
Performance Based Contracts Connecting Funding To Performance

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Introduction

- ◆ Overview of:
 - State of Delaware
 - SSA
 - Publicly Funded AOD Treatment System
 - Use of ASI and ASAM PPC's



Basic Principles

- ◆ Length of time in treatment is associated with successful outcomes.
- ◆ Dosage makes a difference.
- ◆ Evidence based techniques and strategies produce better results.

If these are in place, successful outcomes will follow.

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Basic Principles

- ◆ Use contracts and \$\$ to reward performance and penalize underachievement.
- ◆ Goals:
 - improve performance
 - continually attend to performance
 - improve outcomes

What To Reward?

1. **Engagement/Utilization** – clients must be admitted to the program and have at least one face-to-face contact within the month.
2. **Active Participation** – clients must attend a minimum number of treatment sessions within the month – varies according to stage of treatment.
3. **Program Completion** – participation, abstinence and achievement of treatment plan goals.

Rewards/Penalties

- 1. Engagement/Utilization:** 90% utilization = 100% payment of contract amount; lesser utilization % results in deductions from payment amount.
- 2. Active Participation:** additional payment for each target that is met (not to exceed 5%).
- 3. Graduation:** incentive payment for each graduation (up to contract limit for this incentive).

Process

- ◆ SSA Procurement Procedures
- ◆ Request For Proposals
- ◆ Core Program Elements
- ◆ Use of EBPs
- ◆ Negotiation
 - Capacity
 - Salaries
 - Coverage areas

Program Overview – Core Elements

1. Outreach and Community Education
2. Telephone and Walk-In Information
3. Screening and Assessment
4. Counseling and Therapy
5. Infectious Disease
6. Dual Diagnosis Capable
7. Case Management

(more)

Program Overview – Core Elements

8. Urinalysis
9. Urine Monitoring Only
10. Family Sessions
11. Criminal Justice Liaison
12. Spanish Speaking Clients
13. Gambling
14. Cultural and Gender Competence

Program Overview – Associated Services

1. Mental Health Services
2. Medical Services
3. Legal Services
4. Child Care Services
5. Other Services (e.g., transportation, housing, ed/voc ed, etc.)

(more)

Program Overview – Associated Services

6. Other Languages
7. Deaf and Hearing Impaired
8. Self Help Meetings

RFP Results

- ◆ Five agencies responded and received contracts
- ◆ Currently four agencies providing services at eleven sites
- ◆ Services delivered statewide

Payments

- ◆ Start-up period
- ◆ Paid 1/12 of contract for first 6 months
- ◆ Still completed the reimbursement spreadsheets
- ◆ Utilization rates started at 80 % then were increased to 90 %

Payments

- ◆ Utilization – Clients admitted to the program who have had at least one face-to face contact
- ◆ Agencies are eligible to receive 100 % of the monthly payment if their average daily census (utilization) is 90% of their capacity

Payments

◆ Active Participation

- Orientation – client must attend an minimum of 2 individual and /or group sessions each calendar week
- Treatment – client must attend a minimum of 4 individual and /or group sessions each calendar month
- Reintegration – client must attend a minimum of 2 individual and /or group session each calendar month

Payments

Orientation	1-30 days	50%
Treatment (Initial Phase)	31-90 days	60%
Treatment (Later Phase)	91-180 days	70%
Reintegration	180 + days	80 %



Results

- ◆ Between 2001 and 2006 the average capacity utilization increased from 54% to 95%
- ◆ Average rate for clients who met participation rates went from 53% to 70%

Observations & What We Have Learned

- ◆ Works well in small state w/ direct relationships with providers
- ◆ Providers were willing to help one another
- ◆ Experience helps with determining the appropriate levels for rewards and penalties
- ◆ Staff changes effect performance and reimbursement
- ◆ Providers prefer rewards over penalties
- ◆ Tendency to gravitate toward minimums
- ◆ Severe weather/program closings

Next Steps In DE

- ◆ Incorporating Advancing Recovery (AR) and Concurrent Recovery Monitoring (CRM) initiatives to continue to improve access and retention
- ◆ Add outcome measures (e.g., reductions in drug use and arrests, increased employment, etc.) that will be eventually be tied to payment.
- ◆ Expanded performance based contracting to residential and detoxification

Summary

- ◆ Performance base contracting is possible
- ◆ Determine what you performance you are seeking
- ◆ Determine what you will reward and penalize with supporting rationale
- ◆ Work in partnership with providers
- ◆ Stick to the concepts but be flexible as you learn what works best

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