

How to Design a Substance Use Disorder Treatment Center

Executive Summary

Look inside for:

- An overview of cross-continuum care models
- · Sample staffing ratios for treatment facilities
- Key considerations for and components of business planning



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Table of Contents

Executive Summary	4
Key Considerations	5
Opportunity Assessment	7
Service Provision	8
Staffing Structure	. 10
Overview of Key Business Plan Components	. 13
Appendix	.16

Executive Summary

Historically, treatment for substance use disorders (SUDs) has largely remained separate from traditional hospital and health system care delivery models. However, the separation of services has created significant barriers for patients to access appropriate and timely treatment.

According to the Substance Abuse and Mental Health Services Administration's national survey, 19 million Americans needed substance use treatment in 2016, but only 11% received it. In some areas, waiting lists for rehabilitation facilities exceed 100 days. As a result, many patients with SUDs get admitted or seek services in emergency departments, contributing to costly efficiency and management challenges.

The impact of substance use disorders on the health care system continues to increase. Between 2006 and 2013, rates of ED use for SUDs grew 37% and health care costs from alcohol, illicit drug, and prescription opioid abuse total approximately \$63 million each year. Providers must determine the best strategy to link care model resources and fill their community's pressing gaps.

This executive summary provides a framework for investing in treatment services to advance longitudinal management of patients suffering from SUDs. Download the report to get:

- An overview of cross-continuum care models
- · Sample staffing ratios for treatment facilities
- · Key considerations and components of business planning

Three Must Have Elements in Designing a SUD Treatment Facility

Address existing market gaps in care by offering services in which demand clearly exceeds supply.

In many markets, a large proportion of alcohol and drug-dependent individuals are not receiving treatment. Identifying which services have waitlists or are in high demand informs how providers can address gaps in care. Gaps in the SUD treatment facility market¹ can include residential services, intensive outpatient, opioid treatment, withdrawal management, support services, and transportation.

2 Partner with facilities that offer complementary services to ensure comprehensive portfolio of resources.

Ranging from outpatient to intensive outpatient to inpatient to residential, SUD treatment facility care models differentiate by service and resource investment intensity. Outpatient is the least resource intensive to create and maintain, while residential is the most intensive. Providers should develop a care model after accounting for available resources and demonstrated need in the market. After choosing the care model, providers should also look to partner with organizations that offer complementary services to connect patients with additional appropriate resources.

3 Construct a payment model that accommodates diverse payer mix.

Many non-health system SUD treatment facilities accept a variety of commercial insurers in addition to Medicaid, Medicare, and self-payers. Providers can seek to accommodate different payer types by communicating with patients about their insurance coverage, evaluating Medicaid reimbursement rates to substantiate pricing decisions, and increasing price transparency and/or considering a sliding-scale pricing model.

First Understand Your Market Gaps to Determine SUD¹ Treatment Investments

Then Design Care Model to Fill Most Pressing Service Gaps Where Demand Exceeds Community Capacity

Four Essential Components to Inform a Strategic Business Plan

OPPORTUNITY ASSESSMENT -



Target Demographic Analysis

Analyze patient demographics and assess gaps in care to differentiate offerings



Reimbursement Management

Align cost structure and services with reimbursement trends to ensure sustainable profitability ·CARE MODEL DESIGN-



Service Provision

Determine care model based on desired intensity level of patient care across different care settings and minimal overlap



Staff Structure

Develop a hiring plan that matches top-of-license staff to essential treatment roles

Needs Assessment a Key Starting Place to Surface Existing Market Resources

Due to Suboptimal Reimbursement, Service Mix Must Account for Anticipated Payment, Funding Sources

Conduct a Market Opportunity Assessment

1. Perform demographic analysis to identify most pressing service gaps and potential partners

What are gaps in SUD treatment options in your market?

- ☐ Determine the proportion of patients not receiving treatment
- ☐ Identify community hotspots of opioid and other prevalent specific substances (based on zip codes or counties)

How can your organization capitalize on treatment gaps?

