



**Department of Vermont Health Access**  
312 Hurricane Lane Suite 201  
Williston, VT 05495-2087  
[www.dvha.vermont.gov](http://www.dvha.vermont.gov)

[phone] 802-879-5900  
[Fax] 802-879-5651

*Agency of Human Services*

## MEMORANDUM

**To:** Rep. Ann Pugh, Chair, House Committee on Human Services

**From:** Mark Larson, Commissioner of the Department of Vermont Health Access

**Cc:** Doug Racine, Secretary, Agency of Human Services

**Date:** February 14, 2014

**Re:** Initiation and Engagement in Alcohol Treatment Pilot Project

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During committee testimony the morning of February 11, 2014, information was requested on DVHA's pilot project on initiation and engagement in alcohol treatment. Below is a description of the pilot project.

### **Initiation and Engagement in Alcohol Treatment (IET) Pilot Project:**

#### IET Healthcare Effectiveness Data and Information Set (HEDIS) Measure:

The IET measure captures the percentage of adolescent and adult members with a new episode of alcohol or other drug dependence who receive the following:

- The percentage of Medicaid beneficiaries who initiate treatment within 14 days of the initial diagnosis.
- The percentage of Medicaid beneficiaries who initiated treatment and had two or more additional services within 30 days of the initiation visit.

#### Overall Goal of Pilot Project:

By December 2015, increase the IET HEDIS measure by 20%.

#### Project Participants:

- Medicaid beneficiaries with a diagnosis of alcohol abuse/dependence ages 18 and over in Addison, Bennington, & Rutland counties with a new episode of alcohol abuse or dependence diagnosed by their Primary Care Provider (PCP).
- Primary Care Providers (PCPs) in Addison, Bennington, & Rutland counties.
- Licensed mental health professionals and LADCs in Addison, Bennington, & Rutland counties.

#### Project Interventions:

1. The first intervention is to provide PCPs with an expanded list of substance abuse treatment providers and alcohol treatment referral best practices to increase the initiation rate.
  2. The second intervention is to open up the network of substance abuse treatment providers and implement a per-member per-month (PMPM) model of payment to increase the engagement rate.
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### Project Next Steps:

- Develop a pay-for-performance (P4P) model rather than the current fee-for-service model for substance abuse treatment providers. A per member per month model (PMPM) is being developed based on the average cost of care of beneficiaries being served in the current system. The goals of the PMPM model are to control costs while improving quality of care.
- Once PMPM model is finalized, DVHA will develop & implement an outreach plan for substance abuse treatment providers in Addison, Bennington, & Rutland counties.
- DVHA will provide training for interested providers on PMPM and treatment standards.
- DVHA will enroll these providers in Medicaid & use a specialty code to identify them as participating in the pilot project.
- DVHA will outreach PCPs in Addison, Bennington, & Rutland counties and provide them with an expanded list of substance abuse treatment providers and alcohol treatment referral best practices.

### Evaluation of Project Interventions:

DVHA will evaluate what impact the interventions had on the following two (2) rates:

1. The rate of Medicaid beneficiaries, ages 18 and older, living in Rutland, Bennington and Addison Counties who attend an appointment with a substance abuse treatment provider within 14 days of an initial diagnosis of alcohol abuse or dependence by their primary care provider (PCP).
2. The rate of Medicaid beneficiaries, ages 18 and older, living in Rutland, Bennington and Addison Counties who attend two (2) or more additional appointments with a substance abuse treatment provider enrolled in the PMPM model within 30 days of the initiation visit after receiving an initial diagnosis of alcohol abuse or dependence by their primary care provider (PCP).