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# CHAPTER 1

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## Background

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In 2002 the Wyoming Legislature enacted House Bill 59 (see Appendix A.1) in response to increasing awareness of the negative social impacts of substance abuse in communities. W.S. § 35-1-613(a)(viii) defines substance abuse as “the use, without compelling medical reason, of any substance which results in psychological or physiological dependency as a function of continued use in such a manner as to induce mental, emotional or physical impairment or to cause socially dysfunctional behavior.” Implementation of the law is ongoing and is funded each biennium within the standard budget process, although the effort is still referenced, tracked, and reported on as “HB 59.”

***HB 59 envisioned a coordinated state response to substance abuse.***

HB 59’s goal was broad, to implement a “comprehensive, integrated substance abuse control plan” that would confront the state’s substance abuse-related problems. It assigned various levels of administrative responsibility to five departments of state government, tasking them with coordination and cooperation. Its provisions also impacted other agencies affected by substance abuse, such as local law enforcement, the judiciary, and employment.

### **Department of Health is required to report and monitor progress under the law**

***WDH received most of the funding and was to lead HB 59 implementation.***

HB 59 gave primary responsibility to monitor and report on the implementation of a substance abuse control plan (comprehensive plan) to the Wyoming Department of Health (WDH). The five departments required to consult on the plan’s implementation are: WDH and the Departments of Corrections (DOC), Family Services (DFS), Workforce Services (DWS), and Education (WDE). Three of the five (WDH, DOC, and DFS) continue to receive appropriations begun under the law.

Although WDH received the largest portion of the bill’s appropriations, HB 59 also directed funding toward

**Figures 1.1 through 1.3 House Bill 59 statutory requirements, appropriations, and authorized positions (FY '03 - '04)**

**Figure 1.1** HB 59 statutory requirements<sup>1</sup> and current status of implementation

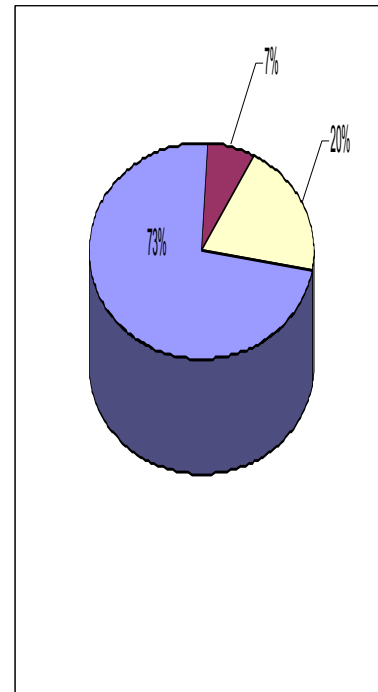
HB 59 Requirements by Department		Completed
WDH	Staff additions effective 7/1/02	6
	Authorized studies	
	Adolescent Substance Abuse Treatment (Due 9/1/03)	2005
	Children of Incarcerated Parents (Due 7/1/05)	Ongoing
	Offender Re-entry (Due 7/1/05)	2005
	Establish standards for substance abuse services by 7/1/03	2003
	Establish provider certification standards by 7/1/03	2003
	Establish a drug court account	Ongoing
	Alcohol compliance checks for sales to minors	Ongoing
	Support alcohol, tobacco prevention and cessation	Ongoing
	Annual Report (Due 10/1 annually)	10/1/2005
	No state funds to non-certified providers effective 7/1/04	Ongoing
	Grants assistance pilot program	Unclear <sup>2</sup>
	Professional assistance and licensure boards	Ongoing
Contract for compliance Q/A services	Ongoing	
DOC	Staff additions (4 for FY '03 and 10 for FY '04)	14
	Develop standards for secure treatment by 12/31/02	2003
	Contract for 100-bed treatment facility by 7/1/03	2005
	Implement Addicted Offender Accountability Act effective 7/1/03	(MOU) 2005
DFS	Staff additions (10 for FY '03 and 10 for FY '04)	20

<sup>1</sup> Unless otherwise noted, the law was effective immediately upon passage (3/14/02). HB 59 gave other state agencies responsibilities as well. The Departments of Workforce Services and Education are to coordinate the tasks of the bill. Education is to continue its drug, alcohol, and tobacco prevention programs. The Department of Employment is allowed to discount employer insurance rates to businesses that demonstrated they were "drug-free" workplaces. Finally, the judiciary is affected by statutory amendments to Title XIV (Children) and creating the Addicted Offender Accountability Act (AOAA) which provides optional sentencing guidelines to divert individuals into treatment when substance abuse is a factor.