- ☐ Provide or partner with facilities that offer residential, opioid treatment, withdrawal management, intensive outpatient, transportation, and recovery support services
- 2. Determine reimbursement strategy to maximize financial insurance support and accommodate demographic payer mix

What is the payer mix in your market?

- ☐ Identify which patient populations (defined by payer groups, e.g., Medicaid or self-pay) are most prevalent
- ☐ Determine of those payers, which insurance plans are required to cover SUD treatment

How should you accommodate different payer types?

- ☐ Communicate with patients about their insurance coverage
- ☐ Evaluate Medicaid rates to determine self-payer prices
- ☐ Provide self-pay patients cost for services information
- ☐ Offer transparent pricing or sliding-scale pricing

Design Your Care Model Approach Based to Fill Resource Gaps

3. Choose care model given varying levels of investment and service intensity, prioritizing offerings based on market need

What types of care models exist? What differentiates them?

- Four types of care models provide a range of services
- Outpatient is the least intensive in terms of services provided and resources required, while residential is the most intensive

What factors should be considered in determining the level of service intensity a patient needs?

A SUD treatment center must first assess patients' substance dependence acuity, and then factor in insurance, history, and home support

4. Outline staff structure to optimize service offerings and model cost-effectiveness

What types of staff provide care in each model? What are their roles and responsibilities?

- Staffing models comprise physicians, addiction counselors, care coordinators, non-physician specialists
- Titles, roles, and ratios differ by care model and services

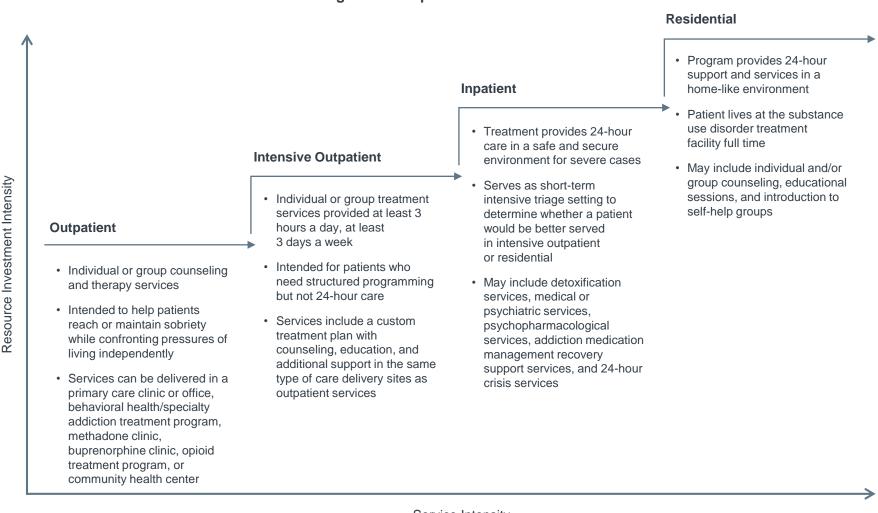
How should you develop a staffing model?

Providers must evaluate their current workforce and capacity and then use staffing model trends to establish clear roles, responsibilities, and ratios

Care Models Vary by Setting but Overlap in Provided Services

Tailor Intensity of Care to Target Patient Demographics and Resource Availability

Greater Investment Required When Offering More Comprehensive Services



Service Intensity

Source: Harding et al., "Guidance Document on Best Practices: Key Components for Delivering Community-Based Medication Assisted Treatment Services for Opioid Use Disorders in New Hampshire," NH Department of Health and Human Services, https://www.dhhs.nh.gov/dcbcs/bdas/documents/matguidancedoc.pdf, Market Innovation Center research and analysis; Population Health Advisor interviews and analysis:

Providers Can Triage Patients Based on Multitude of Factors

Patient Acuity Most Important Factor for Service Placement, Then Account for History and Support at Home

