



IMPROVING OREGON'S ALCOHOL AND DRUG PREVENTION AND RECOVERY STRATEGY

**REPORT TO
GOVERNOR TED KULONGOSKI
FROM THE ALCOHOL & DRUG POLICY
COMMISSION**

MAY 1, 2010

Goal of the Commission

Improve health and safety, strengthen families, reduce crime and save taxpayer dollars through the effective implementation of a unified, coordinated alcohol and drug prevention and recovery system.

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I. Purpose of this Report

H.B. 3353, passed in 2009, created a state Alcohol and Drug Policy Commission. The Commission's goal is to improve health and safety, strengthen families, reduce crime and save taxpayer dollars through the effective implementation of a unified, coordinated alcohol and drug prevention and recovery system. The law requires the Commission to make a series of reports to the Governor and the Legislature. This is the first of those mandatory reports.

II. Overview: The Drug and Alcohol Challenge

Alcohol and drug abuse present formidable challenges to the state of Oregon. This abuse causes or contributes to every social or health concern facing our communities: Crime, health care costs, teen pregnancy, traffic fatalities, deteriorating neighborhoods, domestic violence, learning disabilities, unemployment, homelessness, mental illness, environmental hazards and narco-terrorism. According to a recent study, substance use costs the state of Oregon almost \$5.4 billion per year.¹

The statistics on substance use within Oregon demonstrate the depth of the problem:

- Almost 70 percent of inmates in state prisons need treatment for drug and alcohol problems.
- The number of Oregon 8th graders who have had an alcoholic drink in the past 30 days is nearly twice the national average.
- Healthcare expenditures associated with alcohol and drug abuse were \$813 million in 2006.
- There were 229 overdose deaths in Oregon in 2008.
- 56 percent of parents whose children are abused and neglected have issues with drug and alcohol addiction.
- In 2008, 33 percent of traffic fatalities involved alcohol-impaired drivers. The impact of drug-impaired driving is unknown.
- Alcohol abuse costs Oregon's economy \$3.2 billion per year, more than eight times the amount of tax revenue from alcohol sales.

Substance abuse is also a significant cost-driver within the state budget. Large portions of the budgets of major state agencies are driven by the costs of substance abuse, including those of the Department of Justice, Oregon State Police, Department of Human Services, Department of Corrections, Oregon Youth Authority, Oregon Judicial Department, Department of Education and the Department of Transportation.

¹ Robert Whelan, Alec Josephson and Jake Holcombe, "The Economic Costs of Alcohol and Drug Abuse in Oregon in 2006," Paper prepared by EcoNorthwest for Workdrugfree, Oregon Nurses Foundation and Associated Oregon Industries, January, 2008. p.1.

Oregon needs an intelligent, workable long-term strategy to address this problem. Continued aggressive law enforcement is vital, as are prevention and recovery services. Investing in prevention and recovery will do three very important things for the state. First, it will save money. By reducing the number of substance abuse problems, we reduce health care costs. This includes fewer long-term drug and alcohol-related medical problems and fewer emergency room visits. We will also reduce the costs of the child welfare and criminal justice systems, because fewer children will be abused and fewer crimes committed. One Oregon study found that, for every dollar invested in prevention and recovery services, the state saved \$5.60 in other areas.²

Second, prevention and treatment reduce crime and do so in a highly cost-effective manner. One well-regarded study by the Rand Corporation found that treatment is by far the most efficient way to control the illegal drug trade. Prevention and treatment are seven times more cost-effective than street enforcement operations; ten times more effective than border interdiction; and twenty-three times more cost-effective than source control in countries like Colombia.³ While prevention and treatment are not an adequate substitute for a strong law enforcement presence in our communities, it is a vital supplement.

Finally, prevention and treatment programs help decrease human suffering. Properly implemented, they reduce child abuse and neglect, prevent innocent citizens from becoming victims and help our business and residential communities thrive.

For all these reasons, Oregon needs first-class prevention and treatment systems. Public policy has failed to recognize and respond to the connections between public health, criminal justice and the economy. Alcohol and drug abuse are not given sufficient weight or prominence in the formulation of health, welfare and social policy. They are treated as ancillary issues when in fact they are primary health care and social concerns. As a result, policy has suffered.