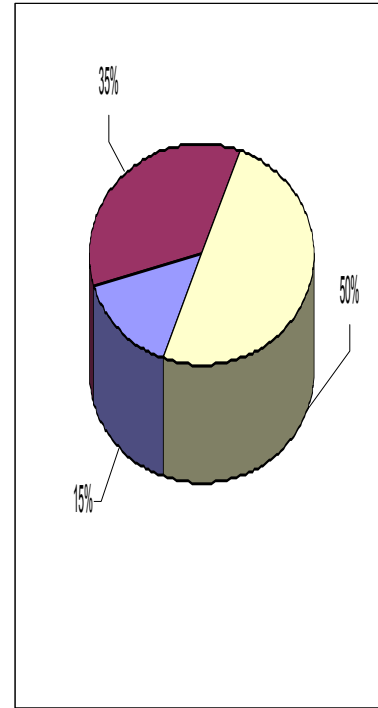
<sup>2</sup> Though Division staff indicated they still manage this component, statutory authorization was repealed effective July 1, 2004.

Source: LSO Analysis of Departments' data

**Figure 1.2** Percent of HB 59 appropriations to WDH, DOC, and DFS



**Figure 1.3** Percent of positions allocated to WDH, DOC, and DFS



Source: 2002 Laws, Ch. 81

implementation of the Addicted Offender Accountability Act (AOAA), which is now managed through DOC and provides substance abuse assessments to individuals with crimes related to substance abuse. It authorized additional positions in DFS for intensive supervised probation of juvenile offenders. Figures 1.1 through 1.3 show the primary requirements of HB 59 and their current status, as well as the original appropriations and positions authorized for the three departments that have principal responsibility under the law.

### **Substance Abuse Division carries out HB 59 and other responsibilities**

***HB 59 funds and personnel supplement pre-existing agency programs.***

Organizationally, WDH has delegated its responsibilities under HB 59 to the division level, in this case the Substance Abuse Division (the Division). In addition to running the state's day-to-day substance abuse operations, the Division tracks and reports on all facets of HB 59 implementation. Its mission is "to be a leader in providing high quality substance abuse services that anticipate and respond to the changing needs of persons served." Although HB 59 funds are budgeted separately, the Division expends them to supplement funding for pre-existing programs. Thus, HB 59 is one part of a larger effort to combat substance abuse, and this report examines administration of HB 59 within a broader context of state efforts.

The Division has been operating as a separate entity since April 2000 when WDH split Behavioral Health to create two new divisions: Mental Health and Substance Abuse. Its overall budget including HB 59 funding has increased by more than 400 percent in three biennia, from just over \$13 million for FY '01 - '02, to nearly \$55 million for FY '05 - '06. Figure 1.4 shows the Division's appropriations since its inception.

***State funds account for 84 percent of the Division's budget.***

The state relies on its own funds to provide substance abuse treatment and prevention more than it does on federal funds. State funds (General Funds and Tobacco Settlement Funds) constitute 84 percent of '05 - '06 funding and will increase further if requests for FY '07 - '08 are approved.

Figure 1.4

**Substance Abuse Division appropriations: HB 59 and other funds, FY '01 – '08<sup>1</sup>**

Fiscal Years	General and Other State Funds	Federal Funds	HB 59 Funds	Appropriations
FY '01 – '02	\$9,233,261	\$3,855,945	-----	\$13,089,206
FY '03 – '04	\$19,587,408	\$9,286,044	\$18,243,369	\$47,116,821
FY '05 – '06	\$27,884,666	\$8,581,168	\$18,267,521	\$54,733,355
FY '07 – '08	\$65,601,581	\$13,609,719	\$20,100,571	\$99,311,871
<b>Total FY '01 – '08</b>	<b>\$122,306,916</b>	<b>\$35,332,876</b>	<b>\$56,611,461</b>	<b>\$214,251,253</b>

Source: LSO analysis of WDH and Division information

<sup>1</sup> FY '07-'08 figures are prospective, representing the Governor's current budget request and the 2005 Select Committee (2005 Laws, Ch. 195) proposal.

