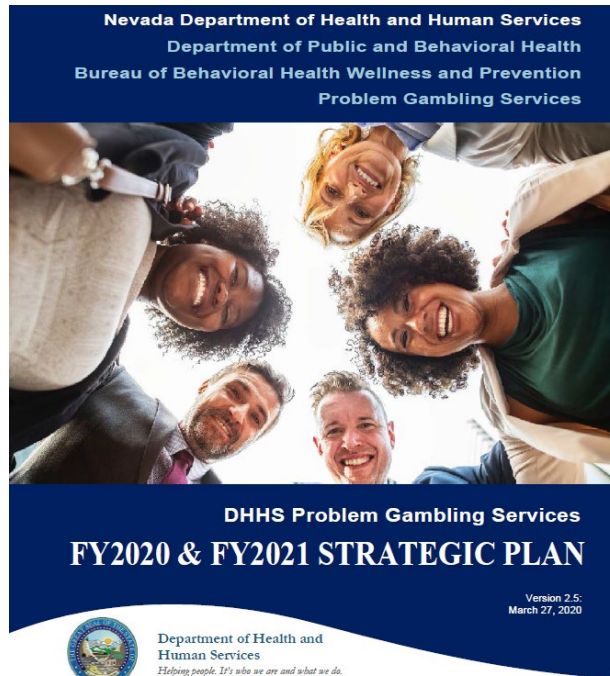




Department of Health and
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Nevada Problem Gambling Services