In our review of Oregon's prevention and treatment programs, we have found:

² Michael W. Finigan, "Societal Outcomes and Cost Savings of Drug and Alcohol Treatment in the State of Oregon," Paper prepared by NPC Research, Inc. for the Office of Alcohol and Drug Abuse Programs, Oregon Department of Human Resources, February 20, 1996. P. 3.

³ C. Peter Rydell and Susan S. Everingham, "Controlling Cocaine: Supply versus Demand Programs," Rand Corporation, 1994.

- Although prevention and recovery are very cost-effective, Oregon's programs have been consistently under-funded, leaving tens of thousands of Oregonians without assistance.
- Oregon does not have a consistent, rational data-collection and accountability system to track funding and insure that it is invested wisely.
- Many prevention programs in the state do not follow best practices established through scientifically sound randomized testing.
- The state lacks a clear long-term strategy for prevention and treatment backed by a coordinated budgeting process.

In short, there is plenty of room for improvement.

III. The Alcohol and Drug Policy Commission

The Alcohol and Drug Policy Commission was formed in order to examine and improve Oregon's systems of prevention, treatment and recovery. Recognizing that real change is difficult during the temporal confines of the legislative session, the Commission was charged with developing a plan for the funding and effective delivery of alcohol and drug treatment and prevention services during the interim.

The Commission began its work in October 2009, after being appointed by Governor Ted Kulongoski and confirmed by the Senate. Membership includes stakeholders in treatment, recovery and prevention, law enforcement communities; the judiciary, the business community, local government and the heads of the Departments of Justice, Education, Human Services and Corrections.

The Commission formed four subcommittees to examine (a) Structure; (b) Treatment; (c) Prevention; and (d) Accountability. Members of the public and stakeholders who were not on the Commission were included within the subcommittees, to provide for the broadest possible range of voices. Each subcommittee was charged with assessing the current state of Oregon's efforts, describing an ideal system and identifying improvements. This report presents the work of the Commission to date.

IV. Reforming Governmental Structure

A. The Current System

The Alcohol and Drug Policy Commission's work, which includes review of actions taken by other states, interviews with national leaders, and analysis of the field's peer-reviewed research literature, has made clear the need for thoughtful reform of Oregon's prevention and treatment budgeting and delivery systems.

Oregon's current alcohol and drug programs are fragmented; a collection of services rather than a system. There is no existing mechanism to guide overall state policy. State agencies make decisions regarding budgets and policy priorities on an individual basis and their priorities are often determined by the funding streams they can access rather than a cohesive long-term strategy. Oregon's recovery and prevention programs are chronically under-funded and lack a champion who is able to raise the profile of substance abuse issues.

In 2003 Oregon passed S.B. 267 which required state agencies to adopt evidence-based practices for treatment and prevention. However, the level of state-wide implementation and fidelity to those practices is unclear. There is not a common understanding of, or agreement about, ideal outcomes. In addition, providers and counties are buffeted by overlapping and burdensome reporting requirements imposed by the state and the federal government.

B. Goals for Reform

After extensive review and discussion, the Commission agreed on a set of principles for reform. Our goal is:

To create a unified, coordinated, coherent, interagency system that has clearly articulated budget and policy priorities, covers as many people as possible and leverages all available funding sources. It should be streamlined, transparent and accessible for state agencies, local governments, providers and citizens.

To that end, we are proposing a new governmental structure for prevention and treatment services. This structure provides:

- A unified policy framework to provide guidance across state agencies.
- Institutionalized and codified interagency collaboration.
- A representative(s) at the highest level of state government to ensure addressing alcohol and drug abuse issues become and remain a statewide priority.
- The authority to establish a unified, transparent funding request across all agencies so that the Governor and the Legislature have a complete picture of alcohol and drug-related spending.
- Coordination among agencies to maximize prevention and treatment resources.
- Uniform guidelines to collect and analyze data across agencies and in conjunction with local governments and providers.
- Partnerships with universities, researchers and others to take advantage of ongoing behavioral research in and outside of Oregon.
- A standing body to provide advice on budget and policy priorities, represent stakeholder interests, oversee an evaluation of alcohol and drug services, undertake public education and advocate for additional resources.

- An executive, qualified by training and experience and appointed by the Governor, whose responsibility it will be to consult with the standing body and to develop and implement coordinated, comprehensive drug and alcohol strategies related to prevention and recovery.