Factors and Considerations for Determining Service Intensity

	Outpatient	Intensive Outpatient	Inpatient	Residential
Acuity	Non-UrgentStable vital signsPatient motivated to manage own care	Less UrgentStable vital signsRequires custom treatment plan and intensive counseling	EmergentUnstable vital signsNeeds detox services and 24-hour monitoring	 Urgent Needs 24-hour care for extended time period Requires custom treatment Exhibits co-morbidities
Patient History	Not SignificantMinimal personal and familial drug historyNo co-morbidities	Significant • Some relapse and/or familial drug history • Comorbidities monitored	 Significant Irrelevant if patient is unstable Needs comorbidities to be evaluated 	Extensive Relapse history Presence of co-morbidities Family history
Home Support	Stable • Strong support system • Sober housing	Stable or Seeking Stability Sober housing or ability to move to sober housing	 Stable or Seeking Stability Irrelevant if patient is unstable Sober housing or ability to move to sober housing 	Unstable Lack of sober housing or requires separation from home life for treatment

Source: Population Health Advisor interviews and analysis; additional sources available in Appendix.

Four Essential Medical Staff Roles for SUD Treatment Facility

Roles, Responsibilities, and Ratios Differ by Care Model and Offerings

Medical Staff Types for SUD Treatment Facilities









Roles and Responsibilities

Physicians

- Set treatment plan and prescribes medication
- Collaborates with the care coordinators, addiction clinicians, and other staff
- Often serves as medical director

Common Titles

- Psychiatrist
- Internist
- · Addiction specialist
- · General practitioner

Utilization by Care Model

- Used most in inpatient and residential care models, where patients are most complex
- Sometimes omitted from outpatient programs

Sample Ratio: 18-Bed Inpatient Dual Diagnosis Unit 1 psychiatrist for every 10-15 patients

Addiction Counselors

Conduct counseling services for individuals, groups, and couples

- Licensed alcohol and drug counselor (LADC)
- Master level license alcohol and drug counselor (MLADC)
- · Clinical social worker

Used most in intensive outpatient and residential care models, where patients are undergoing more counseling

1 clinical social worker for every 8-9 patients

Expanded Care Team

- Provide specific support services that require specialized training
- Dependent upon what services SUD treatment facility offers
- Addictionist
- · Specialized therapist
- Behavioral technician
- Acupuncturist
- Chiropractor
- Depends on services offered in the care model
- Used most when SUD treatment facility offers multiple specialized services

1 behavioral technician for every 8 patients

Care Coordinators

- · Coordinate induction
- Administer screens and results
- Assist patients with accessing social services
- Social worker
- Care manager
- Medical assistant
- · Physician's assistant
- · Registered nurse

Depends on how facility uses care coordinators

1 nurse for every 8 patients

Source: Harding et al., "Guidance Document on Best Practices: Key Components for Delivering Community-Based Medication Assisted Treatment Services for Opioid Use Disorders in New Hampshire," NH Department of Health and Human Services, https://www.dhhs.nh.gov/docbs/bdas/documents/matguidancedoc.pdf (Market Innovation Center research and analysis; Population Health Advisor interviews and analysis.

Consider MAT¹ Program to Alleviate Prevalent Opioid Use Disorders

Establish Coordination Policies Across Team and Relationships with ED to Ensure Efficient Care Delivery

Key Steps in Building MAT Program

Recruit and Integrate Care Team

- Hire essential care team: physicians, care coordinators, addiction counselors, and additional medical professionals to effectively treat and manage patients
- Decide how care team will coordinate and communicate treatment plan to each other and to patients

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Collaborate with Emergency Department

- Establish a relationship with ED leadership to ensure smooth referral process
- Communicate with ED staff about the importance of introducing medication, such as buprenorphine or methadone, to ease the withdrawal process



- Determine how psychosocial services will be delivered and frequency of services
- Identify reimbursement strategy
- Consider a urine drug testing policy if patients are seen in outpatient setting



Medication Assisted Treatment

- Medication Assisted Treatment (MAT): evidence-based treatment that combines behavioral therapy and medications to treat SUDs, such as Opioid Use Disorders (OUDs) and alcohol use disorder
- · Can be delivered in all care settings
- Linked to positive outcomes including increased retention in treatment, reduced medical and SUD treatment costs, reduced opioid overdose, increased abstinence from opioids, and decreased mortality rate



For more information on Medication Assisted Treatment as well as a framework for crafting a comprehensive opioid response strategy, check out our **Confronting the Opioid Epidemic** research report.