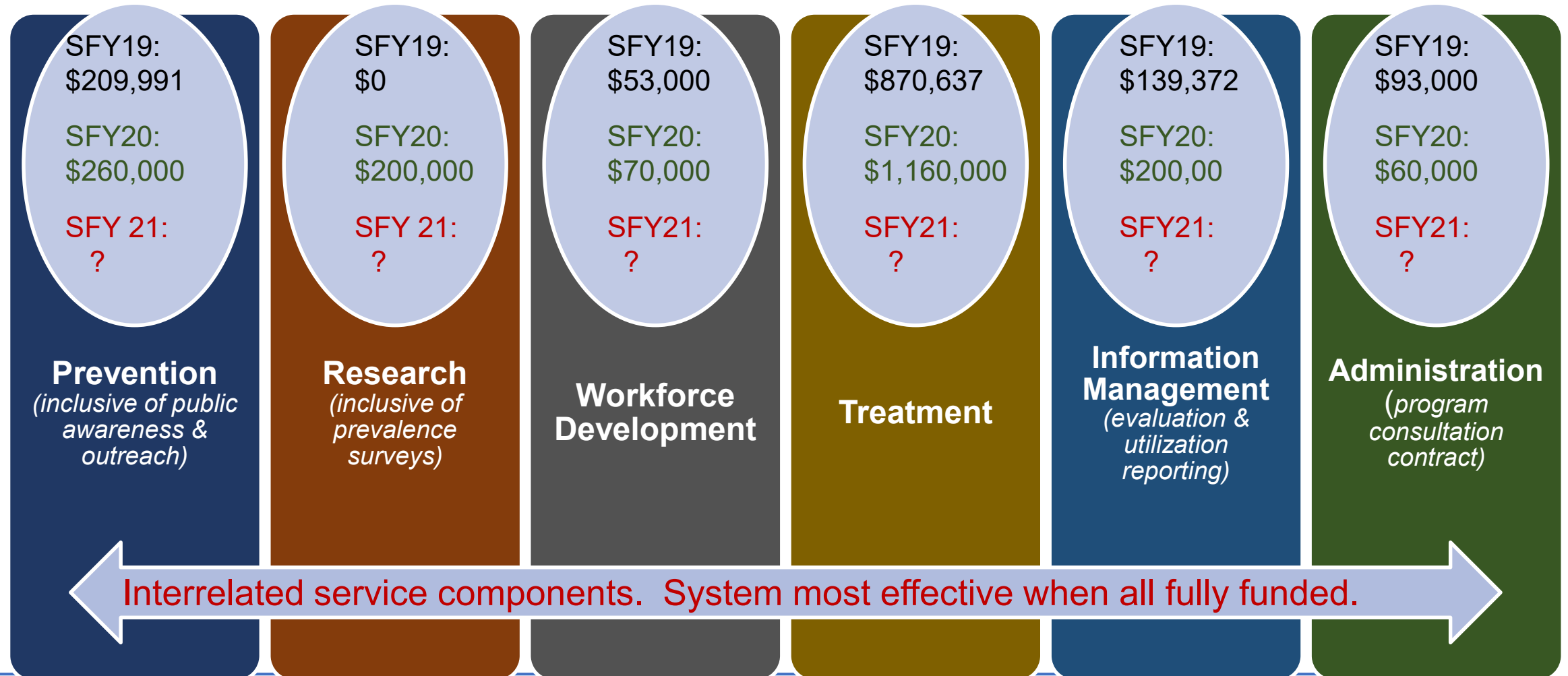
PLANNING FOR DEPARTMENT RECOMMENDED SFY2021 BUDGET REDUCTIONS



Allocation Discussion

Fiscal & Program Analysis

Problem Gambling Service Components: Budget by Category



SFY2020 Authority = \$2,000,000; SFY 2021 Agency Request = \$533,885

Opportunities to Diversity Funding

PROBLEM GAMBLING TREATMENT

Strategies to Increase Grant Fund Supplemental \$

Action

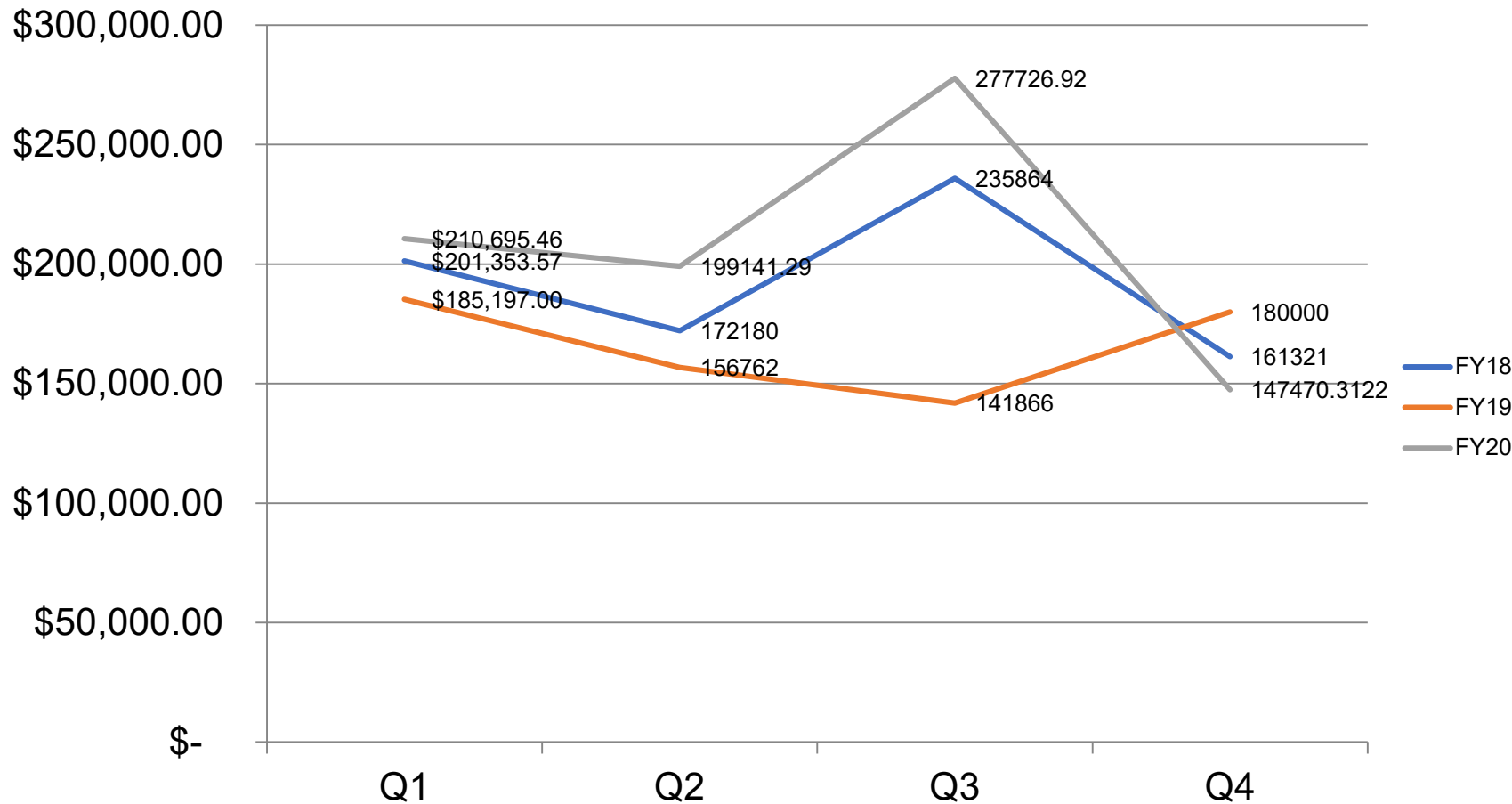
- Convert all Medicaid enrolled clients to Medicaid funding
 - Contract with existing local SAPTA agency, provider type 17/215, to offer gambling treatment to Medicaid clients
 - Utilize professional staff credentialed or licensed to qualify as Provider Type 14 (Behavioral Health Outpatient Treatment)
 - If already CCBHC or 17/215 provider type, seek opportunities to expand use of Medicaid billing.
 - If organization not 17/215 provider type, explore becoming one.
- Increase use of private insurance billing
 - Problem gambling funds are to be used for clients uninsured and underinsured
- Consider revising limits on client's co-pay
 - From \$10 per session therapeutic payment to \$20 or \$30 per session copay