### **Staffing challenges relate to rapid growth and high turnover**

Prior to 2000 and the split of the divisions, WDH had three substance abuse staff in the Behavioral Health Division. Primarily as a result of HB 59, the Division's staffing expanded rapidly, reaching a peak of 34 full-time equivalent positions (FTEs) in 2003. As of October 2005, it had 25 FTEs and one at-will employee contract position, all based out of the Cheyenne administrative office (see Appendix B for the Division's organizational chart).

### ***Due to staff turnover, the Division lacks institutional memory.***

The Division has experienced high turnover in its short history: It has had five administrators (four in the most recent 18 months, including a new administrator hired December 1, 2005). Of the current staff, only four have been with the Division since its inception. Staff indicated the challenge of keeping the Division fully staffed has hindered its ability to function effectively.

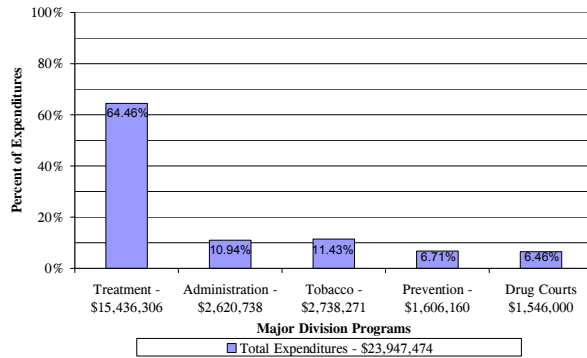
### ***The Division contracts with organizations that provide services to substance abusers.***

### **The Division contracts for most services**

The Division generally categorizes its duties by major functions: administrative operations, tobacco prevention/cessation programs, substance abuse prevention, treatment, and funding drug courts.

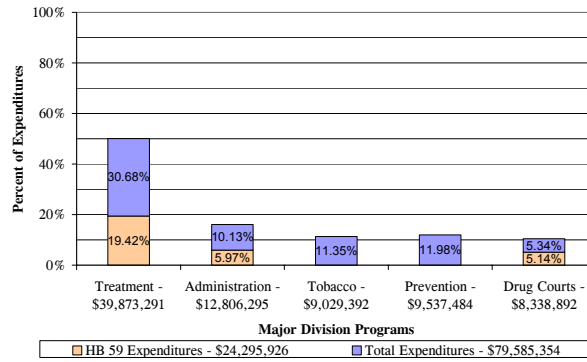
The Division does not provide direct services to substance abusers in fulfilling its mission, acting as a "pass-through" entity for state and federal funds. Figures 1.5 and 1.6 show the proportion of expenditures devoted to these functions for FY '01 – '02 (pre-HB 59) and for FY '03 – '05 (post-HB 59). The proportion of expended HB 59 funds is shown in Figure 1.6.

**Figure 1.5**  
**Percent of Division expenditures for its major functions, FY '01 – '02**



Source: LSO analysis of Division information

**Figure 1.6**  
**Percent of Division expenditures for its major functions, FY '03 – '05**



Source: LSO analysis of Division information

The Division’s HB 59 funds have supplemented funding for treatment, administration, and drug courts, programs which existed prior to the law’s passage. Overall, HB 59 expenditures represented 30.5 percent (\$24.3 million) of the Division’s FY ’03 – ’05 expenditures. Most of its programs employ contracts<sup>1</sup> with private for-profit and not-for-profit contractors to deliver a variety of professional and direct care services, including:

**HB 59 funds help the Division contract for a variety of services.**

- Administration
  - Research and professional/consulting services
  - Certification reviews and monitoring of community providers
- Treatment
  - Direct care services by community-based providers
  - Drug Courts
  - Access to Recovery program
- Prevention
  - Agreements with *local* agencies such as the Association of Wyoming Sheriffs and Chiefs of Police

<sup>1</sup> Division accounting categorizes all formal agreements as contracts including: contracts with service providers, individual award letters, contract amendments, RFPs, and MOUs.