Collaborative Staffing Model Increases Patient Retention

Nurse Care Manager (NCM) Serves as Point Person for Patients Throughout Intake, Treatment, Support

NCM at Center of MAT Care





Intak

Responsible for initial assessment of patient's medical, social, and psychiatric history



Care Plan Liaison

Serves as liaison between the patient and physician and ensures patient understands treatment plan



Clinical Maintenance

Handles urine toxicology screenings and verifies behavioral health counseling



Ongoing Support

Provides support and education to patient through weekly appointments, telephone check-ins



Case in Brief: Boston Medical Center

- 496-bed academic medical center, part of Partners HealthCare
- Developed MAT program that relies heavily on NCMs to improve patient access and allow physicians to focus on managing the complexities of SUDs while the NCMs handle day-to-day care management
- NCMs conduct the initial patient assessment, support and educate the patient throughout the treatment process, and serve as a liaison between the patient and physician
- With the help of an assistant, each NCM supports 125 patients, which is over three times the number of cases necessary to fund an NCM position
- Results: Increase from 32% in 2010 to 67% in 2013 in patients treated for at least 12 months (the minimum length of time indicating a greater likelihood of future drug abuse abstinence)

Key Business Plan Components First, Make the Case for Care Model Selection and Outline Financial Implications



Executive Summary

Services & Vision



Market Analysis



4 Business Model

Outline key components of business plan to emphasize how treatment facility will function and what it will aim to achieve

Analyze potential rehabilitation service and treatment offerings. Services chosen should reflect demonstrated market demand: mission statement should outline treatment facility's driving vision of how to provide patient care

Use market analyses to outline key characteristics of the treatment facility market; emphasize how treatment facility will satisfy existing needs in current market

Estimate operational costs and revenue from the treatment facility

Outline substance abuse care gaps and growing demand for treatment in target market to appeal to potential stakeholders. Other potential elements to emphasize include the treatment facility's mission statement, primary services offered, and market analysis summary

Potential services include Medication Assisted Treatment, withdrawal support, and complementary transportation; such services may reflect a vision of providing holistic, coordinated care to achieve more effective. long-term results

Potential market factors to highlight include addiction rates, treatment services in demand, existence of competition, and wait times at other treatment facilities

Determinations to consider include initial start-up costs, operational costs, patient capacity and demand, services and treatments offered, employee salaries, staffing structure, reimbursement rates, desired versus actual payer mix, and potential grants and external funding sources

Applications

Guidelines

Source: "Free Drug Rehab Center Business Plan," The Finance Resource http://www.thefinanceresource.com/free business plans/free drug rehab center business plan.aspx; Crane M, "Ten Things Every Good Business Plan Must Have," Forbes, http://www.forbes.com/2007/05/09/palo-alto-software-ent-manage-cx_mc_0509businessplan.html; "Write Your Business Plan," SBA, https://www.sba.gov/starting-business/write-your-business-plan; Population Health Advisor interviews and analysis.

A Diversity of Revenue Streams Enables Expanded Care Coverage Regardless of Payer Mix



5 Staffing Structure

6 Financial Projections



7 Strategic Marketing Plan



8 Appendix

Decide which staff types are essential to achieving SUD treatment facility's goals; clearly define staff types' roles and responsibilities Employ financial analyses of treatment facility industry and market to determine growth projections for the next three to five years Determine how the treatment facility will enter the market, differentiate itself from other providers, and attract new patients Use the appendix to include any additional relevant documents to bolster the strength of the business plan

