

**Substance Use Disorder System of Care Redesign
House Human Services Committee
Chadd Viger, CEO, Recovery House, Inc.
March 17, 2021**

My name is Chadd Viger, I am the CEO of Recovery House, Inc., a member of the substance use treatment provider community. We have been providing substance use disorder residential treatment to Vermonters for the past 49 years. While the treatment services we provide are vital to the wellbeing of individuals, families, and Vermont community, they also act as a prevention tool for individuals and their families.

Recovery House, Inc. operates Serenity House, Grace House, Rutland and Addison County's Public Inebriate Program, and a very small Outpatient MAT program.

Serenity House is our oldest and largest program. We are licensed for 34 beds, through DAIL's Division of Licensing and Protection, and certified through the office of Alcohol and Drug Abuse programming. This program offers detoxification and treatment services to individuals throughout the state. The typical length of stay is two weeks, serving as a triage – preparing people for early recovery at the next level of care (most often Intensive Outpatient).

The Grace House, which served as a halfway house for many years, reopened in early March, as a low intensity residential treatment facility. This is a 10-bed facility. Services offered include treatment and community integration. The program is designed for a three-month treatment episode, with aftercare planning to include outpatient services, independent or sober living, and primary medical care. These residents work toward increasing independence, finding volunteer work or gainful employment prior to discharge.

Recovery House recently received a Request for Information, related to the Substance Use Disorder redesign effort. Here is a list of our concerns:

Privatizing the Service Delivery Coordination

A “key objective” identified in this RFI is to receive information on how ADAP (the Division) may implement services in a cost-effective manner. In searching for a cost-effective delivery method, we fear that this will create a need to reduce overhead costs at a rate only large, private organizations can deliver. In a state where we treasure Vermonters serving Vermonters, this could create a loss of quality.

1. **Recommendation:** Find a Service Delivery Coordinator who can operate at both the state and local levels, understands the needs of individual Vermont communities, and be an entity different than a Service Delivery Provider (to eliminate any potential conflict of interest).

Risk Related to Private Service Delivery Providers

In opening up the RFP to all substance use disorder services, Vermont runs the risk of opening the doors to large, private organizations with minimal connections to Vermont and the Vermonters we serve.

- Recommendation: Although there are current gaps in services and a need to improve quality within our system of care, entities must have a demonstrated interest in the population to whom they provide care.

Sacrificing Quality for Cost-Effectiveness

With the RFI searching for cost-effective ways to provide service delivery, it is important to remain a champion for quality treatment.

- Recommendation: We must not lose sight of the need to maintain and develop further clinicians and professionals, without outsourcing to underqualified, less expensive options.

Payment Reform Not Addressing Provider Costs

In 2019, Residential Substance Use Treatment Providers transitioned to an episodic payment model. This model was designed to acknowledge client complexities, and resources required to provide appropriate care. After the 2019 calendar year, the Department of Vermont Health Access adjusted the reimbursement rates, to mirror the overall 2018 expense. This adjustment resulted in a 16% Medicaid reimbursement rate reduction for Recovery House, Inc. With the RFI focusing on cost-reduction, I fear that we will move further away from adequate reimbursement.

- Recommendation: With the rise in cost of living, and the current workforce development market, it is imperative that we focus on appropriate wages for those working in organizations that are not attached to larger medical institutions (offering historically higher wages). I believe this will help stabilize the workforce in the residential addiction treatment world.

Thank you.