- Agreements with *state* agencies such as WDE's Tobacco-Free Schools program and the biennial Youth Risk Behavior Survey

### **Direct care services are wide-ranging**

Certified substance abuse treatment services range from educational DUI programs to medically-supported residential treatment. The Division's rules set general requirements for the following services:

***The Division certifies many types of treatment services.***

- Assessment
- DUI/MIP
- Emergency assessment and referral services
- Outpatient
- Intensive outpatient
- Day treatment
- Social detoxification
- Residential treatment
- Medically monitored detoxification
- Transitional residential

### **Community providers form the base for expanding and regionalizing services**

***Statutes authorized community substance abuse services in 1979.***

Since passage of the Community Human Services Act in 1961, mental health and substance abuse centers have been the focus of state efforts to build a community and regional service infrastructure. The Act authorized community boards, in cooperation with other service providers and the state, to establish, develop, and maintain mental health services in communities across the state. The Health and Social Services Reorganization Act of 1979 extended these responsibilities to include substance abuse treatment. For more than 40 years, the state has funded these not-for-profit centers to coordinate mental health and substance abuse services in their regions, which are generally defined as counties. The centers are currently affiliated with the Wyoming Association of Mental Health and Substance Abuse Centers (WAMHSAC), formed in 1991.

**The Division certifies community mental health and substance abuse providers to serve clients**

***As of October 2005, the Division issued 90 certifications to providers.***

As required in HB 59, the Division developed substance abuse specific treatment standards under which it certifies providers. Providers must be certified in order to receive substance abuse funding from the Division and referrals from the court system to provide services. As of October 2005, the Division had issued 90 separate certifications to WAMHSAC and other providers offering substance abuse services (see Appendix C for additional information on individuals licensed by relevant state boards and certified by the Division).

***WAMHSAC providers have contracts for 68 percent of Division prevention and treatment funding.***

The 89 providers ranged from individuals in private practice to not-for-profit and for-profit multi-employee businesses. Examples include: one Veterans Administration Medical Center and two of its outpatient clinics; the Boys’ and Girls’ Schools; two drug courts; one of the state’s 23 hospitals; and eight juvenile residential treatment centers (also certified by DFS). Division-certified WAMHSAC providers account for the largest proportion of substance abuse prevention and treatment services directly funded by the Division. For the FY ’05 – ’06 biennium, these providers have contracts for 68 percent (\$23.4 million) of the Division’s direct care service funding.

**The scope of the state’s substance abuse problem is unknown**

***The Division estimates the number of clients its funded providers serve.***

According to providers and many professionals, there is substantial overlap in the mental health and substance abuse populations, and some individuals who are counted in one category belong in both. The Division’s most recent HB 59 annual report states it served about 10,800 clients in FY ’05, and its current budget request anticipates serving approximately 20,000 clients over the FY ’07 – ’08 biennium. These numbers are estimates since the Division’s data system, shared with the Mental Health Division, does not track individual clients (see Chapter 3 for discussion).

## State has long recognized the importance of coordinating substance abuse treatment

### ***The Governor's Advisory Board for substance abuse issues was formed in 1987.***

In recent decades there have been several significant milestones in the effort to develop a comprehensive substance abuse system. In 1987, the Governor issued an executive order establishing a Statewide Drug Policy Board to facilitate coordination among drug enforcement, education, prevention, and treatment agencies. In 2002, another executive order renamed this board the Governor's Substance Abuse and Violent Crime Advisory Board (Governor's Board) and "designated and directed [the Division] to coordinate and support activities of the Board," in essence requiring the Division to serve as the Board's staff (see Appendix D for Executive Order 2005-1).