Cost Saving Options

PROBLEM GAMBLING TREATMENT

SFY 18, SFY 19, SFY 20

Problem Gambling Treatment Spending by Quarter



**SFY 2018
TOTAL: \$770,718**

**SFY2019
TOTAL: \$670,000**

**SFY2020
EST. TOTAL: \$790,000**

*Note: All figures based on actual claims for all providers and all months except for SFY2020 Q4 where an estimate is provided (missing June claim data)
During FY18 Q4 some grantees budgets fell short resulting in artificially reduced claims.*

Options to Consider for Containing Treatment Costs

Cost Containment Measures

Option #1: Reduce client benefit caps

Option #2: Reduce the number of eligible service codes (reduce scope of services)

Option #3: Reduce service rates

Option #4: Reduce levels of care

Option #5: Reduce investment in therapeutic justice initiatives (gambling treatment court)

Detail on following slides

Reduce Client Benefit Cap

Action	Estimated Annual Fiscal Savings
■ Outpatient cap reduced from \$2,350 to \$1,940 <ul style="list-style-type: none">□ Support 6-week IOP	■ \$44,000
■ Outpatient cap reduced from \$2,350 to \$1,400 <ul style="list-style-type: none">□ Support 4-week IOP	■ \$100,320
■ Residential cap reduced from \$3,200 to \$2,800 <ul style="list-style-type: none">□ Support 18-day program	■ \$24,000
■ Residential cap reduced from \$3,200 to \$2,200 <ul style="list-style-type: none">□ Support 14-day program	■ \$61,000

Based on total FY2018 data: (a) 528 outpatient enrollments & 76 residential per year.