C. Structural Policy Recommendation

To achieve these goals, we are proposing three policy recommendations related to the structure of the prevention and recovery budgeting and delivery systems:

- Create a permanent Alcohol and Drug Policy Commission whose membership reflects current Commission stakeholders (with the addition of the Oregon Youth Authority, the Oregon Commission on Children and Families and Oregon Liquor Control Commission) and who are appointed by the Governor and confirmed by the Legislature.
- Create a Budget Committee within the Alcohol and Drug Policy Commission that includes the Attorney General, the Director of the Oregon Health Authority, the Director of the Department of Human Services, the Director of the Department of Corrections, the Superintendent of Public Instruction, the Director of the Oregon Youth Authority, the Oregon Commission on Children and Families, the Director of the Oregon Liquor Control Commission and one county commissioner.
- Appoint a Director of Alcohol and Drug Policy who reports to the Governor, coordinates the activities of the Budget Committee and is advised by the Commission.

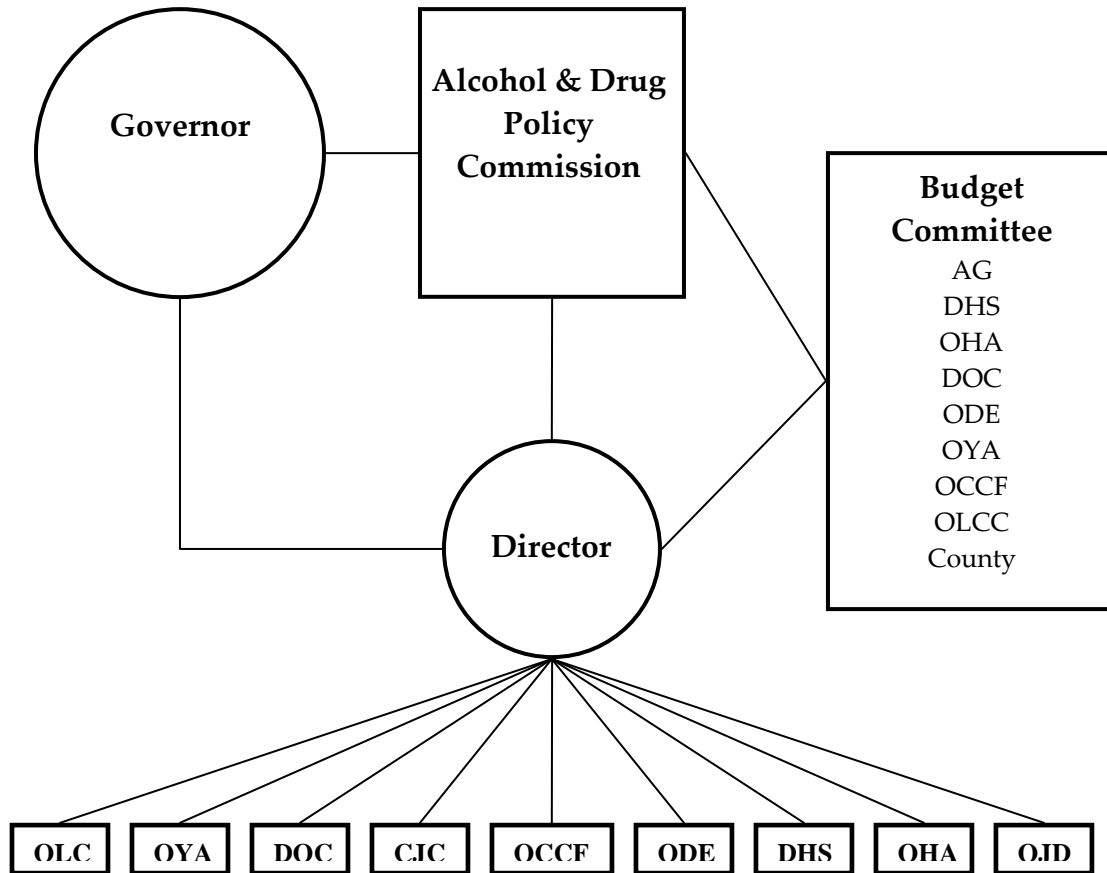
D. Mission and Responsibilities of the Director

The mission of the Director of Alcohol and Drug Policy will be to improve the health and safety of Oregonians and their communities by wise investment of taxpayer dollars through the effective implementation of a unified and coordinated alcohol and drug prevention and recovery system that will reduce crime, improve health, save taxpayer dollars and strengthen families.