### ***Significant state funding to combat substance abuse began with the 1997 Methamphetamine Initiative.***

Further, in the early 1990s, changes in federal policy and funding practices began focusing the nation's attention on substance abuse issues and treatment needs. Later in the decade an extensive three-year, eight-study effort was funded by the federal government to determine the extent of Wyoming's substance abuse problems. The studies concluded the impact of substance abuse in Wyoming was severe; they also provided estimates of the state's substance abusing population. Subsequently the state's commitment to fighting substance abuse intensified and in 1997, Wyoming legislators embarked on the first Methamphetamine Initiative, requesting a plan to combat meth abuse. In 1998 and 1999, the Legislature funded the initiative with \$8.4 million and gave it extensive leadership and direction by the Governor's Board (see Appendix E for a timeline of significant events in the formation of the state's substance abuse system).

## Fighting substance abuse has been one of the Legislature's top priorities

### ***The Legislature intended HB 83 and related efforts to be efficiently managed.***

Increased awareness and a sense of urgency finally led to the 2001 enactment of HB 83 (see Appendix A.2), which authorized WDH to create a substance abuse control plan to guide administrative and service development in the state. The law emphasized "...decreas[ing] the potential overlapping of these services while maintaining a collaborative effort among state and local



governmental entities and other organizations to assure maximum leveraging of resources, including people and money.”

The 2001 report that came out of HB 83 was titled “Reclaiming Wyoming: A Comprehensive Blueprint for Prevention, Early Intervention, and Treatment of Substance Abuse” (*Blueprint*). A vision document with plan elements and recommendations, the *Blueprint* accomplished several purposes; it:

***The 2001 Blueprint confirmed the need for a multi-agency approach.***

- Confirmed the state had a substance abuse problem
- Identified a number of structural and administrative problems that needed to be addressed
- Proposed a vision of a comprehensive continuum of care built around the community mental health and substance abuse boards (Comprehensive Substance Abuse Communities, CSACs)

Several of its recommendations addressed issues beyond the scope of Department of Health or Substance Abuse Division operations. For example, one recommendation from the *Blueprint* that was incorporated into HB 59 introduced new sentencing procedures for the judiciary and is known as the Addicted Offender Accountability Act.

**State efforts continued in 2005**

In addition to enacting HB 83 (2001), which led directly to the passage of HB 59 (2002) and to appropriating biennial funding to HB 59 efforts, the Legislature has continued to increase funding of substance abuse services driven by an emphasis on methamphetamine abuse. In 2005, it enacted two major bills: HB 275, the Methamphetamine Planning Study, authorized creation of another guiding document to combat meth use and related problems; and HB 308, the second bill titled “Methamphetamine Initiative,” appropriated supplemental prevention and treatment funding to be disbursed by the Governor’s Board.

***The Select Committee will sponsor several***

***sponsor several bills in the 2006 Session to expand services.***

The Legislature also authorized a Select Committee on Mental Health and Substance Abuse Services during the 2005 interim to “study issues and propose legislation to provide more cost effective and accessible delivery of mental health and substance abuse services, including recommendations regarding a regional approach to providing those services.” The Select Committee has issued its final report and will sponsor several bills in the 2006 Session (see Appendix F for Committee findings and recommendations).

### **HB 59 comprises only one part of the state’s substance abuse efforts**

***HB 59 funding and personnel have yet to produce the Legislature’s desired system of care.***

HB 59 mandated a cross-agency approach to substance abuse prevention and treatment. Stakeholders maintain progress has been made in increasing capacity for treatment and the Division has accomplished some of the tasks of HB 59, such as completing two required studies, developing treatment and certification standards, and reducing alcohol sales to minors. However, the Division also has little information to show whether the state is closer meeting the Legislature’s goal of developing a “comprehensive, integrated” system of care.

The following chapters examine the operational context for HB 59, including how Division resources have been applied to reach the Legislature’s goal of a comprehensive and integrated plan. In Chapter 2, we identify duplicative substance abuse leadership responsibilities among three entities and describe how this dynamic has led to ineffective planning and coordination of agency efforts. Chapter 3 examines how the Division’s main accountability tool, contracting, needs improvements to ensure that providers are delivering necessary and effective services to clients.