



DSHS | Treatment Works! For ADATSA Clients

REPORT 4.67 | A Look at the Alcoholism and Drug Addiction Treatment and Support Act (ADATSA) Program



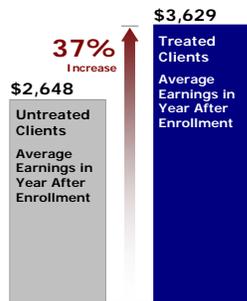
Earnings, criminal recidivism, and medical cost outcomes are better for ADATSA clients who receive alcohol or other drug treatment

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Earnings Increase

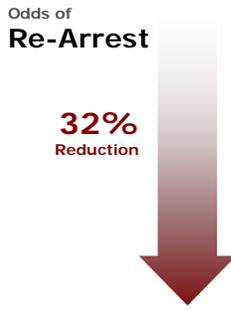


THE ALCOHOLISM AND DRUG ADDICTION TREATMENT AND SUPPORT ACT (ADATSA), passed by the Washington State Legislature in 1987, provided assessments, chemical dependency treatment, and financial support for indigent clients deemed unemployable due to alcohol or other drug (AOD) addiction. In this analysis, we identify differences in earnings, criminal justice outcomes, and medical costs for ADATSA clients who received AOD treatment compared to those who did not receive AOD treatment.

Key Findings

Caseloads and treatment intensity have increased, percentage treated is stable

Recidivism, less risk

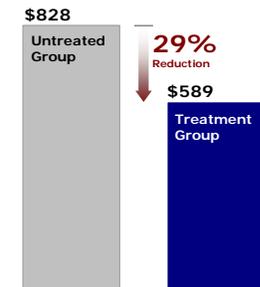


For the study period from FY 2002 through FY 2007:

- The total number of ADATSA clients has increased.
- The proportion of ADATSA clients receiving treatment has remained relatively consistent, with an average of 75 percent of ADATSA eligible clients receiving AOD treatment each year.
- Average dollars spent per client per year on AOD treatment for ADATSA clients receiving treatment has increased by 20 percent from FY 2002 to FY 2007.

Earnings, criminal recidivism, and medical cost outcomes are better for ADATSA clients who receive AOD treatment

Lower Medical Costs



- Average earnings were \$981 higher per client per year for treated ADATSA clients, compared to those who did not receive AOD treatment.
- Odds of re-arrest were estimated to be 32 percent lower for treated ADATSA clients, compared to those who did not receive AOD treatment.
- Among clients who went on to receive longer-term DSHS medical coverage, per member per month medical costs were \$239 lower for treated ADATSA clients, compared to those who did not receive AOD treatment. Despite these cost differences, the potential for medical cost savings *alone* to offset the costs of expanding ADATSA enrollment is limited because relatively few ADATSA clients transition to longer-term DSHS medical coverage.

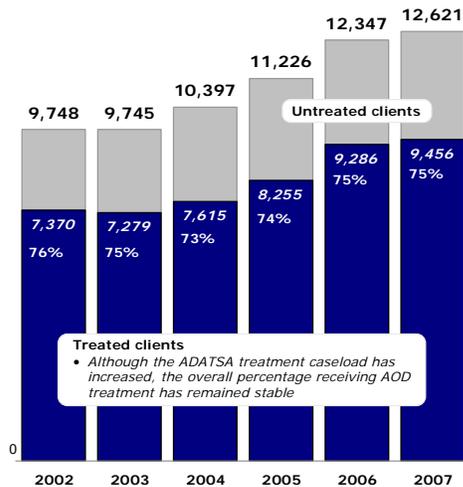
Copies of this paper are available from: <http://www1.dshs.wa.gov/RDA/> or <http://www1.dshs.wa.gov/dasa/> or through the Washington State Alcohol/Drug Clearinghouse by calling 1-800-662-9111 or 206-725-9696 (within Seattle or outside Washington State), by e-mailing clearinghouse@adhl.org, or from 6535 Fifth Place South, Seattle, Washington 98108.

Recent ADATSA Trends

There were 20,726 clients who were ADATSA eligible for at least one month during the period from FY 2002 to FY 2004. This report focuses on the subgroup of 18,895 clients who received some ADATSA funded AOD treatment (16,061) or were completely untreated (2,834) during the same time period. Clients were followed for up to 36 months following their index month, which was defined as their first month of ADATSA eligibility in the period from FY 2002 to FY 2004.

The ADATSA caseload has increased, but the trend may be slowing

Total ADATSA caseload
FY 2002 THROUGH FY 2007



Although the total number of ADATSA eligible clients has increased since FY 2002, the increases are most evident for FY 2004 to FY 2006, with 7 to 10 percent increases from prior years. The proportion of total ADATSA clients receiving treatment has remained relatively consistent, with 73 to 76 percent of ADATSA clients receiving AOD treatment in any given year. Those clients who received AOD treatment received it early in the coverage period. In fact, 90 percent of the treated ADATSA clients received AOD treatment within two months of ADATSA eligibility.

