

May 7, 2018

Dear Senator/Representative,

In March 2017, the Department of Drug and Alcohol Programs announced that it would phase-out the Pennsylvania Client Placement Criteria (PCPC) – the current statewide standard for client placement in the drug and alcohol field – and transition to the nationally recognized American Society of Addiction Medicine (ASAM) Criteria. The decision was made to transition to ASAM because it is a stronger clinical placement tool that allows clinicians to develop a treatment plan and support services that more appropriately meet the patient’s individual needs.

The ASAM Criteria is a placement tool and an overall guide for clinical care created by the American Society of Addiction Medicine. It was developed to establish a national standard for care by creating individualized, results-based treatment plans for individuals seeking treatment for a substance use disorder. It is currently used by more than 30 states and was the model for the PCPC.

Transitioning to ASAM would strengthen Pennsylvania’s treatment landscape by:

- Implementing a multi-dimensional evidence-based placement system that focuses on responding to a patient’s individual needs and is outcome driven;
- Assessing risk and imminent danger for both mental health and substance use disorders;
- Strengthening a client-centered and recovery-focused approach to treatment that draws upon an individual’s strengths and resources for recovery and his or her readiness to change;
- Promoting greater clinical judgment in assessing client need and moving beyond a checklist for placement;
- Providing principles and guidance for working with managed care companies to resolve placement issues;
- Achieving congruence with the adolescent placement criteria that already uses ASAM;
- Aligning with commercial insurers that use ASAM to evaluate placement decisions for covered patients;
- Reducing administrative burdens and training costs for providers that use both ASAM and PCPC;
- Complementing DDAP’s new treatment data system, which is equipped for ASAM;
- Joining the 30+ states that currently use ASAM and allowing for national data reporting and assessment of treatment quality among these 30+ states;

The transition from PCPC to ASAM is well underway, and in fact, most providers have received or are scheduled for training. To reverse this decision would result in confusion, a significant loss of funds, and loss of time spent by clinicians learning the new criteria. To date, more than 2,000 clinicians have attended training with approximately 4,000 more scheduled for the weeks leading up to July 1, when implementation is expected to be complete. Additionally, remaining with PCPC would have very serious fiscal impacts for Pennsylvania’s Medical Assistance (Medicaid) Program.

In May 2016, the Centers for Medicare and Medicaid Services (CMS) issued a final rule that overhauled Medicaid’s managed care delivery system. The rule prevents states from receiving federal financial participation for Medicaid enrollees receiving inpatient treatment at an institution for mental disease (IMD) for more than 15 days during the month. An IMD is defined as “a hospital, nursing facility, or other

institution greater than 16 beds that is engaged in providing diagnosis, treatment, or care of persons with mental diseases,” which includes substance use disorder treatment. More than 80% of Pennsylvania’s treatment facilities fall into the definition of an IMD, which puts the commonwealth at imminent risk of losing approximately \$55.6M dollars if the IMD issue is not resolved by July 1, 2018, when the provision would go into full effect in Pennsylvania.

As such, the Department of Human Services applied for a waiver to CMS under Section 1115 of the Social Security Act to help mitigate the financial impact on Pennsylvania due to this rule change. The initial CMS guidance regarding the 1115 SUD Demonstration applications required the use of (or transition to) the ASAM Criteria and while that requirement was later revised, there remains a requirement for states to utilize evidence-based, multi-dimensional treatment guidelines. To date, the PCPC has not been determined a clinically validated tool. Further, DHS published the waiver for public comment prior to CMS clarification related to the ASAM and changing that language would have delayed the process for submitting the final waiver application significantly impacting the timeframe for submission and delaying federal approval by July 1, 2018. As we battle this evolving opioid crisis, we need every tool and financial resource available to help support Pennsylvanians seeking treatment for a substance use disorder.

I understand that some of the concern surrounding moving away from PCPC is because the tool was developed specifically for Pennsylvania’s providers and treatment landscape. I want to assure you that we are providing comprehensive guidance to providers on how to utilize ASAM within Pennsylvania’s treatment landscape. Additionally, there are concerns that under ASAM, residential treatment will no longer be an option for the adult population. **This will not occur.** I have personally attended the two-day training course on the ASAM Criteria and can attest that residential and halfway house services are accounted for along with all other levels of care offered in Pennsylvania. I am focused on ensuring that Pennsylvanians with a substance use disorder have adequate access to all levels of care, so they can be placed into a program that best meets their needs. ASAM will not take away any options for Pennsylvanians seeking treatment, it will enhance a clinician’s ability to make effective treatment decisions for their patients.

The department has worked closely with our provider organizations and other stakeholders to discuss their concerns and work towards solutions for a smooth transition and implementation. The providers we have met with have given us very positive feedback on the trainings. They understand the value of transitioning to ASAM, and we continue to engage with them to ensure that their concerns are heard and addressed. Our goal is for most providers to be using the ASAM admission and placement criteria by July 1, however we will continue to hold trainings and work with providers beyond that date.

If you have any questions about this transition or wish to discuss in further detail, please contact Laura Conrad, Legislative Director at 717-317-5430 or laurconrad@pa.gov.

Best regards,

Jennifer Smith
Secretary