Assumptions: (a) SFY2018 predictive of SFY2021 performance; (b) Cap increases assume 20% outpatient enrollees and 80% residential enrollees would utilize cap increase

Reduce Client Benefit Cap: Analysis

Justification

- Evidence is not strong that longer formal treatment courses lead to better outcomes
- Community sources are available to support continued care

Consequences

- Most gambling treatment clients present with multiple issues that require longer treatment episodes.
 - Reduced cap may lead to higher treatment re-entry rates / ↑ recidivism
- Financially consequential to providers.
 - Programs will need to be revised, leading to increased costs, at same time revenues are down.
 - Average treatment episode reimbursement will decrease.
- Decreased treatment support will disproportionately impact lower-income and disadvantaged persons

Reduce Service Codes

Action

- Suspend Add-on Codes (wrap around services)
- Suspend eligibility for family member services

Estimated Annual Fiscal Impact

- \$61,000 (based on 8% limitation) to \$154,000 (based on 20% limit)
- \$52,851

Based on total FY2019 data: (a) 79 concerned other outpatient enrollments with average outpatient case cost of \$669;

Assumptions: (a) SFY2019 predictive of SFY2021 performance

Reduce Service Codes: Analysis

Justification

- Add-on Codes suspension
 - Core treatment services take priority over wrap around services.
 - Most clients do not use wrap around services currently offered.
 - Will return with returned SFY2020 funding levels
- Suspension on services with Concerned Other as primary client.
 - Individuals with gambling disorder take priority over concerned-others.
 - Concerned others can still be seen in conjoint therapy with GD client

Consequences

- Add-on Codes suspension
 - The wrap around services are critical for some clients
 - Providers will end up providing needed wrap around services without reimbursement, further jeopardizing financial viability
 - Add-on codes include workforce development support. Loss will negatively impact workforce and make it difficult for clinicians to obtain needed CEUs for certification
- Concerned other service suspension
 - Family members of gambling disordered persons often experience significant distress to the level of needed professional treatment.
 - Harm will be exacerbated by not serving family members
 - Treatment effectiveness across the system will likely decline as family member involvement is predictive of positive outcomes.

Reduce Service Rates

Action

- Roll back rates to SFY2019 levels
 - Residential treatment: \$150 per day to \$140 (7% ↓);
 - Assessment: \$25 per unit to \$20.63 (12-unit max) (17% ↓);
 - Individual & Family sessions: \$22 per unit to \$16.50 (25% ↓) ;
 - Group: \$7.00 per unit to \$6.00 (14% ↓)

Estimated Annual Fiscal Savings

- \$84,090
 - \$6,630
 - \$23,508
 - \$30,670
 - \$23,282

Reduce Service Rates: Analysis

Justification

- Providers were able to offer services at pre-SFY 2020 rates suggest can be rolled back to SFY2019 levels reflect

Consequences

- Loss of providers.
 - The cost of doing business as a gambling treatment provider is not supported by lower rates
 - Rate study conducted SFY2019 supported need to increase rates. No indication that provider costs lower now than a year ago due.
 - Current gambling treatment system is fragile and lacks depth in number of qualified providers.
- Reducing rate may lead to collapse of the current DHHS supported gambling treatment system.

Eliminate Residential Services

Action

Estimated Annual Fiscal Savings

- | | |
|---|-------------|
| ■ Remove residential gambling treatment services (G2013) as eligible service code | ■ \$159,240 |
|---|-------------|

*Based on total FY2019 data: (a) 60 residential per year; average outpatient case cost of \$2,654
Assumptions: (a) SFY2019 predictive of SFY2021 performance*

Eliminate Residential Services: Analysis

Justification

- Most clients can be served under different funding source
 - Persons who qualify for residential gambling treatment services often qualify for residential A&D services.
- Utilization of residential gambling treatment is low
 - Less than 100 persons in need of residential gambling treatment services will be impacted and those impacted will qualify for outpatient services.