Caseload change from previous year
FY 2002 THROUGH FY 2007

Year	2003 from 2002	2004 from 2003	2005 from 2004	2006 from 2005	2007 from 2006
Change (%)	0%	7%	8%	10%	2%

SOURCE: DSHS|RDA Client Outcomes Database,

The average cost per client has increased by 20 percent

Among those treated, the average amount spent on AOD treatment per client increased by 20 percent between FY 2002 and FY 2007. Given the stability of the percentage treated, together with the fact that there has been relatively little change in AOD treatment reimbursement rates for most modalities, this suggests an increase in dosage or intensity for ADATSA clients receiving AOD treatment.

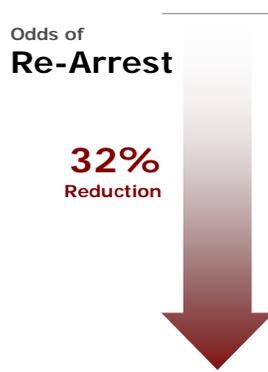
Cost per Treated Client
FY 2002 THROUGH FY 2007
Average per year



SOURCE: DSHS|RDA Client Outcomes Database,

Risk of Re-Arrest Is Lower

Criminal recidivism is lower for ADATSA clients who receive AOD treatment



About half of both the AOD treated (54 percent) and untreated (49 percent) ADATSA clients had at least one reported arrest in the year prior to the study period. A recidivism analysis was performed for ADATSA clients *who had arrests* in the year prior to the index month (n=10,086). Logistic regression results indicated that ADATSA clients with a prior arrest who received treatment were 32 percent less likely to be re-arrested in the year following the index month.

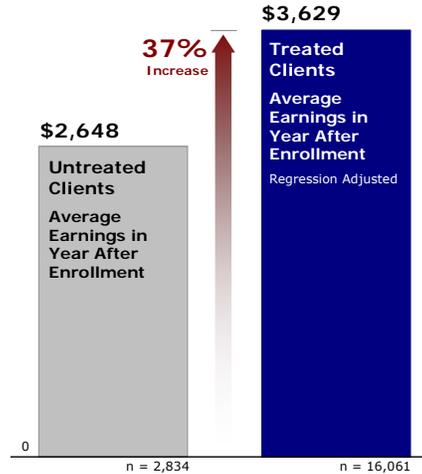
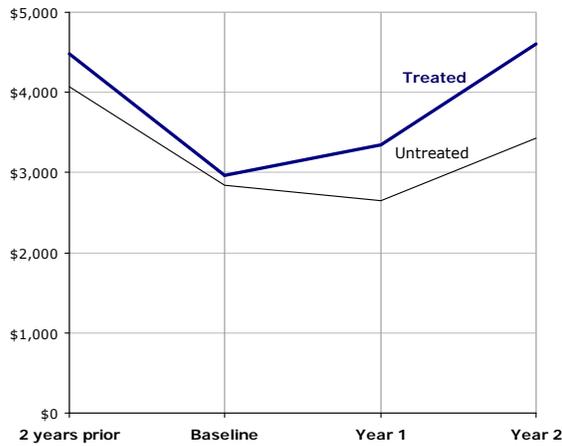
SOURCE: DSHS|RDA Client Outcomes Database.

Earnings Are Higher

Earnings are higher for ADATSA clients who receive AOD treatment

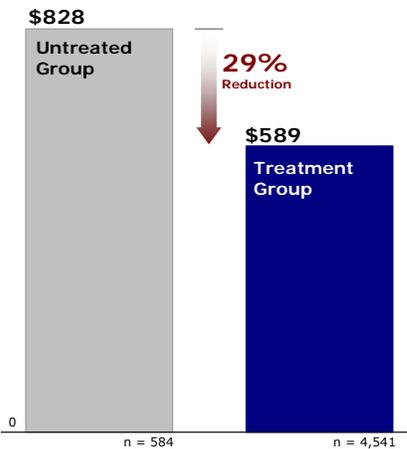
We analyzed Employment Security Department (ESD) Unemployment Insurance wage data, and found that earnings were \$981 higher in the year after enrolling in ADATSA for clients who received AOD treatment, compared to untreated ADATSA clients. This estimate is based on regression analysis that controlled for baseline earnings levels, client demographics, and health status (CDPS risk score). Just over half (55 percent of treated and 51 percent of untreated) of the ADATSA clients had reported employment at some point during the year prior to entering the ADATSA program. In the year after entering ADATSA, 51 percent of the treated clients and 39 percent of the untreated clients had earnings recorded in ESD wage data.