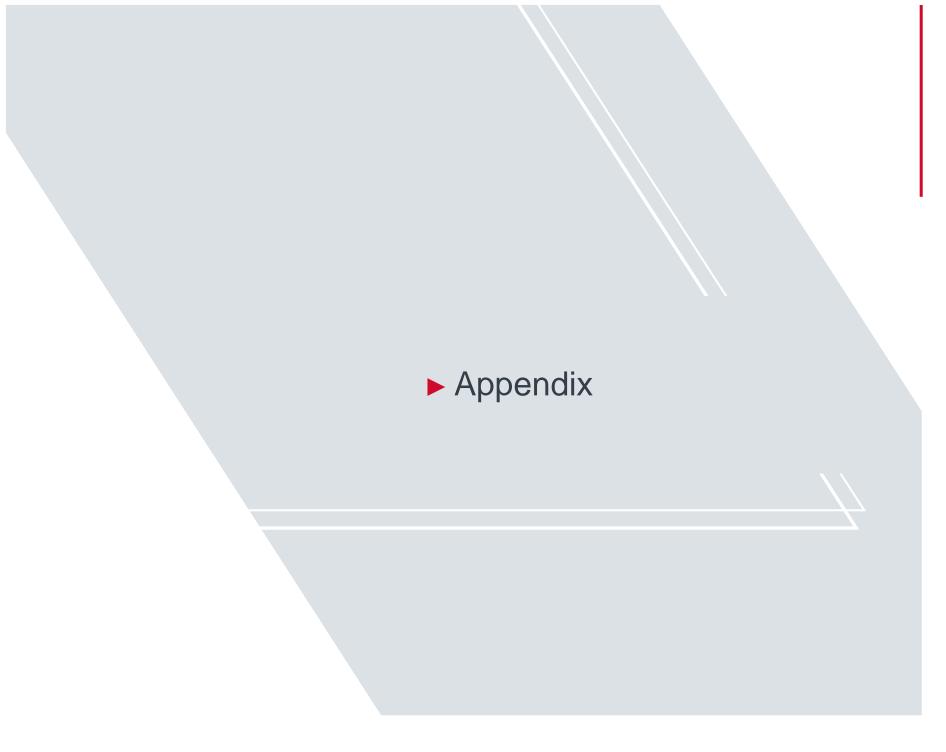
Estimate the number of addiction counselors, prescribing physicians, care coordinators, and extended care team necessary for intended care model and services

Include projected data to convey the short- and long-term feasibility of the treatment facility; financial projections can be communicated through balance sheets by analyzing how the business model will stand up to current and projected market demand

Possible strategies include partnering with local health systems or social services and engaging in commercial campaigns The appendix often includes resumes, accreditations, permits, and additional reading for potential stakeholders

Applications

Guidelines



Sources

Section	Source
Executive Summary	□ Park-Lee E, et al., "Receipt of Services for Substance Use and Mental Health Issues among Adults: Results from the 2016 National Survey on Drug Use and Health," SAMHSA, https://www.samhsa.gov/data/sites/default/files/NSDUH-DR-FFR2-2016/NSDUH-DR-FFR2-2016.pdf □ Weiss AJ, et al., "Trends in Emergency Department Visits Involving Mental and Substance Use Disorders, 2006-2013," Healthcare Cost and Utilization Agency, <a &="" <a="" abuse,="" drug="" href="https://www.drugabuse.gov/related-topics/trends-statistics" institute="" national="" on="" statistics,"="" trends="">https://www.drugabuse.gov/related-topics/trends-statistics □ Elkins C, "Addicts Grow Frustrated by Wait Times for Addiction Treatment," Drug Rehab, https://www.drugrehab.com/2016/01/20/addicts-grow-frustrated-wait-addiction-treatment/
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Care Models	 "Treatments for Substance Use Disorders," SAMHSA, http://www.samhsa.gov/treatment/substance-use-disorders. Harding et al., "Guidance Document on Best Practices: Key Components for Delivering Community-Based Medication Assisted Treatment Services for Opioid Use Disorders in New Hampshire," NH Department of Health and Human Services, http://www.dhhs.nh.gov/dcbcs/bdas/documents/matguidancedoc.pdf. Confronting the Opioid Epidemic: https://www.advisory.com/research/health-care-advisory-board/research-reports/2018/confronting-the-opioid-epidemic. Reducing Opioid Use and Misuse: https://www.advisory.com/research/pharmacy-executive-forum/research-reports/2017/reducing-opioid-misuse-abuse.