The Director shall, in consultation with the Commission:

- Establish priorities and policies for prevention and recovery as part of a long-term strategic prevention and recovery plan for the state.
- Evaluate, with the Budget Committee, various funding streams. Recommend prevention and recovery budget allocations for state agencies to be included in the Governor's Recommended Budget and the Legislature's budget.
- Make recommendations for legislation, coordination, policies, practices, licensing standards and contract methods.

- Set goals for and maintain a uniform system of accountability that provides oversight and data analysis of outcomes and cost-effectiveness.
- Coordinate grant applications across state agencies.
- Coordinate with research entities to provide agencies current information about alcohol and drug-related issues and develop research to evaluate and refine prevention and treatment efforts.
- Educate the general public about alcohol and drug-related issues and the effectiveness of evidence-based treatment and prevention and advocate for increased attention and resources.



E. Why Does This Matter?

Creating a new governmental structure will not solve all of the problems facing Oregon's prevention and treatment programs, but such crucial reform will drive progress. Every major national study of prevention and treatment delivery, such as Join Together's *Blueprint for the States* calls for states to create cabinet-level coordinating positions to focus policy debates, identify priorities and coordinate budgets. Without such a position, Oregon will be unable to change the current status quo of duplication, uncertainty and fragmentation.

The Commission members will discuss this proposal with the Governor, legislative leadership and the public in the coming months. In the meantime, Commission staff will begin to draft the necessary legislative concept and budget policy option package for this proposal so it can be included in the Governor's Recommended Budget.

VI. Prevention

Goal:

An environment in which Oregonians make healthy, safe choices regarding their lives and those around them. Implementation of evidence based programs that strengthen communities, families and children and keep them from the harmful effects of alcohol and drugs, both legal and illicit.

The Prevention Subcommittee has undertaken fact-finding and research to determine the strengths, weaknesses and gaps within Oregon's prevention system. There are some admirable policies and programs in place throughout the state that have seen tangible results on the prevention front. Many efforts are not based in the best-available science. Nearly all of them are underfunded. However, Oregon's prevention services are supported primarily by federal dollars.

The prevention strategy we are designing includes two basic elements: programmatic reform and funding. Prevention research has identified key policies and programs that, if spread over a person's lifetime, contribute to an individual's ability to make healthy lifestyle choices. The Prevention Subcommittee is currently identifying specific policies and programs that can be provided to a community as a "menu" of proven prevention options that the state is willing to support. From that menu, communities will be able to choose the programs that best suit their needs and community values. The Prevention Subcommittee will also help communities identify the policies and programs that have the best return on investment, given the make-up of their communities.

When the "menu" is complete, the Prevention Subcommittee will develop a pilot-program strategy to phase in our new prevention strategy across the

state. The goal of this program will be to limit the initial costs during our current recession while demonstrating that the new program can succeed. The subcommittee will also work to identify additional potential funding for these programs from federal and private sources.

V. Treatment and Recovery

Goal:

An integrated, recovery-based system that addresses the needs of individuals before and after they have significant health care needs or become involved with the criminal justice or child welfare systems. It should employ evidence-based practices appropriate to diverse populations and provide citizens with consistent, long-term support in order to ensure recovery.

The Treatment and Recovery Subcommittee has reviewed Oregon's current recovery strategy and found significant gaps. They include, but are not limited to: (a) The inability to get more Oregonians into recovery before they enter the criminal justice system; (b) the lack of treatment designed for teens and young adults; and (c) insufficient transitional support for persons departing incarceration.

The Treatment Subcommittee drafted five principles to guide Commission strategies:

- Addiction is a chronic disease and must be treated with a continuum of care.
- Alcohol and drug recovery services should be founded on evidence-based practices that are administered with fidelity and also take into consideration the needs of disparate populations.
- A recovery-oriented system of care must include physical and mental health as well as addictions.
- Policies must encourage collaboration across systems of care so that individuals and their families receive services that are necessary to recovery.
- Individuals must be able to access care unencumbered by the silos of our funding streams.

The Treatment Subcommittee's major focus is to identify the ideal elements for a recovery-oriented system of care and to outline how to deliver those services to the populations in need. A key part of the discussion is the integration of addiction, mental health and physical health in the new environment provided by federal health care reform.