Consequences

- Residential specialty care for gambling disorder individuals with the highest severity will be unavailable.
 - Outpatient treatment will likely be ineffective for GD individuals experiencing homelessness and/or food insecurity.
 - Utilizers of state-supported residential gambling treatment do not have the means to obtain residential levels of GD treatment.
 - Many are from vulnerable populations
 - Many are in acute crisis without personal financial means to pay for treatment, insurance, or family support
- Nevada will lose residential gambling treatment infrastructure and it may be difficult to resume services if future funding becomes available.

Suspect Direct Subsidy for Gambling Court

Action

Estimated Annual Fiscal Savings

- Gambling Treatment Diversion Court
 - \$50,000
 - Discontinue direct subsidy to Gambling Treatment Court
- Leave in place new court treatment reimbursement codes
 - Maintain new gambling treatment codes for reimbursing treatment grantees court reporting and other to be identified services related to serving court mandated clients
 - Leave in place new treatment reimbursement codes for court mandated clients not meeting medical necessity standards for grant supported gambling treatment
 - For clients in sustained remission grant pays up to 50% of service cost, client co-pay 10% limitation N/A, provider fees not to exceed state reimbursement rates

Suspect Direct Subsidy for Gambling Court: Analysis

Justification

- Nevada's only Gambling Court will be able to continue with direct subsidy from DHHS
 - Court operating costs can be absorbed
- New treatment codes supporting court ordered treatment will remain in place.
 - Persons engaged in gambling court will still be able to obtain treatment cost support.

Consequences

- Funds used to support Gambling Court allowed the court to utilize providers who were not DHHS gambling treatment grantees, this would discontinue.
 - Fewer treatment options for those involved with gambling court
- Withdraw of support for gambling court undermines years of efforts to promote therapeutic justice for gambling disordered criminal offenders.
 - Loss of momentum with this initiative will likely result in more incarcerations, higher related judicial system costs, and lower rates of recovery.

Cost Saving Options

**NON-TREATMENT
PROBLEM GAMBLING SERVICE SYSTEM COMPONENTS**

Workforce Development Reduction Options

Action

- Suspend Subsidize Nevada Conference on Problem Gambling
- Suspend Center for the Application of Substance Abuse Technologies (CASAT) contract for PG training
- Suspend gambling treatment providers “add-on” code usage for workforce development *

Fiscal Impact / Budget Reduction

- Up to \$26,279
- Up to \$42,000
- *Accounted for under “reduce service codes”*

**Included under treatment allocation*

Workforce Development Reduction : Analysis

Justification

- Investments in workforce development are a lower priority than supporting treatment services
- Non-DHHS supported workforce development opportunities will continue to be available.

Consequences

- Lack of workforce development investment places the gambling treatment system in jeopardy.
 - The current problem gambling service workforce critically needs support.
 - Few Certified Problem Gambling Counselors & fewer supervisors
 - Most allied professionals are not problem gambling capable (not well informed about screening, treatment, or resource availability)
 - Current gambling treatment programs have difficulty filling vacancies and have minimal professional staffing levels.
- Lack of workforce development investment has negative impact in other systems.
 - GD impacts behavioral health, physical health, criminal justice, child welfare, and other systems. Professionals working in these systems need GD education to more effectively serve their clients.

Prevention & Public Awareness Reduction Options

Action

Fiscal Impact / Budget Reduction

- Drastically reduce KPS3 contract
 - Website hosting continues
 - Website maintenance suspended
 - Social media campaign suspended
 - Public media initiative suspended
- Impose deep cuts to the Nevada Council on Problem Gambling contract.
 - Community awareness activities suspended
 - Prevention programs suspended
 - Some infrastructure support continued

■ Up to \$100,000

■ Up to \$158,000

Prevention & Public Awareness Reduction : Analysis

Justification

- Investments in public awareness and prevention are a lower priority than supporting treatment services

Consequences

- Problem gambling incidence and related consequences subject to raise without robust prevention and public awareness services.
 - Prevention necessary component of public health
 - Focusing only on treatment is short sighted
 - Better to build fence by cliff than station ambulance at bottom of it
 - Failing public by not offering problem gambling prevention and public awareness services
 - In long run, cost cutting prevention and public awareness will lead to high costs not savings
- Lack of prevention and public awareness investment has negative impact on treatment system.
 - Public and referral agents need more info to direct persons in need to treatment and other help resources.

