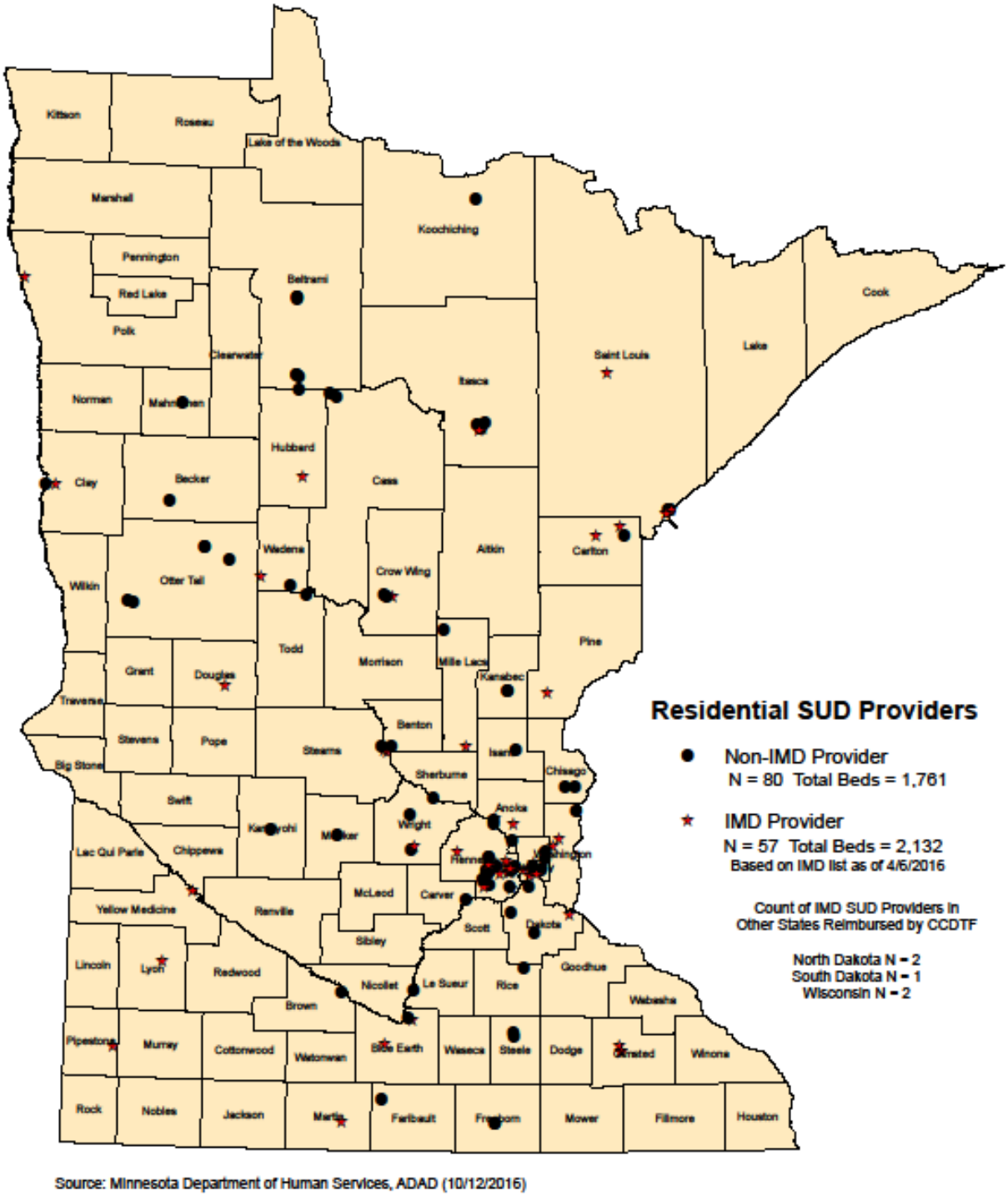
MHCP-PMAP Funded SUD Treatment Admissions by Treatment Environment SFY2012 - SFY2016

	SFY2012		SFY2013		SFY2014		SFY2015		SFY2016	
Treatment Environment	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Hospital	336	4.5	306	3.4	254	2.5	104	0.8	116	0.9
Residential	3167	42.2	3905	44	4541	44.1	6013	44.8	5977	44.6
Non-Residential	3807	50.8	4519	50.9	5135	49.9	6358	47.3	6001	44.8
Methadone	186	2.5	141	1.6	356	3.5	961	7.2	1305	9.7
Total	7496		8871		10286		13436		13399	

Source: Minnesota Department of Human Services, ADAD, DAANES (12/15/2016)

Residential SUD treatment providers

October 2016



Source: Minnesota Department of Human Services, ADAD (10/12/2016)