

MAY 12, 2019

Governor's May Revision: Integrated Substance Use Disorder Treatment (ISUDT) Proposal



LEGISLATIVE ANALYST'S OFFICE

Overview of Governor's ISUDT Proposal

- **Total Funding of \$71 Million in 2019-20.** The May Revision proposes \$71 million from the General Fund and 280.2 positions (increasing to \$165 million annually and 431 positions by 2021-22) to implement an ISUDT program that would be operated by the California Department of Corrections and Rehabilitation (CDCR) and the federal Receiver for inmate medical care. According to the administration, the goals of this program are to treat substance use disorder as a chronic illness, reduce fatalities associated with it, and improve CDCR's rehabilitative environment.
- **Changes to Existing Programs (\$4 Million in 2019-20, Increasing to \$57 Million in 2020-21).** CDCR contracts for the provision of Substance Use Disorder Treatment (SUDT) and Cognitive Behavior Therapy (CBT) programs. (CBT programs focus on addressing certain needs that, if left unaddressed, can increase recidivism, such as anger management.) Under the Governor's proposal, requirements for SUDT and CBT contractors would be revised. For example, contractors would be required to employ staff with greater qualifications, increase their pay rates, and use specific evidenced-based curricula.
- **Establishes New Statewide Medication Assisted Treatment (MAT) Program (\$8 Million, Increasing to \$29 Million in 2021-22).** Under this program, individuals with alcohol use disorder and opioid use disorder would generally receive various medications designed to reduce the likelihood that they relapse while undergoing SUDT. The Receiver currently operates limited MAT pilot programs at three prisons.
- **Increases Medical and Corrections Staffing (\$59 Million).** The administration proposes to increase medical staff to implement the MAT program and screen inmates for substance use disorders, among other duties. Additional correctional staff is also proposed to escort inmates and provide security during programming.



Issues for Legislative Consideration

- **Large Scale Implementation of Untested Program.** While aspects of the proposed program are evidence-based, other aspects have not been evaluated. Furthermore, this particular combination of programs has not been tested to determine if it would be a cost-effective approach. As such, it is unclear how effective this program would be. This is particularly concerning given the scale of the proposal.
- **Cost Estimates Subject to Significant Uncertainty.** The estimates used to determine the level of resources for various aspects of the proposal are based on limited information, such as studies from other states, and are subject to error. For example, the proposal includes \$5 million to prescribe naloxone—a drug designed to reverse opioid overdoses—to over 25,000 offenders released from CDCR on an annual basis. However, the administration estimates that only 4,000 individuals are released each year with opioid use disorders.
- **Full Cost of Implementation Not Identified.** The administration indicates that it would take at least five years to fully implement the ISUDT program. However, it has only provided information on costs for the first three years of implementation. In addition, it is possible that additional infrastructure could be needed due to the large increases in staff, medication distribution, and SUDT and CBT programs.
- **Potential Implementation Challenges.** The Receiver has indicated that there are significant challenges in hiring and maintaining medical staff. Despite this, the proposal assumes the state would be able to fill 300 medical positions in three years. Moreover, it is unclear how effectively the proposal would link offenders to treatment upon release and whether there is sufficient treatment capacity in the community for these offenders. This is problematic because community treatment is a key component of effective SUDT as offenders are at significant risk of overdose during the first two weeks after release.



Issues for Legislative Consideration

(Continued)

- ***Limited Departmental Oversight of CBT Programs.*** A recent audit by the State Auditor found that CDCR's CBT programs lack sufficient oversight to ensure that contractors comply with best practices. While the department is currently developing oversight tools for existing CBT curricula, it is uncertain whether such tools would be applicable to the new curricula being proposed. In addition, the May Revision does not propose additional resources or changes to ensure sufficient oversight of the CBT programs proposed.



LAO Recommendation: Pilot ISUDT Program

- In view of our concerns, we recommend that the Legislature implement the Governor's ISUDT program on a pilot basis—rather than statewide—at the three facilities that are currently piloting MAT programs (the Substance Abuse Treatment Facility in Corcoran, the California Institution for Men in Chino, and the California Institution for Women in Corona).
- We also recommend that the pilot include oversight to ensure that contractors follow best practices and an independent evaluation by researchers to determine the effect of the program on substance use in prisons, inmate health, and offender outcomes upon reentry, including recidivism and overdose death.
- Based on the administration's estimates for a statewide program, we estimate that a pilot of this magnitude would cost less than \$10 million in 2019-20 and would be unlikely to exceed \$20 million at full implementation.
- Our recommended pilot would allow the Legislature to assess the effectiveness of the program and determine whether it should be implemented statewide. It would also allow the department to collect data to better determine the costs and resources necessary to expand the program to other facilities.
- To the extent the Legislature would like to implement a statewide ISUDT program, we recommend modifying the Governor's proposal to address some of our concerns. Such modifications include requiring (1) a more gradual implementation, (2) an annual progress report from CDCR and the Receiver on the program's implementation and costs, and (3) an independent evaluation once the program is fully implemented.