Research & Evaluation Investment Reduction

Action

- Reduce Information Management & Evaluation Contract with UNLV
 - Suspend support for pathways to healthy outcomes research project
 - Suspend support for Statewide study: No gambling questions on BRFSS for SFY2021
 - Reduce capacity for ad hoc requests
 - Suspend research grant program

Fiscal Impact / Budget Reduction

- Up to \$350,000

Research & Evaluation Investment Reduction : Analysis

Justification

- Investments in research and evaluation are a lower priority than direct treatment services

Consequences

- Lack of evaluation information will reduce system efficiency and may lead to poorer outcomes.
 - Data needed to drive decisions and inform practice
- The positive gains from SFY2020 investments in research and evaluation will be reduced or lost
 - Funded research includes some multi-year projects, without continued funding SFY2020 efforts will be lost
 - Infrastructure gains, including human capital, in developing research grant system and information management systems will be significantly set back and will not easily be recovered if de-funded.
- Given Nevada's stature as the gambling capital of the nation and reliance on gaming revenues, the state's reputation will be scared by de-funding GD research.

Cost Saving Options

DEPARTMENT RECOMMENDATIONS

Gambling Treatment Rates & Caps: Current & Proposed

■ SFY2020 per Strategic Plan

- Treatment episode cap:
 - \$2,350 for outpatient treatment
 - \$3,200 residential treatment

■ SFY2021 Reduction Contingency

- Treatment episode cap:
 - \$1,940 for outpatient treatment
 - \$2,940 residential treatment

□ “Add-on” Codes

- Capped at 20% of total grant award

□ “Add-on” Codes

- Suspended until further notice

No change in rates

Types of Provider	Assessment \ Diagnostic Workups	PRIMARY TREATMENT			
		Individual Session	Psycho-therapy Group Session	Psycho-ed Group Session	Residential Bed-day
CPGC	\$100/hr.;	\$88/hr.;	\$24/hr.;	\$21/hr.	\$150
	\$182.59/ per assessment Medicaid	\$121.12/hr. Medicaid	\$29/hr. Medicaid		
CPGC-I	\$75/hr.	\$66/hr.	\$21hr	\$212.39hr	\$150

Budget History and Starting Point Discussion for SFY 2021 Proposed Budget Reductions

	FY16	FY17	FY18 & 19	SFY 18 & 19 Allocations	SFY 20	Current SFY 20 Grants based on \$2.0M		Starting Point Discussion Allocation Applied to SFY 2021 \$0.426M Budget	
Treatment	68%	58%	60%	\$870,637	58%	\$1,160,000		84%	\$356,459
Prevention, Inclusive of Public Awareness	15%	15%	16%	\$209,991	13%	\$260,000		2%	\$10,000
Workforce Development	4%	4%	4%	\$53,000	3.5%	\$70,000		1%	\$5,000
Data Collection / Eval	8%	11%	11%	\$139,372	10%	\$200,000		6%	\$25,000
Research	0%	0%	0%	\$0	10%	\$200,000		0%	\$0
Unobligated Contingency Funds (for 6 month reallocation)	0%	8%	5%	\$54,840	0%	\$0		0%	\$0
Diversion Court	0%	0%	0%	\$0	2.5%	\$50,000		1%	\$5,000
Administration, Inclusive of Consultation Contract	4%	3%	4%	\$41,000	3%	\$60,000		6%	\$25,000
Total Authority				\$1,368,840		\$2,000,000			\$426,459

Note: As of this document's creation on 6/30/20, the Problem Gambling Services budget had not been finalized. This document is for discussion only.

Next Steps

Open for discussion.

-
- Obtain ACPG recommendations
 - Await legislatively approved budget
 - Develop revised plan and circulate for stakeholder comments
 - Issue new work orders / contract amendments