The work of the Treatment Subcommittee has been altered by the recent passage of the national healthcare reform law. The law will provide a basic insurance package, including substance abuse treatment, to thousands of

Oregonians in 2014 who are currently unable to access such care. This will completely transform the delivery of treatment services in Oregon. As a result, the subcommittee recently shifted its focus to assess long-term issues addressed by health care reform. Those include: (a) Developing treatment delivery infrastructure to cope with a dramatic decrease in demand for services; (b) assessing steps to take prior to 2014 with respect to workforce development so as to be able to meet demand in 2014; and (c) assessing ways treatment funding maybe reprioritized in light of new federal resources.

VII. Accountability

Goal:

A system that ensures that data collection and dissemination is uniform and streamlined so that state agencies, local government, the Legislature and stakeholders can make informed choices about effective and efficient investments of taxpayer dollars in addiction prevention, treatment and recovery services. Outcomes should be standardized across the state, so that systems can be managed effectively and efficiently.

A quality state prevention and recovery system requires vastly improved data collection, analysis and accountability capabilities. The Accountability Subcommittee began by looking at the existing data systems within the various agencies involved with alcohol and drug treatment and recovery. Like many states, Oregon's data collection system relies on technology that is outdated. Despite efforts to link networks, Oregon is not collecting uniform data sets that allow apples-to-apples comparisons of outcomes and effectiveness across agencies and programs. Comparison of program case records with recidivism data is also not possible within existing systems. Without such data it is difficult to evaluate use of current funding or make the case for additional funding for alcohol and drug treatment and prevention programs.

The Accountability Subcommittee's mission is to: Devise an accountability and data collection framework and provide recommendations to implement the framework. The Commission Chair has requested that the subcommittee develop recommendations at a variety of different price and capability levels, given current budget realities.

The subcommittee's discussion has focused on framework development. The subcommittee has reached some preliminary conclusions:

- The accountability system must track the performance of all responsible parties in the prevention and recovery system: State agencies, counties, providers, patients and recipients of prevention services.
- The system must address key management and care delivery responsibilities.

- The system must include a well-developed data system that defines and captures data that reflects progress toward goals and achievement of expectations.
- Accountability systems benefit from both short-term outcomes and long-term outcomes. Providers need short-term measures generated during the treatment process to monitor the implementation and receipt of care. State policy makers may be more interested in long-term outcomes focusing on criminal justice, improved health, child welfare and employment. Our comprehensive accountability system will include both sets of measures.
- Construction of an addiction accountability framework is complicated. Our efforts are focused on two different requirements. First, we must be attentive to federal expectations. The Substance Abuse and Mental Health Services Administration requires states to report data for the National Outcome Monitoring System (NOMS).⁴ Obviously, our data collection effort must capture this required data. In addition, the Institute of Medicine's (IOM) *Crossing the Quality Chasm* initiative identified six dimensions for assessing health care quality and outcomes (care should be safe, effective, patient-centered, timely, efficient and equitable). Oregon's redesign of addiction treatment systems should build upon the IOM recommendations and address the six dimensions of quality care in its outcome measures.

Working within the framework provided by NOMS, the IOM's six dimensions of quality and the need for measures of both short and long-term outcomes, the Accountability Subcommittee is proposing a framework that provides a foundation for governmental accountability. The subcommittee will complete the framework and recommend a set of outcomes for the Commission in the coming months.

⁴ For treatment of alcohol and drug disorders, states must report ten measures at client admission and discharge that contribute to six National Outcome Measures (NOMs):

- Abstinence From Alcohol and Other Drugs
- Employment/Education
- Crime and Criminal Justice
- Stability in Housing
- Access Capacity
- Retention

Measures are under development for three additional dimensions:

- Social Support/Social Connectedness
- Perception of Care
- Use of Evidence-Based Practices

VIII. Next Steps

In the months ahead, the Commission will continue to work on questions of structural reform, accountability, recovery and prevention. Our goal is to have legislative proposals ready in each area in time for the 2011 legislative session.

IX. Conclusion

Substance use within Oregon damages public health, destroys families, causes crime, fuels child abuse, and limits economic productivity. Substance abuse drives up state and local government budgets at a time when we can least afford it. Law enforcement, the judiciary, human service providers, educators, the business community and researchers are united in a coalition to address this issue together. This Commission will continue the crucial work of developing reforms, formulating effective policy and promoting the public education that is needed to fight substance abuse in Oregon. Creating a first-class prevention and recovery system for Oregon will not occur overnight. The necessary work will not be completed with one report, one bill, or one legislative session. This is a long-term effort that will require consistent commitment from the Legislature, the Executive Branch, and the people of Oregon.