Annual Reported Earnings (unadjusted)



Medical Costs Are Lower

Medical costs are lower for ADATSA clients who receive AOD treatment

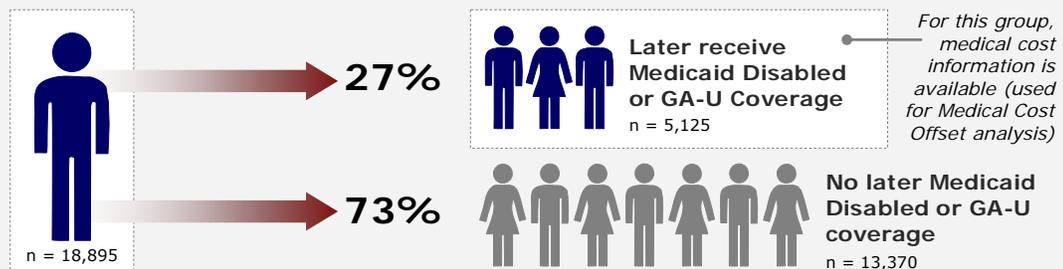


Medical cost information was analyzed for those ADATSA clients who were subsequently eligible for GA-U or Medicaid Disability coverage. For the total study pool of 18,895 ADATSA clients, cost data were available for 5,125 (27 percent). This included 28 percent of the treated clients and 21 percent of the untreated clients.

Based on a regression model controlling for demographics, medical risk (CDPS risk score), and months of eligibility, medical costs were \$239 lower per member per month for ADATSA clients receiving AOD treatment, compared to those who were untreated in the study period.

ADATSA

- Requires that an individual be disabled from employment due to an alcohol or drug disorder and unable to work for at least 90 days.



TECHNICAL NOTES

This report examines 18,895 clients who began a new spell of ADATSA coverage between July 2001 and June 2004. The index month is defined as the first month of ADATSA eligibility in this time period. Clients were separated into treated and untreated client groups. Treatment was defined as any episode of residential AOD treatment, outpatient AOD treatment (includes opiate substitution), or DASA-funded case management that occurred during the 36-month study period. ADATSA clients receiving treatment prior to FY 2002 were excluded from the analyses.

Study Period



Regression analyses controlled for many potentially confounding variables including demographics (see below); months of Medicaid Disabled, GA-U, or ADATSA coverage; and medical risk as measured by the Chronic Illness and Disability Payment System (CDPS) risk score. The statistical models varied across the three outcome areas in the following ways:

- For the medical cost analysis, treatment effects were estimated using fee-for-service medical costs incurred over the 36-month follow-up period after the index month. The analysis was restricted to clients who subsequently enrolled in GA-U or Medicaid Blind/Disabled coverage.
- For earnings, we analyzed the change in earnings from (a) the 4 quarters prior to the quarter including the index month, to (b) the 4 quarters after the quarter including the index month. Earnings 5 to 8 quarters prior to the "index quarter" were used as an additional regression control.
- The criminal recidivism analysis was restricted to clients who were arrested in the 12 months prior to index month. These analyses included a variable to control for differences in the number of arrests in the baseline year.

Data Sources

The following sources provided data to the RDA Client Outcomes Database and Client Services Database that were used for this study:

- DASA's TARGET data system provided data on DASA-funded AOD treatment services.
- The OFM Span eligibility file provided information on clients' medical coverage.
- Medicaid Management Information System (MMIS) fee-for-service paid claims provided medical cost data and information on AOD treatment services not captured in the TARGET system.
- Employment Security Department (ESD) Unemployment Insurance quarterly wage data provided earnings data.
- Washington State Patrol (WSP) data identified ADATSA clients who had been arrested. Local law enforcement agencies are generally required to report only felony and gross misdemeanor offenses into the WSP arrest database. Readers should keep in mind that this report somewhat understates the true volume of arrest events in the ADATSA population because our data exclude arrests for an unknown number of misdemeanor offenses that are not required to be reported.

DEMOGRAPHICS	ADATSA Clients n = 18,895		ADATSA Clients Arrested n = 10,086		ADATSA FFS* n = 5,125	
	Untreated n = 2,834	Treated n = 16,061	Untreated n = 1,380	Treated n = 8,706	Untreated n = 584	Treated n = 4,541
AGE DISTRIBUTION						
18 to 29 years	34%	32%	36%	34%	19%	19%
30 to 44 years	49%	51%	51%	52%	49%	54%
45 and over	17%	17%	13%	14%	32%	27%
GENDER						
Female	26%	33%	20%	30%	30%	37%
Male	74%	67%	80%	70%	70%	63%
RACE ETHNICITY						
Asian Pacific Islander	1%	1%	1%	1%	1%	1%
Black	11%	10%	13%	10%	15%	12%
Hispanic	6%	6%	6%	7%	5%	5%
American Indian	5%	7%	5%	7%	5%	6%
White (Non-Hispanic)	77%	76%	75%	75%	74%	76%
TOTAL	100%	100%	100%	100%	100%	100%

*Represents ADATSA clients who later went on to become GA-Unemployable or Medicaid Disabled clients and received fee-for-service medical coverage. This is the subset of clients for whom information is available for medical cost comparisons (see page 3).